

Small Business Programs Advisory Committee (SBPAC)

Meeting 7: September 27, 2023

Maryland Open Meetings Act disclaimer: Meetings are recorded and posted on MHBE's website along with meeting minutes and presentation slides

Agenda

1:00 - 1:10

Welcome & Agenda

Jon Frank & Lane Levine, Co-chairs

1:10 - 1:30

Follow-Up Items

Jon Frank & Lane Levine, Co-chairs

1:30 - 2:15

Small Group Health Insurance Rate Insights

Brad Boban, Chief Actuary Maryland Insurance Administration

2:15 - 2:50

Discussion

2:50 - 3:00

Public Comment



Follow-Up Items

Follow-Up

- July and August meeting minutes were emailed to members on September 19, 2023.
- Welcome our new SBPAC members from Maryland's Small Business community.

Member	Affiliation	Member	Affiliation
Rob Cohen	Alliance Benefits, LLC	Vennard Wright	Wave Welcome
Michael Rachesky	United Healthcare	Rob Poli	BenefitMall
Alvin Helfenbein	Helfenbein Insurance Agency	Ainisa Broadway	Small Cakes Maryland, LLC
Jon Frank	Small Business Insurance Advisor (Co-chair)	Richard Hughen	Linshom Medical, Inc
Glenn Arrington	Group Benefit Strategies, LLC	Sandy Walters	Kelly Benefits
Mark Khatib	Employee Benefits Corporation of America	Cynthia Levitt	CareFirst BCBS
R. Nicole Sharp	Griffin Consulting Partners, LLC	Ileana Gonzales	AP Benefits dba IMC
Rick Weldon	Frederick County Chamber of Commerce	John Barker	Maryland Nonprofits
Lane Levine	A Friendly Bread (Co-chair)	Judith Walker	Nurse Lynx Inc
Brandon Burbage	Kaiser Permanente	Scott Brainard	Ecosse Salon
Daniel Koroma	MCG- Office of the County Executive		

Massachusetts Health Connector

- **Currently MA Health Connector for Business has:**
 - 1,087 (48%) one plan
 - 575 (25%) one carrier
 - 595 (26%) one level
- **From August 2022 to September 2023-** 2,263 new members entered coverage through Health Connector for Business, from 456 new business groups.
- **What's worked for the Health Connector:**
 - Restarted paid marketing of small group coverage;
 - Focused on the choice options which are unique to small businesses;
 - Promoted wellness rebate program, which delivers a 15 percent annual rebate to businesses;
 - Build relationships with the state's broker community.

A large, stylized green leaf graphic is positioned on the left side of the slide, partially overlapping the text. The leaf is composed of several rounded, overlapping segments, creating a sense of depth and movement. The background is a solid green color.

Small Group Health Insurance Rate Insights



2024 ACA
Individual Non-Medigap & Small Group Markets
Approved Health Insurance Premiums

Small Group ACA Rating

Wednesday, September 27, 2023

Presenter: Brad Boban, Chief Actuary

Small Group Pre-ACA

- Maryland Small Group Reform (MSGGR) had banned rating based on health status and made small group plans guarantee issue in the mid-90s
- So unlike the Individual market which changed from underwritten to guarantee issue with a large impact on rates, the implementation of ACA had minimal impact to small group.
- Biggest upward impacts were a) increased costs from removing annual/lifetime maxes b) increased costs from \$0 preventive and c) increased costs from EHBs like pediatric dental/vision.
- But morbidity improvements driven by the “age 26” rule that allowed dependents to remain in the small group pool until age 25 helped largely offset these extra costs.

ACA Rating Rules applicable to both Ind & SG

- Policies are guarantee issue and guaranteed renewable with no underwriting for health status permitted.
- Carrier must rate using a “Single Risk Pool” methodology. So plan-specific experience cannot be used to set rates; but rather the experience of all plans must be aggregated and the rates must be derived from that combined experience.
- There is a federal Risk Adjustment program to transfer money from carriers who attract low risk members to carriers who attract high risk members. In MD, in both markets, high risk members self-select into the PPO products so in general HMO carries pay PPO carriers.

ACA Rating Rules applicable to both Ind & SG

- Premiums may only vary by a) benefit design b) age c) geographic location d) family composition and e) tobacco usage status
- The age factors are set by the state (MD has opted for the default federal curve), and all carriers must use these same factors. The factors have a 3:1 ratio for age 65: age 21.
- There are four geographic regions determined by state. A carrier is not required to geo-rate, but must use one factor per geo region, and cannot subdivide differently.

ACA Rating Rules applicable to both Ind & SG

- The family rate for a multi-person policy is computed by summing the rates for each individual's age, with the exception that only the eldest three children under the age of 18 are included in the rate calculation.
- A tobacco surcharge of no more than 50% can be applied to tobacco users. The surcharge can only be applied to adults who are of legal age to use tobacco, and can be applied to adults who report using tobacco 4 or more times a week within the last 6 months.

ACA Rating Rules Unique to Small Group

- Small Group plan years can be non-calendar year. If a small group purchases a plan on 12/1, they keep the same benefits/rates for 12 months and do not have things reset on 1/1 like Individual.
- Small Group rates change on a quarterly basis. Carriers pre-file trend increases with their annual filing, so new groups buying 4Q of a year will pay more than 1Q.
- Small Group carriers that tobacco rate must waive the tobacco surcharge if a member participates in a tobacco cessation program.

General Rate Review Process

1. Maryland Insurance Article § 11-603(c)(2) requires that rates must not be excessive, inadequate, or unfairly discriminatory and must be reasonable in relation to benefits. Otherwise the Commissioner "...shall disapprove or modify a proposed premium rate filing."
2. Begin by reviewing 2022 experience period claims and comparing to past years claims and to what carrier's had previously projected when setting 2022 rates. Obtain analyses from carriers that help normalize for confounding variables and understand drivers of past year's experience.
3. Review assumptions used to project experience period claims. "Actuarial Standards of Practice" (ASOP) # 8 describe an approach where assumptions need to be supported and reasonable both individually and in aggregate.
4. Key assumptions include 1) claims trend (both cost and utilization), 2) morbidity (relative health status of the pool), 3) operating expenses, 4) profit margin/contribution to reserve, 5) risk adjustment transfers 6) reinsurance recoveries under 1332 waiver, 9) COVID-19 Impact, and 10) impact of Medicaid unwinding on enrollment/morbidity.
5. Rate filings were submitted on 5/22/23 and approved on 9/18/23.

Rate Setting Process for SG ACA Filings

- Start with analyzing the experience period claims. The total allowed claims PMPM for essential health benefits is the “Index Rate”. The actual “Index rate” for 2022 was compared to what carriers had previously projected for 2022 and to what carriers experienced in 2021.
- Review the assumptions which the carrier has applied to the experience period index rate to arrive at the projection period index rate. The assumptions are reviewed for reasonableness both individually, and in aggregate.

Key assumptions in projecting Index Rate

- Medical Inflation – Includes both severity (the cost/service) and utilization (the number of services/1,000 members) components. Varies by service category. In recent years, drug trend (driven by specialty drugs) has been highest component.
- Morbidity – Change in average health status of population. Less of a factor in small group where there is not a large amount of churn than in Individual
- Change in demographics – Adjustments for expected change in average age of pool.
- “Other changes – Any other material change between experience period and projection period. Projecting the cost of a new mandate, projecting changes due to COVID; etc.

Carrier Trend for (2023 vs. 2024).

2023		
01/01/2023 Small Group Trends by Carriers		
	Estimated Covered Lives	Final Approved Trend
Aetna Health (HMO)	4,338	8.9%
Aetna Life (PPO)	597	8.9%
CareFirst HMO	169,619	6.5%
CareFirst PPO	20,522	6.9%
Kaiser	9,842	6.1%
UHC	19,811	9.4%
	224,729	6.8%

2024		
01/01/2024 Small Group Trends by Carriers		
	Estimated Covered Lives	Final Approved Trend
Aetna Health (HMO)	4,338	7.8%
Aetna Life (PPO)	597	7.8%
CareFirst PPO	20,522	6.5%
CareFirst HMO	169,619	8.0%
Mamsi EPO	9,982	8.2%
OCI HMO	6,915	8.2%
UHCMA HMO	2,914	8.2%
Kaiser HMO	9,842	6.1%
	224,729	7.8%

Market-Adjusted Index Rate

- After a carrier has projected its index rate (projected allowed claims), it must also project the size of the expected risk adjustment transfer and add/subtract that to get market-adjusted index rate.
- Historic risk adjustment results are used as starting point. When filings first submitted, the previous year is still estimate. CMS finalizes around 6/30 and filings get updated.
- Carriers generally project risk adjustment at metal level, since self-selection causes lower metal levels to transfer money to higher metal levels.
- Risk adjustment is more difficult to project for smaller carriers because of greater uncertainty.

2022 Small Group Risk Adjustment Transfers

HIOS ID	HIOS INSURANCE COMPANY NAME	STATE	HIGH COST RISK POOL (SMALL GROUP MARKET)	RISK TRANSFER AMOUNT
23620	UnitedHealthcare Insurance Company	MD	\$0.00	(\$2,918,812.20)
28137	CareFirst BlueChoice, Inc.	MD	\$995,094.68	(\$3,896,785.83)
31112	UnitedHealthcare of the Mid-Atlantic, Inc.	MD	\$0.00	(\$2,717,809.58)
45532	CFMI, Inc.	MD	\$0.00	\$6,683,358.83
65635	MAMSI Life and Health Insurance Company	MD	\$298,054.09	\$227,523.58
66516	Aetna Health Inc. (a PA corp.)	MD	\$0.00	(\$2,998,543.33)
70767	Aetna Life Insurance Company	MD	\$0.00	(\$91,170.78)
72375	Optimum Choice, Inc.	MD	\$1,700,425.99	(\$456,669.75)
90296	Kaiser Foundation Health Plan of the Mid-Atlantic States	MD	\$0.00	(\$7,802,369.14)
94084	GHMSI, Inc.	MD	\$613,389.27	\$13,971,278.28

Plan Level Adjustments

- Each plan begins with Market-Adjusted Index rate and can apply factors to adjust for
 - 1) Benefit Design. This includes both the “pricing AV” (an estimate of what portion of claims the carrier will pay) as well as an estimate for “induced demand” (an estimate of how much extra utilization a benefit design with low cost-sharing will have compared to one with high cost-sharing).
 - 2) Network --- If a carrier has multiple insurance networks within a filing, then an adjustment can be made to reflect differences in network discounts/costs.
 - 3) Administrative Factor - A factor to account for all administrative costs. This includes direct G&A costs; certain portions of broker commissions, state and federal taxes and fees, and profit/contribution to reserve.

