

MHBE Board Meeting

June 18, 2019

Summary of Proposed Small Business Health Options Program Regulations

Proposed SHOP Regulations Process

- The Maryland Health Benefit Exchange submitted the proposed regulations to AELR and incorporated comments received from the assigned Policy Analyst
- MHBE sent draft regulations to relevant stakeholders, and received written comments on the proposed regulations from stakeholders including:
 - The Board of Directors Policy Subcommittee
 - The Maryland Insurance Administration
 - CareFirst
 - Consumer Health First
- Comments were incorporated as appropriate, and reviewed by MHBE counsel for legal sufficiency

Proposed SHOP Regulations Summary

The proposed regulations will be promulgated as 14.35.18 Small Business Health Options Program, and include the following sections:

- Section .01 – Scope of Chapter 18
- Section .02 – Definitions
 - Outlines definitions that are specific to the SHOP
- Section .03 – Eligibility for SHOP Exchange
 - Outlines who is eligible for participation and the specific requirements employers must meet in order to participate in the SHOP

Proposed SHOP Regulations Summary

- Section .04 – Enrollment
 - Outlines enrollment requirements, open and special enrollment periods, payment of the first month's premium, and group instillation
- Section .05 – Termination, cancellation, and renewal
 - Outlines the conditions under which termination, cancellation, and renewal are permissible
- Section .06 – Coverage models
 - Outlines employer and employee choice coverage models

Proposed SHOP Regulations Summary

- Section .07 – Employer contribution
 - Outlines the requirements for employer contribution to employee health benefit plans
- Section .08 – Premium rating
 - Outlines the standards for premium rating and composite billing

Next Steps

- Earliest adoption date, 45 days post publication in the Register:
 - Current timeline is to publish in the Register for 30 days in mid July, for finalization in late August
- Submit formal Notice of Final Action to Division of State Documents for publication in the Maryland Register
- Effective date is 10 days after publication of the Final Action notice

Request for Approval

MHBE requests the Board's approval of the MHBE staff recommendation to submit the proposed regulations for the Small Business Health Options Program as presented to the relevant legislative committees and then submit them to the Maryland Register for publication