Agenda

• Introduction and Objectives
• Overview of the SHOP Marketplace and Small Business Health Care Tax Credit
• Additional Resources
• Question and Answer Session
Session Guidelines

• This is a 60-minute webinar session.
• Questions will be taken at the end of the presentation.
• For questions regarding logistics, contact the REGTAP Registrar at registrar@REGTAP.info or (800) 257-9520.
Purpose

To provide Agents and Brokers an overview of the new application and enrollment process for the Federally-facilitated SHOP Marketplace.
Introduction and Objectives
What is the SHOP Marketplace?

SHOP = **Small Business Health Options Program**

- A new way for small employers to offer health insurance to their employees beginning in 2014
- Part of the new Health Insurance Marketplace established by the Affordable Care Act (ACA)
- Offers access to health insurance plans that must include certain “essential health benefits”
- Works with new insurance reforms and tax credits to lower barriers to offering health insurance that employers face
The Small Business Health Care Tax Credit is available to those employers:

- With fewer than 25 “full-time equivalent” employees
- Whose employees’ wages average less than $50,000 per year
- Who contribute at least 50% of employees’ premium costs
- Who buy health insurance through the SHOP only, starting in 2014

It is worth:

- Up to 35% of employer’s premium contribution (up to 25% for tax-exempt employers) now
- Up to 50% of employer’s premium contribution (up to 35% for tax exempt employers) starting in 2014
Who Can Use the SHOP Marketplace?

Small employers:
- With 50 or fewer full-time-equivalent employees in 2014
- Who offer coverage to all of their full-time employees
  - Generally those working 30 or more hours per week on average

Self-employed use Health Insurance Marketplace
Including:
- Sole proprietors and shareholders > 2% S corp. with no employees
- Their spouses
Using the SHOP Marketplace: When & How?

When can small employers enroll in SHOP coverage?

- Apply now
- Apply by December 23, for coverage that takes effect as early as January 1, 2014
- Apply anytime year-round for coverage that takes effect later

How can businesses enroll in SHOP coverage?

- In states using the Federally Facilitated SHOP
  - For 2014: “Direct Enrollment” using agent, broker or insurer
  - For 2015: enroll through agent, broker, insurer or SHOP online
- States running their own SHOP have their own enrollment processes
  - Agent, broker, HealthCare.gov or SHOP Employer Call Center can tell you which SHOP Marketplace you use
The Federally Facilitated SHOP: Direct Enrollment

Much like what many small employers do today

Work with an agent, broker or insurance company to:
- Learn about offerings
  - Can also use new tools on HealthCare.gov
- Select a plan
- Get a premium quote
- Have employees enroll
- Pay first month’s premium to the insurance company

No need to wait for SHOP eligibility notice before enrolling
SHOP Eligibility: What You Need to Know

- **What Eligibility means in the Federally Facilitated SHOP**
  - That the SHOP Marketplace has determined that you meet requirements to buy SHOP coverage

- **Required to claim Small Business Health Care Tax Credit**
  - Before filing your business tax returns for 2014 tax year
  - You must also meet all other requirements for the tax credit

- **Not required before “direct enrollment” in a SHOP plan**
  - May help you get benefits of coverage and tax credit sooner
  - If SHOP later finds you ineligible, you cannot claim tax credit but your insurance company is not required to end QHP/QDP coverage
SHOP Eligibility: How to Apply

Only the employer can apply

To apply to the Federally Facilitated SHOP Marketplace, you can:
• Ask an agent, broker or insurance company for help
• Get the application and instructions from HealthCare.gov
• When enrolling, make sure to emphasize enrollment in a SHOP QHP
• Apply by phone through the SHOP Employer Call Center

The SHOP Marketplace will notify employers:
• By phone and e-mail
• By regular mail on request
• In early December – if you applied in Oct-Nov
• Within 3-5 days of receipt– if you apply in December or later
How SHOP Works: Different Plan Options for Different Budgets

• The SHOP Marketplace offers choice
  o Of insurance companies, Qualified Health Plans and financial protection levels

• All health plans in the SHOP must offer “essential health benefits”
  o Items and services within 10 categories such as doctor visits, preventive care, hospitalization and Rx

• Plan choices are grouped by ‘metal level’: Bronze, Silver, Gold, Platinum
  o ‘Metal levels’ generally reflect the plan’s generosity in covering cost of benefits for an average enrollee

<table>
<thead>
<tr>
<th>Level</th>
<th>Plan Pays (on average)</th>
<th>Employee Pays (on average)</th>
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</thead>
<tbody>
<tr>
<td>Bronze</td>
<td>60 %</td>
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<tr>
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<td>70 %</td>
<td>30 %</td>
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<tr>
<td>Gold</td>
<td>80 %</td>
<td>20 %</td>
</tr>
<tr>
<td>Platinum</td>
<td>90 %</td>
<td>10 %</td>
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How SHOP Works: Moving Toward Employee Choice

A key goal of the SHOP: Options for small employers and their employees

- Such as offering employees a single plan or a choice of plans
- The SHOP in each State has some discretion over which options offered

In 2014:

- The Federally Facilitated SHOP Marketplace offers employer choice, but no employee choice option
- States running own SHOP can offer employee choice option -- many do

2015 and after:

- The SHOP in all states must offer small employers an employee choice option
- The SHOP can choose to make additional options available to employers
The Bottom Line

The SHOP helps small businesses by:

- Giving employers a choice of health insurance plans
- Providing comparisons between health plans
- Providing exclusive access to tax credits for many small employers

More features and options coming for 2015
Resources
Resources

**HealthCare.gov:**

**SHOP Employer Application:**

**Medicare Learning Network for SHOP Training and Agreement:**
https://marketplace.medicarelearningnetworklms.com

**CCIO Agent Broker Resource Page:**
http://www.cms.gov/ccio/programs-and-initiatives/health-insurance-marketplaces/a-b-resources.html
Questions?

To submit questions by webinar:

- *type your question in the text box under the ‘Q&A’ tab*
Closing Remarks