Calibration

- The final plan-level rates are “calibrated” to a 1.00 so that member-level rating factors can be applied.
- The index rate reflects the average age of the single risk pool, so the average age is backed out to get the calibrated rate to which a 1.00 rating factor for a 21 year old is applied.
- Similar calculations required for carriers who geo or tobacco rate.

Small Group ACA Approvals

EXHIBIT 3: 2024 MARYLAND, ACA, SMALL GROUP MARKET RATE FILING SUMMARY												
							Originally Filed					
			Members		Approved 2022	Approved 2023	05/02/23 2024	Approved 1Q24	Approved 2Q24	Approved 3Q24	Approved 4Q24	Approved 2024
			On & Off	03/31/23	Average	Average	Average	Average	Average	Average	Average	Average
	Legal	Network	Exchange	Market	Rate	Rate	Rate	Rate	Rate	Rate	Rate	Rate
	Entity	Type	03/31/23	Share	Increase*	Increase*	Increase	Increase	Increase	Increase	Increase	Increase
1	CareFirst BlueChoice, Inc.	HMO	169,619	71%	4.4%	9.1%	7.1%	8.1%	6.6%	6.9%	7.2%	7.3%
2	CF GHMSI	PPO	12,841	5%	3.7%	0.4%	5.5%	3.1%	2.9%	2.6%	2.4%	2.8%
3	CF CFMI	PPO	7,681	3%	3.7%	0.4%	5.5%	3.1%	2.9%	2.6%	2.4%	2.8%
3	United Healthcare of the Mid-Atlantic	HMO	2,914	1%	9.4%	8.9%	20.4%	12.4%	12.8%	13.1%	13.5%	13.0%
4	United Healthcare (Optimum Choice)	HMO	6,915	3%	7.0%	8.4%	4.4%	5.8%	6.1%	6.4%	6.8%	6.4%
5	United Healthcare (MAMSI)	EPO	9,982	4%	8.8%	2.5%	6.8%	4.8%	5.0%	5.2%	5.5%	5.2%
6	United Healthcare Insurance Co.	PPO	14,824	6%	8.0%	2.7%	11.4%	5.7%	5.9%	6.1%	6.4%	6.0%
	Kaiser	HMO	9,635	4%	7.2%	9.0%	9.2%	6.9%	7.7%	8.4%	9.2%	8.0%
1	Aetna Health, Inc.	HMO	4,275	2%	-26.8%	11.0%	15.4%	15.9%	15.6%	15.3%	14.9%	15.4%
2	Aetna Life Insurance Co.	PPO	886	0%	-10.1%	8.9%	1.4%	1.9%	1.6%	1.3%	1.0%	1.4%
	TOTAL		239,572	100%	4.4%	7.6%	7.5%	7.4%	6.4%	6.7%	6.9%	6.9%

Distribution of business by metal level

	METAL LEVEL							
	Bronze	Silver	Gold	Platinum	Total	Minimum Increase	Average Increase	Maximum Increase
Aetna HMO	272	1,907	1,513	584	4,275	11.8%	15.3%	30.1%
Aetna PPO	27	270	329	259	886	-6.6%	1.5%	6.3%
CFPPO	215	8,168	4,762	7,299	20,444	2.3%	3.1%	9.5%
CFHMO	9,556	95,065	47,788	14,565	166,974	6.0%	8.1%	11.9%
Kaiser MAMSI EPO	7,542	32,679	51,831	23,875	115,927	5.5%	6.9%	8.8%
OCI HMO	946	1,618	2,901	1,322	6,787	5.3%	6.4%	9.3%
UHC POS	462	2,833	7,642	3,016	13,953	3.5%	6.0%	11.8%
UHC HMO	482	491	504	0	1,477	10.9%	13.0%	15.8%
PPO	1,387	13,723	16,724	13,165	44,999			
HMO	18,526	129,853	103,024	39,762	291,165			

Sample Small Group Silver Rates

For a 40 Year old Baltimore city resident

▪ Aetna Health Ins (HMO)	\$335.25
▪ CareFirst HMO	\$439.45
▪ OCI HMO	\$402.27
▪ UHIC HMO	\$411.45
▪ Kaiser HMO	\$348.60
▪ Aetna Life (PPO)	\$351.42
▪ CareFirst PPO	\$496.34
▪ Mamsi EPO	\$434.17
▪ UHIC POS	\$482.42

History of small Group Rate Approvals

			Approved	Approved	Approved	Filed	Approved
			2021	2022	2023	05/02/23	2024
Members							
On & Off			Average	Average	Average	Average	Average
Legal	Network	Exchange	Rate	Rate	Rate	Rate	Rate
Entity	Type	03/31/23	Increase*	Increase*	Increase*	Increase	Increase
TOTAL		239,572	2.1%	4.4%	7.6%	7.5%	6.9%
<u>SUBTOTAL (By Insurer)</u>							
CareFirst		190,141	3.0%	4.3%	8.2%	6.9%	6.8%
United Healthcare		34,635	1.6%	8.1%	4.3%	9.4%	6.4%
Kaiser		9,635	-5.0%	7.2%	9.0%	9.2%	8.0%
Aetna		5,161	-14.9%	-23.9%	10.6%	13.0%	13.0%
TOTAL		239,572	2.1%	4.4%	7.6%	7.5%	6.9%
<u>SUBTOTAL (By Coverage Type)</u>							
HMO		193,358	2.2%	4.0%	9.1%	7.5%	7.6%
EPO		9,982	1.0%	8.8%	2.5%	6.8%	5.2%
PPO		36,232	3.0%	5.1%	1.5%	7.8%	4.1%
TOTAL		239,572	2.3%	4.4%	7.6%	7.5%	6.9%



