



## **Sharp Health Plan Underwriting Guidelines for 1099**

1099 Employees are not defined as an eligible employee and therefore not protected by AB1672; however, Sharp Health Plan will allow 1099 employees to enroll subject to the following guidelines:

- 1099 employees must appear on the prior carrier billing statement.
- An Employer may only add 1099 employees to their plan either at the initial enrollment or at renewal.
- 1099 employees must work full-time (minimum of 30 hours per week) on a year-round basis or 20 hours per week if the group covers part-time employees.
- There must be an affiliation between the employer and the employee long enough for a Federal Tax return to be filed.
- The employer must agree to contribute the same amount towards the premium as they would for an employee reported on a W-2.
- The employer must agree to offer coverage to all future 1099 employees.
- No more than 25% of the group may be 1099 employees.
- The 1099 employee verification form must be completed and submitted along with the following documentation:
  - Letter from the employer requesting to cover 1099 employees.
  - Copies of the Form 1040 Schedule C and Form 1099 Miscellaneous for the prior year.