



**CONTROLLED GROUP FORM - WISCONSIN**

For use when there are multiple owners of a company or when a parent-subsidary relationship exists. This form is used to verify ownership and help determine the market segment (large employer/small employer).

**Company A (New/renewing):** \_\_\_\_\_  
 Locations(s) City, State: \_\_\_\_\_  
 List Owners/Partnerships: \_\_\_\_\_ % ownership  
 (Must equal 100%) \_\_\_\_\_ % ownership  
 \_\_\_\_\_ % ownership  
 Total number of employees on payroll (include owners in count): \_\_\_\_\_

**Company B:** \_\_\_\_\_  
 Locations(s) City, State: \_\_\_\_\_  
 List Owners/Partnerships: \_\_\_\_\_ % ownership  
 (Must equal 100%) \_\_\_\_\_ % ownership  
 \_\_\_\_\_ % ownership  
 Total number of employees on payroll (include owners in count): \_\_\_\_\_

**Company C:** \_\_\_\_\_  
 Locations(s) City, State: \_\_\_\_\_  
 List Owners/Partnerships: \_\_\_\_\_ % ownership  
 (Must equal 100%) \_\_\_\_\_ % ownership  
 \_\_\_\_\_ % ownership  
 Total number of employees on payroll (include owners in count): \_\_\_\_\_

If there are additional companies, include information on an additional form.

1. Are the companies listed above considered Affiliated Service Groups?  YES  NO
2. Is this a family owned business?  YES  NO  
 If yes, does the Attribution Rule apply?  YES  NO
3. Do Organizational Attribution Rules apply?  YES  NO
4. Are employees shared between companies?  YES  NO
5. Where is the main location of operations? (City, State) \_\_\_\_\_
6. Where is the CEO located? (City, State) \_\_\_\_\_
7. What is the name of the umbrella company? (if applicable) \_\_\_\_\_
8. What is the date the company became a controlled group? \_\_\_\_\_
9. According to IRS section 414, the related companies are:
  - Considered to be a single employer and
    - choose to be combined under one insurance plan
    - choose NOT to be combined under one insurance plan
  - NOT considered to be a single employer and should not combined under one insurance plan

As an  Officer of Company,  CPA for Company,  Legal Counsel for Company, I certify the information provided above is complete and accurate. I have conducted reasonable diligence in obtaining the necessary information.

\_\_\_\_\_  
 Printed Name Title Signature Date

**In some situations, HealthPartners may require additional information or CPA or Legal Counsel signature to certify the information provided. HealthPartners reserves the right to re-evaluate the rate, the issuance of a proposal, and/or take other appropriate action, should the information be found to be different than stated above.**



### **Definitions of the most common types of Controlled Groups:**

Under section 414 of the Federal Internal Revenue Code a group of companies are considered a single employer for purposes of determining the number of current employees and may, under certain circumstances, be able to be insured together.

The most common types of controlled group entities are listed below. The following definitions are taken from IRS section 414 and section 1563. For Partnerships, Limited Liability Corporations or Limited Liability Partnerships where there is no stock ownership but Partnership interest, follow the Brother-Sister controlled group definition for applicable percentages of ownership.

**Parent-Subsidiary Controlled Group** – Means one or more chains of corporations connected through stock ownership with a common parent corporation if:

- a) Stock possessing at least 80% of the total combined voting power of all classes of stock entitled to vote are at least 80% of the total value of shares of all classes of stock of each of the corporations, except the common parent corporation is owned by one or more of the other corporations; and
- b) The common parent corporation owns stock possessing at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of share of all classes of stock of at least one of the other corporations, excluding, in computing such voting power or value, stock owned directly by such other corporations.

**Brother-Sister Controlled Group** – Means two or more corporations if the same five or fewer persons who are individuals, estates or trusts own stock possessing:

- a) At least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of shares of all classes of stock of each corporation; and
- b) More than 50% of the total combined voting power of all classes of stock entitled to vote or more than 50% of the total value of shares of all classes of stock of each corporation, taking into account the stock ownership of each such person only to the extent such stock ownership is identical with respect to each such corporation.

**Affiliated Service Groups** – An Affiliated Service Group is one type of group of related employers and refers to two or more organizations that have a service relationship and, in some cases, an ownership relationship, described in IRS section 414(m).

### **Family Attribution:**

- a) Brother-sister controlled groups
- b) The ownership interest of a spouse are attributed to their spouse UNLESS there is no direct ownership, or participation in the company and no more than 50% passive investments
- c) Additional criteria applied to parent/child and grandparent/child

### **Organizational Attribution:**

- a) Corporate Ownership based on voting stock or value of stock
- b) Partnership ownership – capital or profits