Discussion



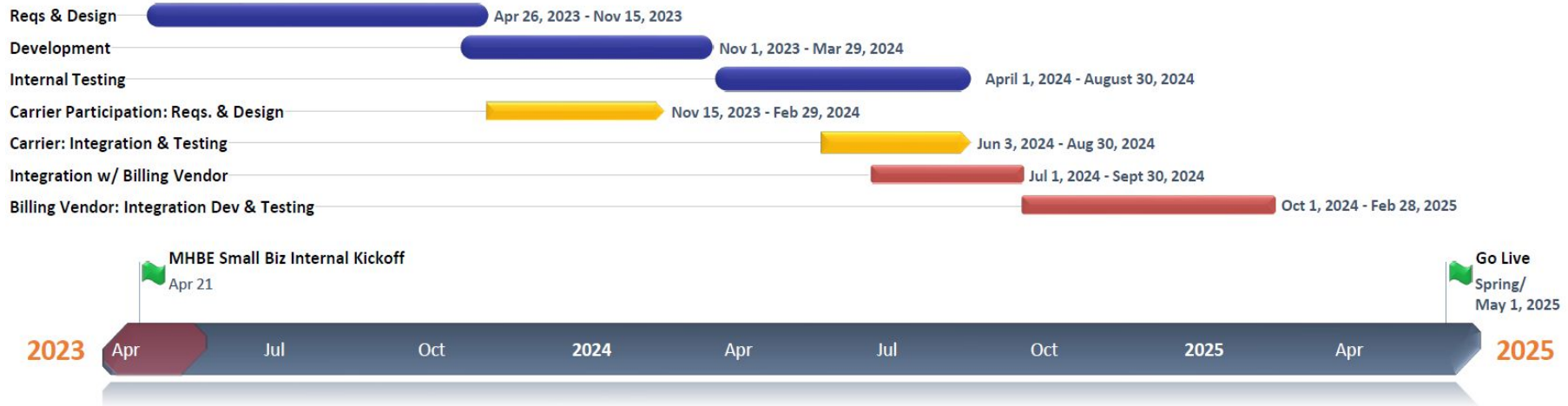
Public Comment



Appendix

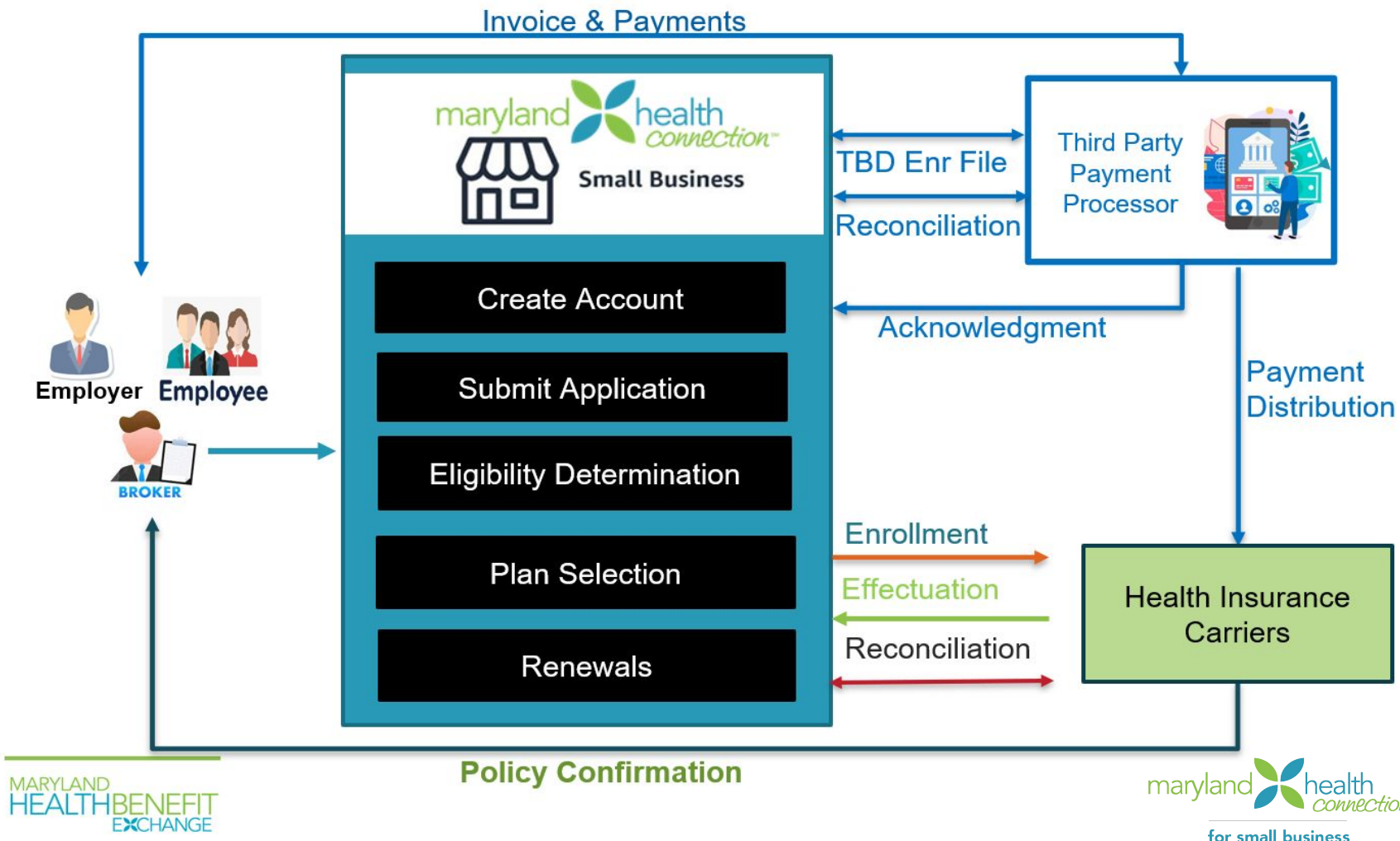
MHC for Small Biz Enrollment Platform

Enrollment Functionality Project Timeline

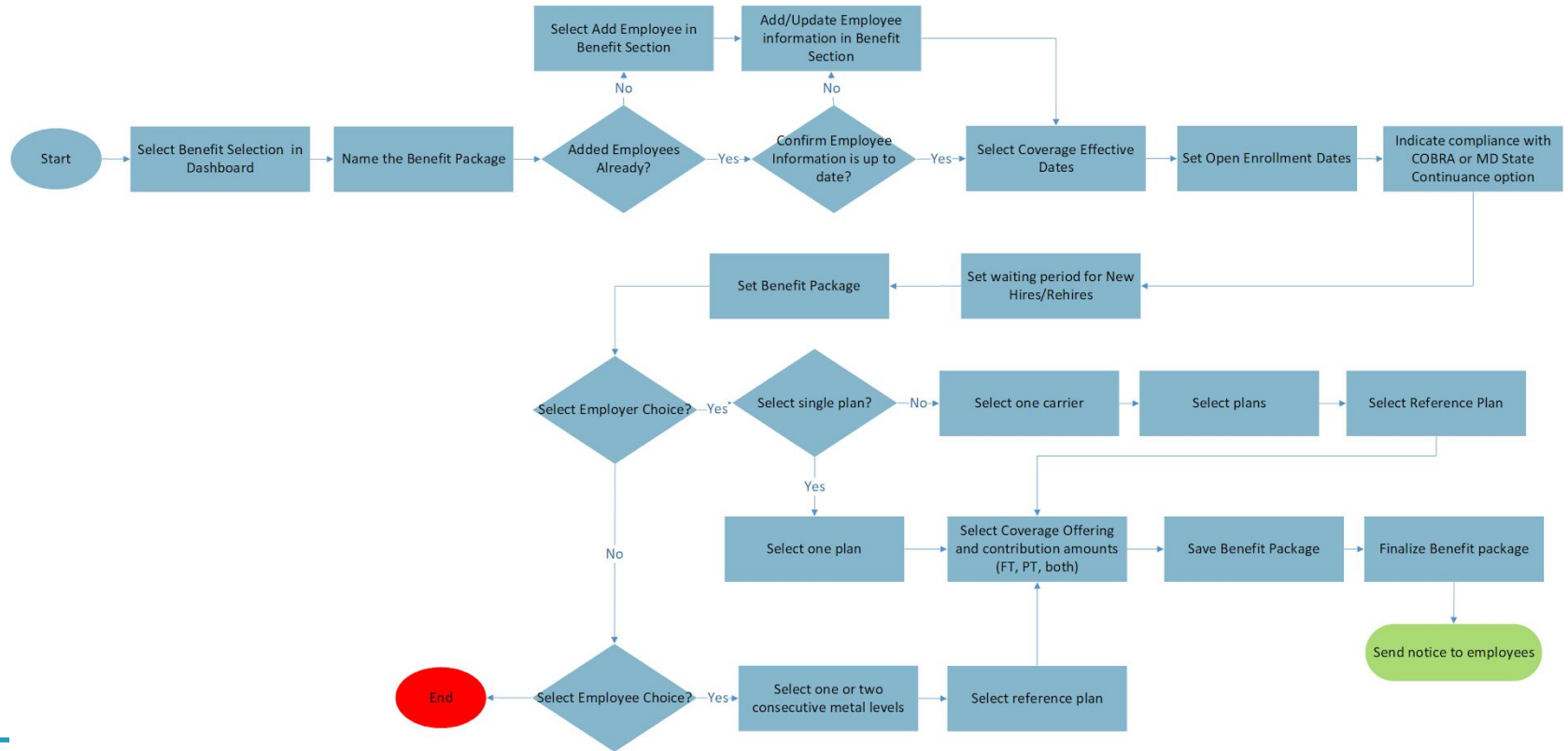


Account Creation/Users

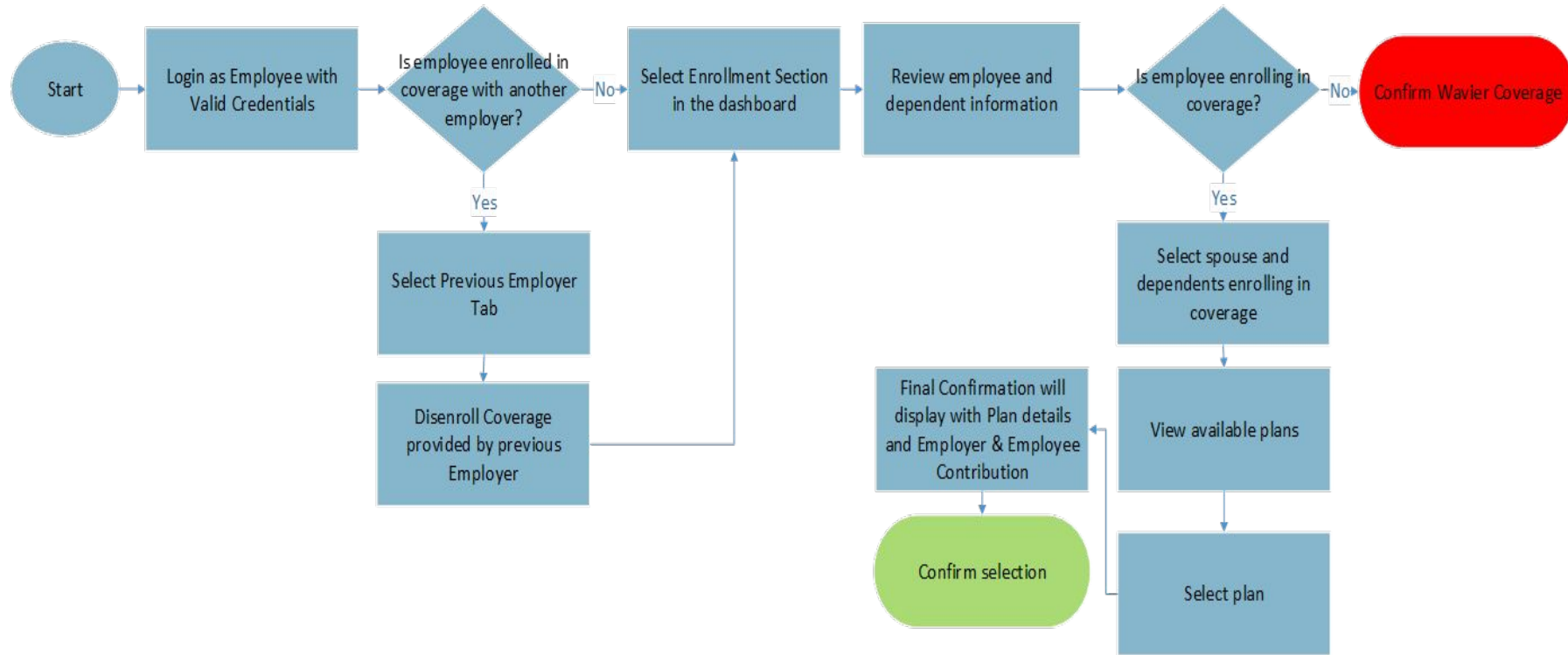
Employer	Broker	Employee	Employer Admin	MHBE Admin	MHBE Admin (Superuser)	TPA/GA
<ul style="list-style-type: none"> ▪ Create Account ▪ Register Business ▪ Add Employees ▪ Get Quote ▪ Find/Add/Change Broker ▪ Add/Renew Plans ▪ Enroll Employee & Dependents into a plan ▪ View and Pay Invoice through TPA 	<ul style="list-style-type: none"> ▪ Create Account ▪ Find/Add/Cancel Employer ▪ Add Employees to Employer Acct ▪ Get Quote for Employer ▪ Access & Edit Employer & Employee Account ▪ Link to a TPA/GA 	<ul style="list-style-type: none"> ▪ Create Account ▪ Add/Remove Employer ▪ Compare Available Plans w/ cost info ▪ Add Spouse/Dependents ▪ Enroll/Renew available Plan/s ▪ Apply for an SEP ▪ Enroll in COBRA 	<ul style="list-style-type: none"> ▪ Have access to review all the Employee details ▪ Access Employee Dashboard, Plan, View & pay invoice ▪ Password Reset • Update Email Address for Employer & Employee users • Add/Remove Employer to Employee 	<ul style="list-style-type: none"> ▪ Have access to review all the Employee & Employer details ▪ Password Reset ▪ Update Email Address for Employer & Employee 	<ul style="list-style-type: none"> ▪ Have access to review all the Employer and Employee details ▪ Add/update Employer and Employee data. ▪ Add/Update Employer Roster 	<ul style="list-style-type: none"> ▪ Create MHC account ▪ Download monthly broker and enrollment reports ▪ Group's Invoice



