BlueCross BlueShield of Vermont

An Independent Licensee of the Blue Cross and Blue Shield Association.

Average Employee Count Calculation

In order to comply with federal regulations such as Medicare Secondary Payer Rules and Medical Loss Ratio, we need an accurate count of the number of employees you had in the previous calendar year. Employees do not need to be eligible for insurance coverage to be counted.

For Medicare Secondary Payer rules, we need a calculation of the number of full-time and part-time employees you had for 20 or more weeks in the previous calendar year.

For Medical Loss Ratio employee count, we need the average number per month of W-2 employees including full time, part time and seasonal in the previous calendar year.

Employers who were not in existence during the previous calendar year should submit the average number of employees anticipated during the current calendar year.

What does employee count mean?
- The average number of W-2 employees in the previous calendar year.   This average number will be used to determine your group size for current calendar year medical loss ratio purposes
- Does not include "1099" contractor employees
- Does not include retirees
- Includes all employees of commonly controlled companies, as defined by the IRS.
  Contact your tax advisor if a definition of a commonly controlled company is required.

Example group calculation
- Calculate the average number of full-time, part-time and seasonal employees per calendar year.
- Each employee is counted equally regardless of hours worked.
  Example: A part-time employee who works 20 hours a week is counted as one.

Example	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Average
Full-time employees	40	41	41	39	42	42	41	42	40	39	41	40	488	
Part-time employees	5	5	5	4	4	5	5	6	6	4	5	5	59	
Seasonal employees	0	0	0	0	0	12	12	12	0	0	0	0	36	
Total	45	46	46	43	46	59	58	60	46	43	46	45	583	48.58

Use the grid below to help you calculate your average employees. **Complete all fields**, use a zero if not applicable. Total your full-time, part-time and seasonal employees for the year and divide by the number of months.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Average
Full-time employees														
Part-time employees														
Seasonal employees														
Total														

Is the employer group part of a church or non-federal government plan?   Yes ☐   No ☐

I attest that this information is true and accurate. If form is submitted online: Both parties agree to conduct this transaction electronically. Your typed name below serves as your electronic signature.

Average number of W-2 employees in previous year:	

Group number

Group name

Group representative signature

Group representative name

Date (mm/dd/yyyy)