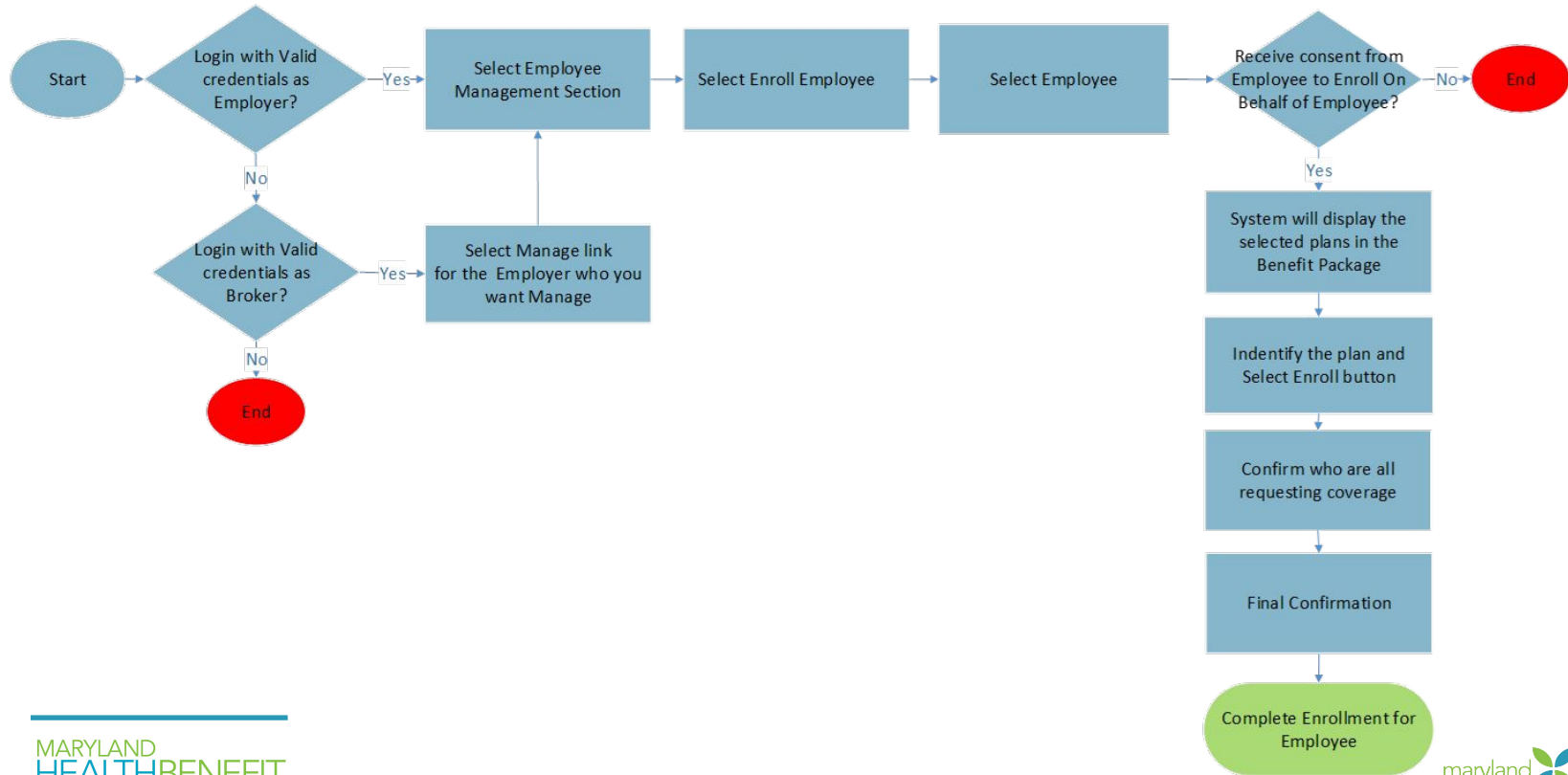
Employer Benefit Selection



Employee Plan Shopping



Employer/Broker Enroll their Employee



Employer Sets O/E Timeline

	Fast Track	Longest Track
Employer: Select Plans & Contributions	Days 1-7	Days 30
Employee: Open Enrollment	Days 14	Days 30
First Premium Payment	Days 1	Days 12
Carrier Administration	Days 18	
Total	34 days (minimum)	90 days (maximum)
Example: Jan 1, 2014 Coverage	Begin by: Nov 26, 2023	Begin by: Oct 1, 2023

Sample Timeline for January 1, 2025 Coverage Effective				
Item	Fast Track		Longest Track	
	Date	Days Prior to Coverage Effective Date	Date	Days Prior to Coverage Effective Date
Employer selects plan offerings, employer contributions, and employee eligibility.	Nov 26, 2024	36 days prior	Oct 1, 2024	90 days prior
Begin Employee Open Enrollment.	Nov 27, 2024	35 days prior	Nov 1, 2024	60 days prior
End Employee Open Enrollment.	Dec 10, 2024	10 th day of the prior month	Nov 30, 2024	31 days prior
1 st month's premium payment due.	Dec 12, 2024	12 th day of the prior month	Dec 12, 2024	30 days prior
Coverage effective.	January 1, 2025			

Accessible Language Support

- Employers and Employees can receive support based on their language preference.
 - English
 - Spanish
 - Chinese
 - Amharic
 - French
 - Korean
 - Vietnamese
 - Russian
 - Urdu
- Customer Service Call Center can accommodate up to 200 languages

Employee Waiting Period Regulations

- COMAR 14.35.18.04 Paragraph H:
A small employer may implement a waiting period of no more than 90 days for any qualified employee.
- 45 C.F.R § 147.116, paragraph (a):
(a) General rule. A group health plan, and a health insurance issuer offering group health insurance coverage, must not apply any waiting period that exceeds 90 days, in accordance with the rules of this section.



Employee Waiting Period Policy

Currently, newly hired employees are eligible to join the employer sponsored plan under the following options:

- **On the Date of Hire**
- 1st day of the month following date of hire
- 1st day of the month following 30 days after the date of hire
- 1st day of the month following 60 days after the date of hire
- **On the 90 day after the date of hire**
- Waive waiting period for rehires
- Waive waiting period for present employees



Proposed changes- Remove the options: **On the Date of Hire and coverage will begin on the 90th day after the date of hire.**

Minimum Participation Requirements (MPR)

- For Employee choice: Group's minimum participation has to be 75% in order for the group to be eligible. The MPR for employee choice is calculated as follows:

$$\frac{[(\text{Number of Employees Enrolled into Small Business Coverage} + \text{Employees with valid waivers}) / \text{Total Number of Active Employees}] \times 100}{}$$

- Employer Choice: Carriers require participation rates as follows:



60%



60%



60%



75%

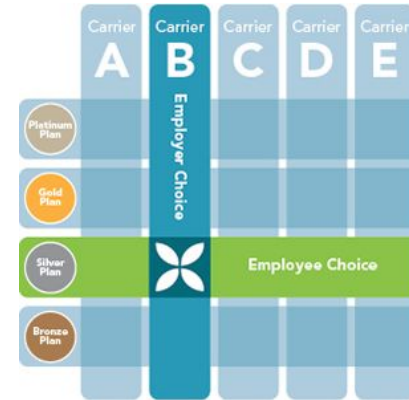
- Proposed Change: **Uniform MPR set to 60% for both Employer and Employee Choice Models.**

Eligibility-Child Coverage

- Current MHC policy allows children to stay on a parent's plan until the end of the year (Dec 31st).
- Children are eligible as defined in plan documents in accordance with applicable state and federal laws, **up to the end of the month** when the dependent turns age 26, regardless of financial dependency, employment, eligibility of other coverage, student status, marital status, tax dependency or residency.
- This requirement applies to natural and adopted children, stepchildren, and children subject to legal guardianship.
- Employer choice to extend child coverage: **End of the month or end of the year.**

Benefit Package Selection

- **Employer Choice/Plans Offered by One Company:** Choose a single plan or multiple plans from one an insurance company and set your contribution amount. Select a reference plan as the base for contribution levels. Your employees will be able to choose a plan from that carrier at any benefit level.
- **Employee Choice/Plans Offered Across All Companies:** Choose one or two consecutive benefit levels and your contribution amount. The employer would select one specific health insurance plan as the reference plan. The premiums and cost-sharing arrangements for other plans offered through the Employee Choice option would be adjusted based on the reference plan selected by the employer. Employees can then compare the different carriers and plans available.



Employer Contribution

An employer may choose from two options to contribute to the employees' premium. The employer may vary by employee class and coverage level. Contributions must be 50% or more to qualify for the federal Small Business Health Care Tax Credit.

- **Option 1: Reference Plan with Fixed Percent Contribution** — In this method, the employer covers a fixed percentage of employees' health insurance premium. This chosen percentage applies to the reference plan's cost for all eligible employees. When employees join the health insurance plan, their premiums are determined using the total reference plan premium. This ensures consistent employer contribution, regardless of the specific plan employees choose.
- **Option 2: Standard Fixed Percentage Contribution** — Similar to setting a fixed percentage contribution, this method will allow the employer to set a fixed percentage plan among all plans selected. Under the individual rating rules, that means that the dollar amount contributed by the employer for each employee and dependents may vary.

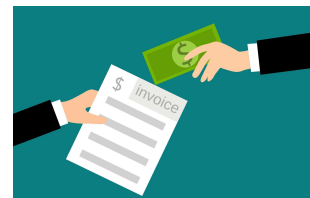
Employer Billing

- **Premium Aggregation** – TPA calculates and collects individual premium payments employer and remits the total premium amount to the insurance provider on behalf of the employer.
- **Member Age Level Billing** – This method of determining health insurance premiums is based on the age of each individual member covered under a health insurance plan. Each covered member's premium is determined by their age.
- **Composite Premium Billing*** – In a composite premium billing system, each enrollees' individual premium is calculated, totaled, and then a single average premium rate for each enrollee is calculated. This average premium is applied uniformly to all individuals within the group. Under this system, the employer and employee/s will have the same premium.

Note: Minimum of 2 enrolled employees is required for a group to select composite billing.

Strategic Collaboration for Premium Billing and Aggregation

In collaboration with a seasoned Third Party Administrator (TPA) provider, MHC for Small Business plans to introduce an advanced and comprehensive integrated premium billing and aggregation service.



Premium Billing Simplified:

- **Employer Choice:** The TPA aggregates all enrolled premiums for each carrier, ensuring accuracy and precision. The TPA remits the accurate total premium to issuers on behalf of each individual employer and employee.
- **Employee Choice:** The TPA accurately calculates total premiums for each issuer within the employee choice model and efficiently remits premium payments to one or multiple issuer, ensuring a seamless financial ecosystem.

COBRA (Consolidated Omnibus Budget Reconciliation Act)

- **COMAR 31.11.04.10 Group Health Insurance**—Continuation of Coverage for Terminated Employees.
- **Eligibility:** Employees who experience a change in status, including termination of employment (whether voluntary or involuntary), are eligible for a COBRA plan.
- **Election Period:** The eligible employee must elect to continue coverage under the COBRA plan within 45 (60 for federal) days after the applicable change in status (i.e., the date of termination).
- **Duration for Employees:** Up to 18 months of COBRA coverage. **Dependents:** Up to 18 months of COBRA coverage, with the possibility of an extension up to 36 months for specific qualifying events.

Note: An extension can apply in situations such as the death of the covered employee, divorce or legal separation from the covered employee, loss of dependent status, or the covered employee becoming eligible for Medicare.

COBRA Cont...

- The MHC-SB system will be designed and configured in accordance with state and federal regulations.
 - **Federal COBRA** applies if employers have employed 20 or more full-time equivalent employees on more than 50% of its typical business days in the previous calendar year.
 - **MD State Continuation** applies if employers have employed less than 20 full-time equivalent employees on more than 50% of its typical business days in the previous calendar year.
- The TPA will handle billing directly to the employee to facilitate their continuation in the COBRA plan.
- Eligible employees will be informed about the option to explore more affordable plans available on MHC for Individuals. They will be provided with a link to access www.marylandhealthconnection.gov for further information on available plans and coverage options.

Group Renewal

- **Default Auto-Renewal:** After initial benefit selection, auto-renewal is set as default if active enrollments exist.
- **No Active Enrollments:** If no active enrollments, plan terminates at the end of the benefit year.
- **Active Enrollments Reminder:** With active enrollments, employers reminded to renew or modify benefit package.
- **Employee Open Enrollment:** Employees get a minimum of 14 days for open enrollment and plan selections.
- **Opt-Out Option:** Employers can choose to opt-out of auto-renewal.
- **Opt-Out Consequence:** Opting out leads to termination of employer-sponsored coverage by renewal end date if no action is taken.

Acceptable Waivers

- Employee covered under other private group health plans.
- Employee covered under public health care programs, including Medicare, Medicaid and TRICARE.
- Employee under the age of 26 and covered under their parent's health benefit plan.
- Employee has coverage sold through the individual market, or other minimum essential coverage – with or without access to a Federal subsidy (due to minimum essential coverage or affordability provisions).
- COBRA enrollee or retiree.
- Employee has small business coverage through another State or Federal Marketplace.
- Non-employees such as the owner and spouse of the owner are not included in the participation calculation unless they are full-time employees.

Required Documentation

- Most recent Quarterly Wage & Tax Statement/
Maryland Unemployment Insurance Quarterly Employment Report
 - W4 required for employees not listed on QWTS
- Full Time Equivalent (FTE) Form, if applicable
- Medicare Secondary Payer (MSP) Form, if applicable
- Composite Rate Form, if applicable
- Carriers may require Proof of Ownership (as applicable) per specific carrier guidelines – examples of proof of ownership documents are:
 - “C” Corporation – Form 1120
 - “S” Corporation – K1/Schedule 1120S
 - Partnership- Partnership Agreement or K1 (Schedule 1065)
 - Limited Liability Company – Signed LLC Agreement
 - Churches and Non-Profit Organization – Form 941 Farms – Schedule F
 - Common Ownership- Complete Common Ownership Form
 - Individual Contractor – Complete 1099 form according to guidelines



Employer Data Validation

- EIN: The system will check the employer's EIN.
- **Attestation of Small Business Status:** Employers will need to submit a signed attestation or certification form confirming that they meet the small business eligibility criteria set by the exchange. This form may include information about the number of employees, average wages, and other relevant details.

Additional Options to consider:

- **Coordination with Government Agencies:** Collaborate with relevant government agencies, such as labor departments or tax authorities, to verify employer information and ensure compliance with eligibility criteria.
- **Electronic Data Interchange (EDI):** Electronic data interchange capabilities that allow direct access to certain information from government databases to verify employer details.

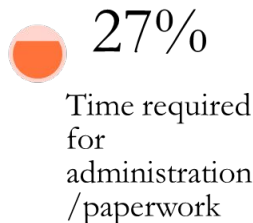
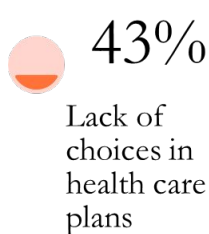
Help & Support

- Brokers-Have an insurance broker call you to discuss your private health plan options.
- Ask Flora- To get help with general questions or help with account issues. Virtual assistant and live chat with an agent
- Call Center Support- Dedicated 1800 number for small business employers and employees.



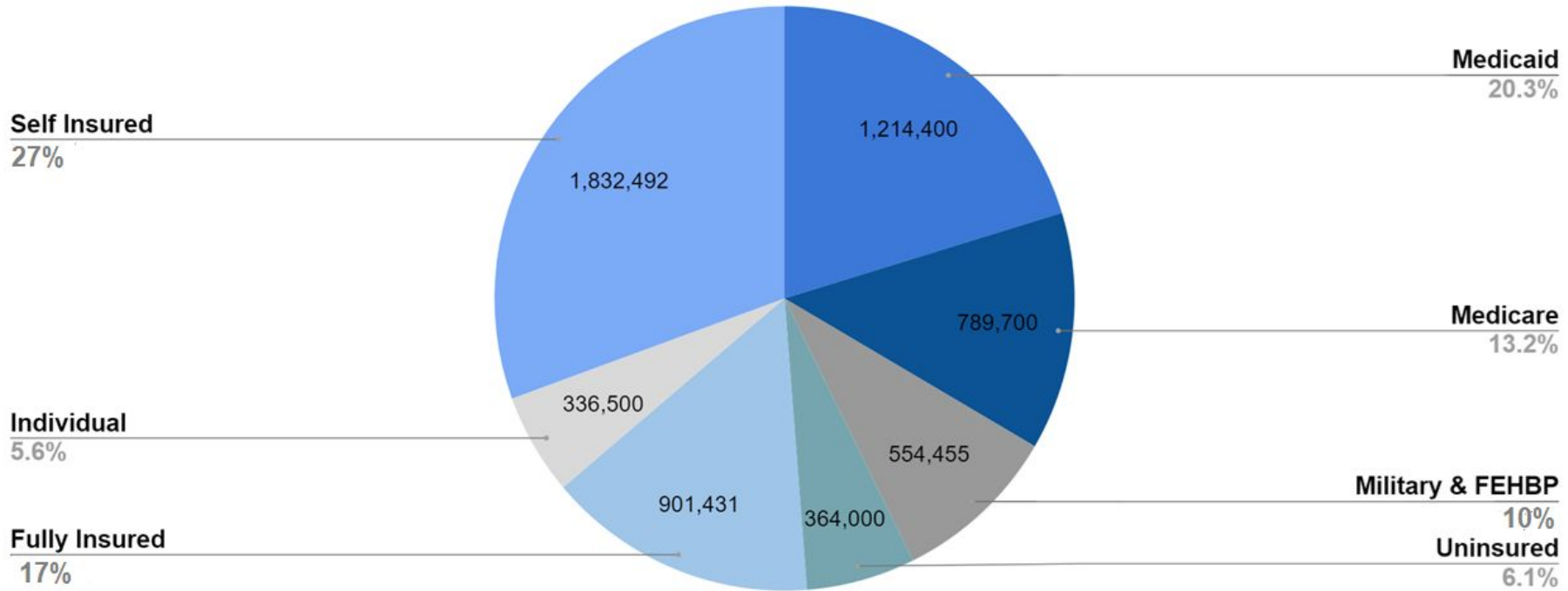
Small Business Owners' Views on Health Coverage and Costs (National Perspective)

- In 2019, the Commonwealth Fund conducted a national survey of small employers to better understand their perspectives on rising health care costs and prices
- “Outside of costs, which one of the following do you consider the **biggest challenge** when it comes to providing health care coverage to your employees?”
(1st & 2nd choices combined)
- “Indicate [which] solution would be **helpful for you to reduce health care costs.**”
(Response of very or somewhat helpful)



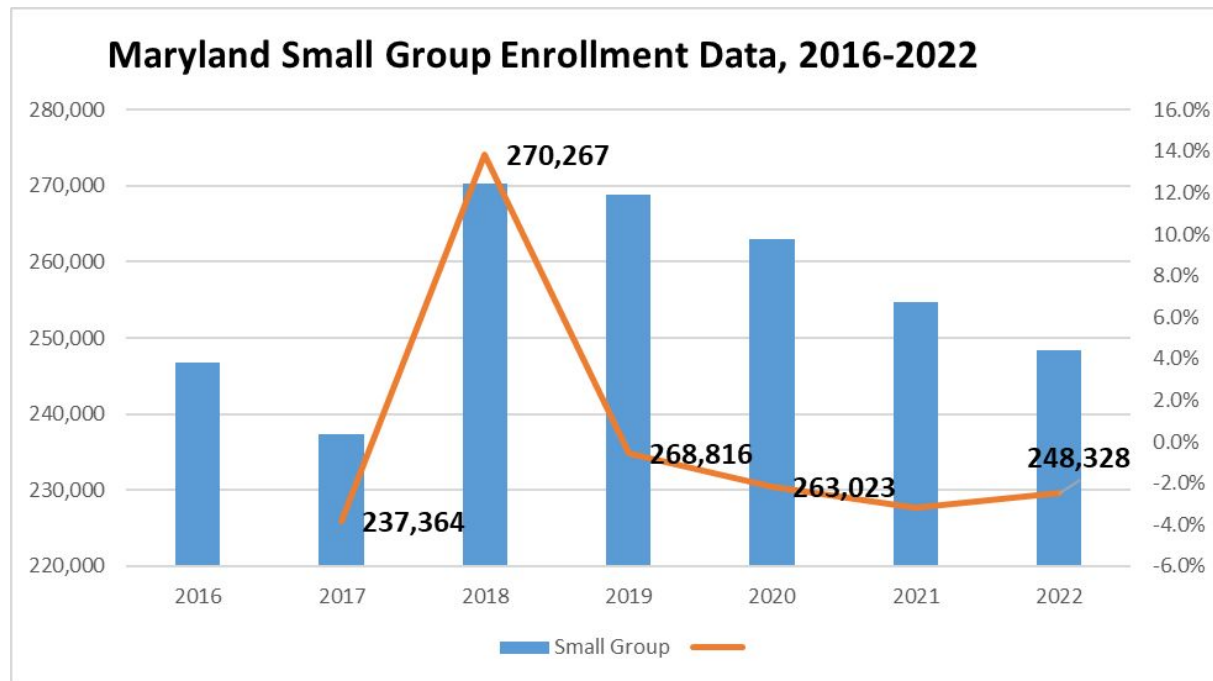
<https://www.commonwealthfund.org/publications/issue-briefs/2019/sep/small-business-owners-views-health-coverage-costs>

Maryland 2021 Health Insurance Landscape



Maryland Small Group Enrollment

- On and off Exchange traditional Small Group enrollment peaked in 2018 and has decreased by an average of 2% per year since 2019.



Maryland Small Group Enrollment

Date	Enrolled #	Enrolled %
3/31/2016	246,814	0
3/31/2017	237,364	-3.8%
6/30/2018	270,267	13.9%
7/31/2019	268,816	-0.5%
6/30/2020	263,023	-2.2%
6/30/2021	254,654	-3.2%
3/31/2022	248,328	-2.5%

Avg Approved Rate Changes

Date	Avg %
2016	-1.8%
2017	3.3%
2018	1.9%
2019	5.0%
2020	3.0%
2021	2.3%
2022	5.0%
2023	7.6%

*About 248,000 Marylanders are impacted by the approved small group rates

*The primary driver of 2023 increase is higher than anticipated trend levels

UNINSURED MARYLANDERS

6,165,129



Total 2021 Population

5,869,237



Lawfully Present Individuals

259,901 OR 4.4%



Uninsured

**4.4% uninsured among lawfully present individuals*

140,000



Undocumented

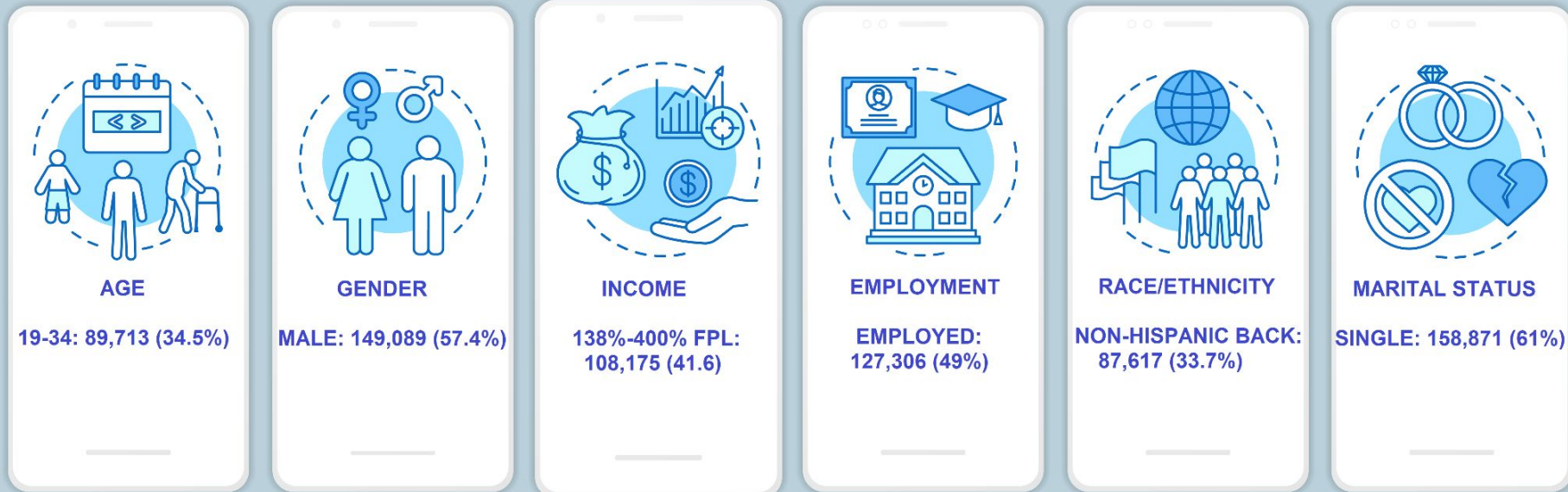
Characteristics of Lawfully Present Individuals without Health Insurance Coverage in Maryland

- The Hilltop Institute provided a sociodemographic characteristics of the **4.4%** uninsured, lawfully present individuals in Maryland without health insurance coverage
- 2021 American Community Survey (ACS) 1-year samples for the estimates.
- Applied MHBE's standard definition of lawfully present or documented individuals, and also present a 95% confidence interval for each estimate and proportion based on the survey design.

Caveats On Uninsured Data

- All figures and proportions are estimates from national surveys and should not be construed as exact counts or percentages.
- The CPS ASEC survey on firm size asked respondents about the number of employees at their workplace in the previous year.
- The CPS ASEC has a significantly smaller pool of respondents than the ACS.
- The survey is not adequately weighted for sub state-level category analyses.

Maryland Uninsured Demographic



Uninsured Population: Additional Information

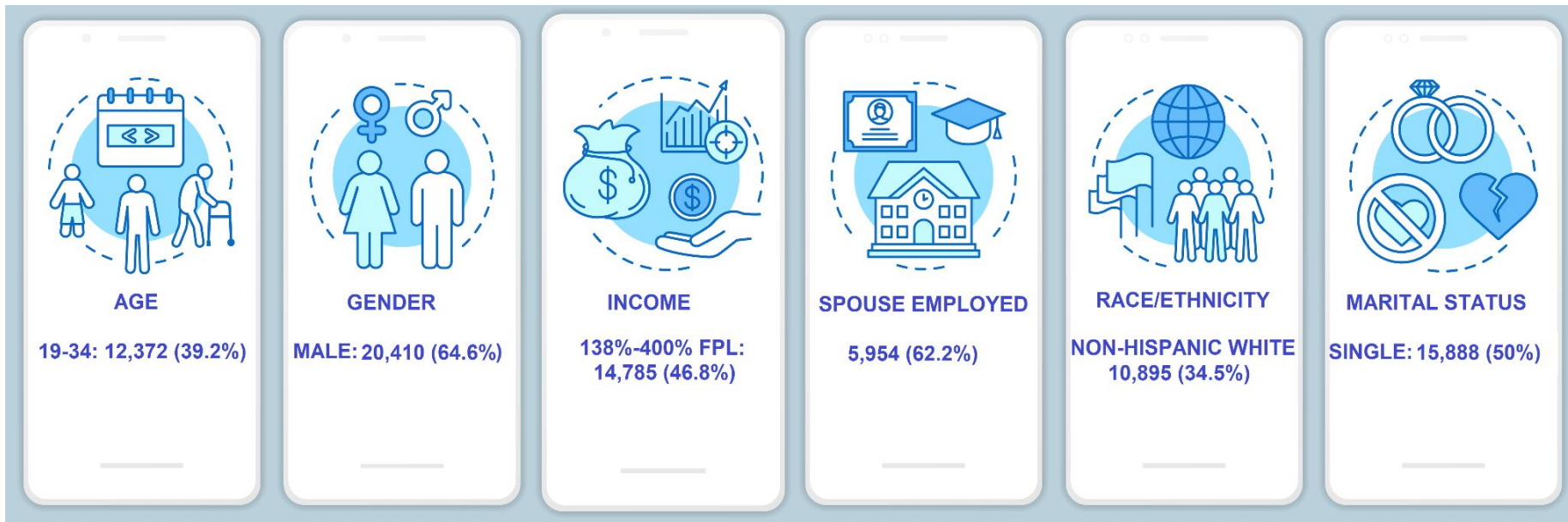
Uninsured individuals:

- Speak some English or speak English fairly well
- They're likely to not be military veterans
- Not likely to have a cognitive, ambulatory, self-care, vision or hearing difficulty

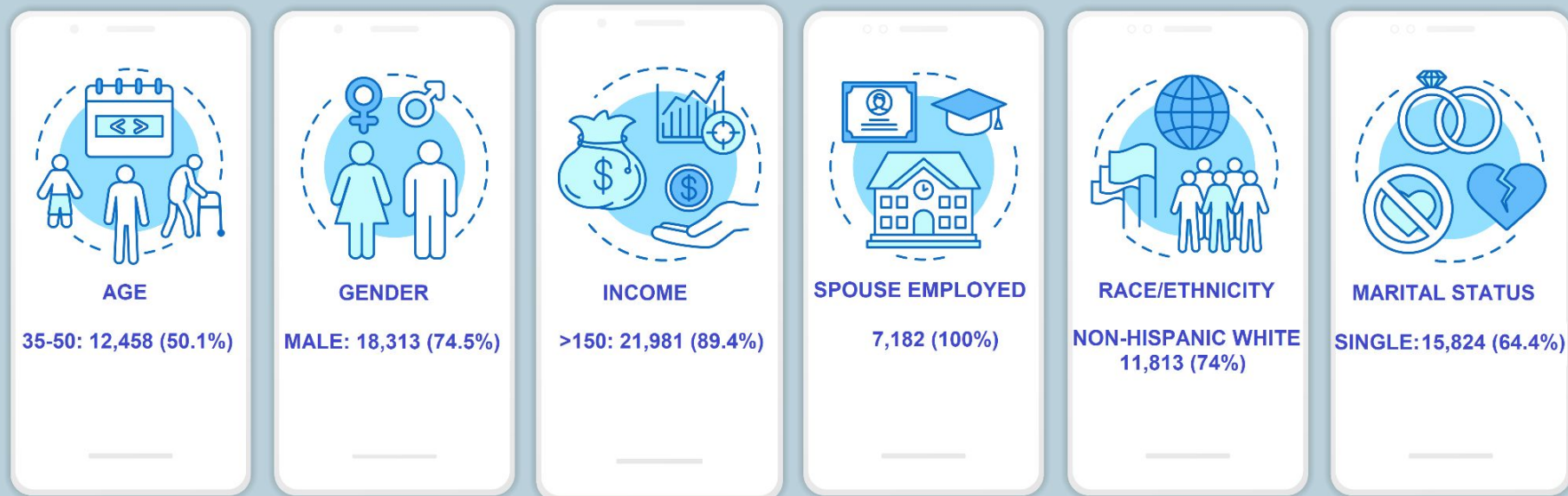
Gig-Economy Workers Nationally

- Almost a quarter of gig workers say they do not have health insurance.
- Among uninsured workers, nearly six in 10 said lack of affordability is the main reason they decided not to enroll in a health plan this year.
- Gig workers who identify as Hispanic or Latino are more likely to be uninsured (31%), compared to those who identify as Black or African American (24%), or White (22%).
- A survey of more than 4,000 gig workers, from insurance broker Stride Health, also found that almost half of those with coverage did not pay a premium for their plans this year.
- The insurance broker for companies including Uber, DoorDash, Instacart, Amazon, GrubHub and Etsy said more than 50 million independent and gig workers do not have coverage through an employer-sponsored plan.

Maryland Gig-Economy Worker Demographic



Highest Uninsured in Small Business by Category



Small Business Workers Data Summary



Special note: Due to the small size of survey respondents, data is averaged for the overall 5-year span.

Legislative Update

Legislative Updates

- **SB59/HB107 Outreach for small employers about health coverage.** Senator Katie Fry Hester and Delegate Robbyn Lewis are sponsoring legislation to appropriate \$5 million per year for five years to the Maryland Health Benefit Exchange to do outreach to help small businesses get their employees enrolled in health care plans.
- **Health care subsidies for young adults.** In 2021 Senator Brian Feldman and Delegate Ken Kerr Sponsored a subsidies law which invested \$20 million per year for two years to help lower-income young adults ages 18-34 purchase health coverage. In 2023 they will take the lead to continue those subsidies.

Legislative Updates, Cont...

- **SB365/HB588 Access to Care Act.** Senator Clarence Lam and Delegate Bonnie Cullison have introduced legislation to allow people to purchase private health coverage from the Maryland Health Benefit Exchange regardless of immigration status
- **HB363 Study.** Delegate Cullison has introduced legislation to study options for making health coverage affordable to Marylanders regardless of immigration status through Medicaid, CHIP, and private health coverage through the Maryland Health Benefit Exchange.
- **SB26/HB111 Enroll SNAP recipients into Medicaid.** Senator Malcolm Augustine and Delegate Lorig Charkoudian put in legislation to automatically enroll recipients of SNAP into Medicaid who are eligible but not yet enrolled.

Members

Member	Affiliation	Member	Affiliation
Rob Cohen	Alliance Benefits, LLC	Vennard Wright	Wave Welcome
Rob Poli	BenefitMall	Kimberly Prescott	Prescott HR
Cynthia Hipwell	Aetna	Ainisa Broadway	Small Cakes Maryland, LLC
Alvin Helfenbein	Helfenbein Insurance Agency	Richard Huguen	Linshom Medical, Inc
Jon Frank	Small Business Insurance Advisor	Sandy Walters	Kelly Benefits
Glenn Arrington	Group Benefit Strategies, LLC	Cynthia Levitt	CareFirst BCBS
Mark Khatib	Employee Benefits Corporation of America (EBCA)	Ileana Gonzales	AP Benefits dba IMC
R. Nicole Sharp	Griffin Consulting Partners, LLC	Michael Rachesky	United Healthcare
Rick Weldon	Frederick County Chamber of Commerce	Neil Bergsman	Maryland Nonprofits
Lane Levine	A Friendly Bread	Daniel Koroma	Montgomery County Government Office of the County Executive
Brandon Burbage	Kaiser Permanente		

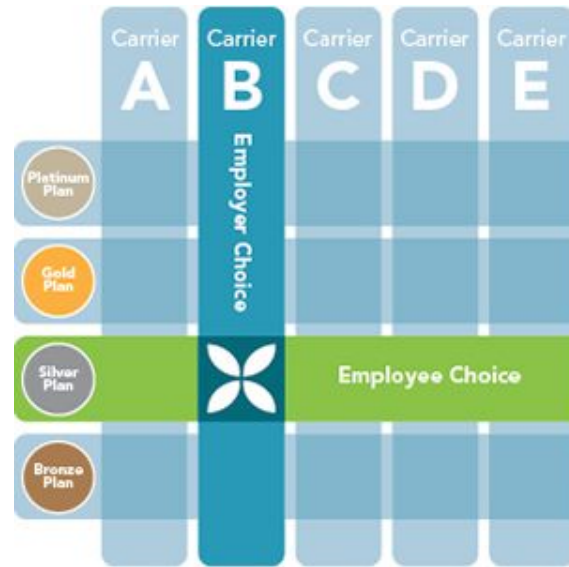
MHBE Small Business Program by Fall 2024

	Full Service Small Business Enrollment Platform	Outreach Marketing and Preferred Broker Program	Integrate ICHRAs/ QSEHRAs into Maryland Health Connection
Description	Build an in-house portal that is a one stop shop: end-to-end shopping, tax credit eligibility, enrollment, support and billing aggregation system	Respond to Small Business & Nonprofit Health Insurance Subsidy Workgroup recommendations to offer marketing and outreach resources, support and incentives for businesses.	Partner with ICHRA administrator(s) and build ICHRA/QSEHRA integration into MHC/MHC for Small Business

MHC Employer Choice & Employee Choice

Employer Choice: Select one insurance company that offers coverage; employers can offer any number of plans: one (1), multiple, or all.

Employee Choice: Select up to two consecutive metal levels of coverage; employees may choose any plan across all the insurance companies that offer plans at those metal levels.



Issuer	MHC Small Biz Medical QHPs
CareFirst BCBS	18
CareFirst GHSMI	3
United Healthcare	18
Optimum Choice	10
Aetna Health	6
Kaiser Permanente	13
Total	68

Federal Small Business Tax Credit

- ACA Federal SHOP (Small Business Health Options Program) Tax credit created to incentivize offering employees coverage
- Requirements to qualify:
 - Business must be located in Maryland
 - < 25 full-time equivalent employees (FTEs) for the taxable year
 - Pay average annual wages of < \$58,000 (adjusted for inflation FY 2022) per FTE employee
 - *Tax credit works on a sliding scale- credit reduced if FTEs >10 , Average wage >\$28,000*
 - Employer maintain a “qualifying arrangement” by paying a uniform percentage for all employees that’s equal to 50% of premium cost of employee only coverage (35% for tax exempt/nonprofit organizations)

Tax Credit (Continued)

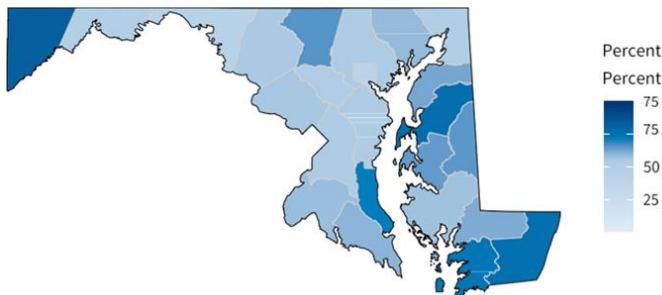
- Federal SHOP tax credit parameters:
 - The maximum credit is 50% of employer's premium payments (35% for tax-exempt organizations)
 - Available for 2 consecutive years
 - Small employers are required to purchase a Qualified Health Plan from a SHOP Marketplace to be eligible to claim the credit
 - Tax Credit can be carrier forward or backward by 2 years

Maryland Small Business Profile

Maryland 2022

634,622 Small businesses
99.5 percent of Maryland businesses

1.2 million Small Business employees
49.4 percent of Maryland employees



No Employees	527,410
1-19 Employees	92,785
20-499 Employees	14,427
Total	634,622

Small business count by size and industry

Industry	No employees	1-19 employees	20-499 employees	All small businesses
Professional, Scientific, and Technical Services	82,298	16,138	2,000	100,436
Transportation and Warehousing	66,788	2,448	422	69,658
Health Care and Social Assistance	52,753	10,468	1,879	65,100
Construction	49,360	12,406	1,602	63,368
Other Services (except Public Administration)	48,029	11,661	1,133	60,823
Real Estate and Rental and Leasing	53,320	4,346	383	58,049
Administrative, Support, and Waste Management	46,575	5,893	1,129	53,597
Retail Trade	33,624	9,380	987	43,991
Arts, Entertainment, and Recreation	31,004	1,615	340	32,959
Educational Services	21,644	1,561	446	23,651
Accommodation and Food Services	9,802	7,073	2,319	19,194
Finance and Insurance	11,638	3,350	393	15,381
Wholesale Trade	5,180	3,086	837	9,103
Information	6,940	977	236	8,153
Manufacturing	4,601	1,977	607	7,185
Agriculture, Forestry, Fishing and Hunting	3,438	179	5	3,622
Utilities	336	39	14	389
Management of Companies and Enterprises	*	66	254	320
Industries not classified	*	187	1	188
Mining, Quarrying, and Oil and Gas Extraction	80	17	12	109
Total	527,410	92,785	14,427	634,622

Small Businesses in Maryland

- Maryland defines a small business as having between 1 and 50 employees
- Sharp decline in small group enrollment in 2021
- Small Group Market size: In Maryland's Small Business Enrollment: 117 active groups with **645 covered lives** (MHBE data as of August 30, 2022)

MHC Small Business Enrollment									
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022
Employers	43	88	113	107	148	152	156	121	117
Covered Lives	263	604	735	588	853	821	878	649	645

MHBE Small Business Program by Fall 2024

	Full Service Small Business Enrollment Platform	Outreach Marketing and Preferred Broker Program	Integrate ICHRAs/ QSEHRAs into Maryland Health Connection
Description	Build an in-house portal that is a one stop shop: end-to-end shopping, tax credit eligibility, enrollment, support and billing aggregation system	Respond to Small Business & Nonprofit Health Insurance Subsidy Workgroup recommendations to offer marketing and outreach resources, support and incentives for businesses.	Partner with ICHRA administrator(s) and build ICHRA/QSEHRA integration into MHC/MHC for Small Business

Workgroup Final Recommendations

1. Allocating \$2 to \$4 million per year to MHBE to invest in training, marketing, and outreach to educate small employers and their employees on their health insurance options on- and off-Exchange for a minimum of three years.
1. MHBE should re-engage stakeholders to discuss the possibility of a small business & nonprofit premium subsidy in the future, if it appears likely that the enhanced premium tax credits in the individual market will expire.
1. Financial incentive for small employers and nonprofits hosting events to help their employees obtain coverage and MHBE providing special branding to employers who take advantage of the opportunity, noting that this could boost employee recruitment and retention while also reducing the number of uninsured Marylanders.

Challenges and Opportunities Facing Small Businesses

- “Affordable” Small Group plans impacting employees eligible for enhanced federal subsidies under ARPA
- Opportunity for MHBE to target outreach & education on all coverage options to groups within the top 5 specific industries likely to have employees within 100%-400% of FPL:
 - Professional, Scientific, Management, Administrative, & Waste Management Services
 - Educational Services, Health Care & Social Assistance
 - Construction
 - Wholesale & Retail trade Arts, Entertainment, & Recreation, & Accommodation & Food Services
- Outreach, education and marketing materials and collaboration with producer community to bring awareness to groups with in these industries to offer plans that meet the needs of all of their employees (ICHRA plans, Individual plans vs. Small Group).

Industry Category	Employer Size	FPL Category					
		Eligible (100-400% FPL)		Ineligible (<100 or >400% FPL)		Total	
		#	%	#	%	#	%
Professional, Scientific, Management, Administrative, & Waste Management Services	<10 employees	41,580	35.8%	74,537	64.2%	116,117	100%
	10-24 employees	17,830	23.8%	57,240	76.2%	75,070	100%
	25-99 employees	12,124	24.5%	37,392	75.5%	49,516	100%
	Total	71,534	29.7%	169,168	70.3%	240,702	100%
Educational Services, Health Care & Social Assistance	<10 employees	23,310	40.2%	34,698	59.8%	58,008	100%
	10-24 employees	19,911	36.7%	34,406	63.3%	54,317	100%
	25-99 employees	17,718	38.8%	27,916	61.2%	45,634	100%
	Total	60,939	38.6%	97,020	61.4%	157,959	100%

Industry Category	Employer Size	FPL Category					
		Eligible (100-400% FPL)		Ineligible (<100 or >400% FPL)		Total	
		#	%	#	%	#	%
Construction	<10 employees	31,755	44.6%	39,411	55.4%	71,166	100%
	10-24 employees	18,487	41.2%	26,433	58.8%	44,919	100%
	25-99 employees	8,206	44.1%	10,411	55.9%	18,616	100%
	Total	58,447	43.4%	76,254	56.6%	134,702	100%
Wholesale & Retail trade	<10 employees	22,137	36.4%	38,736	63.6%	60,873	100%
	10-24 employees	14,743	36.1%	26,049	63.9%	40,793	100%
	25-99 employees	4,457	29.1%	10,869	70.9%	15,326	100%
	Total	41,338	35.3%	75,654	64.7%	116,992	100%

Gender

- Men compose a higher proportion of the uninsured than women-making up 57.4% of the estimated uninsured Marylanders
- Other=140K account for undocumented residents

Note: since the figures Hilltop provided from the ACS are estimates, they should not be construed as exact counts

CY 2021		
Gender	Proportion [95% CI]	Estimate [95% CI]
Female	110,812	42.6%
Male	149,089	57.4%
Other	140,099	

Age Group

- 19-34 year olds make up highest percentage of uninsured Marylanders at 34%
- 34-50 year olds are second highest making up 36% of the uninsured Marylanders

CY 2021		
Age	Estimate [95% CI]	Proportion [95% CI]
<19 years	50,624	19.5%
19 - 34	89,713	34.5%
35 - 50	65,248	25.1%
51 - 66	48,604	18.7%
67+	5,712	2.2%

Race & Ethnicity

- African Americans form highest uninsured population, followed by non-hispanic whites
- Hispanics make up third highest with 21% of uninsured individuals
- All individuals reporting Hispanic origin are combined in the category Hispanic. All other race-ethnicity categories are limited to individuals who did not indicate Hispanic origin.

CY 2021		
Race/Ethnicity	Estimate [95% CI]	Proportion [95% CI]
Non-Hispanic White	84,915	32.7%
Non-Hispanic Black	87,617	33.7%
Hispanic	55,205	21.2%
American Indian or Alaska Native	477	0.2%
Asian-American or Pacific Islander	17,678	6.8%
Two major races	10,414	4.0%
Three or more major races	1,546	0.6%
Other	2,049	0.8%

Household Income as % FPL

- The highest number of uninsured individuals have incomes within the 138% - 400% of the FPL threshold

CY 2021		
FPL	Estimate [95% CI]	Proportion [95% CI]
<138% FPL	68,626	26.4%
138% - 400% FPL	108,175	41.6%
>400% FPL	83,100	32.0%

Marital Status

- The highest number of uninsured individuals are single or never married
- Close to 70% of spouses of those who are uninsured are employed

CY 2021		
Marital Status	Estimate [95% CI]	Proportion [95% CI]
Married	67,635	26.0%
Separated, divorced or widowed	33,395	12.8%
Never married or single	158,871	61.1%

Employment Status

- 49% of uninsured Marylanders are employed
- 26% are not in the labor force
- Spouses of uninsured workers are likely to be employed (70%)
- remaining 30% of spouses more likely to not be in the workforce

CY 2021		
Employment Status of Uninsured	Estimate [95% CI]	Proportion [95% CI]
N/A	39,335	15.1%
Employed	127,306	49.0%
Unemployed	23,849	9.2%
Not in Labor Force	69,411	26.7%
Employment Status of Spouse	Estimate [95% CI]	Proportion [95% CI]
Employed	41,505	69.6%
Unemployed	2,284	3.8%
Not in Labor Force	15,826	26.5%

Spouse Health Coverage

- Spouses of uninsured individuals have some form of health insurance coverage
- These counts are limited to lawfully present individuals without health insurance coverage who report being married, and whose spouse was present for the survey.

*Note that a spouse may report multiple sources of health insurance coverage.

CY 2021		
Spouse Health Coverage	Estimate [95% CI]	Proportion [95% CI]
Spouse has any health insurance coverage	31,750	53.3%
Spouse has no health insurance coverage	27,865	46.7%
Spouse has coverage through employer/union	15,546	26.1%
Spouse has private insurance coverage	19,706	33.1%
Spouse has public insurance coverage	14,472	24.3%

Uninsured Population: Additional Information

Uninsured individuals in Maryland:

- Speak some english or speak english fairly well
 - Not applicable to respondents under age 5
- They're likely to not be military veterans
 - Not applicable to respondents under age 17
- Not likely to have a cognitive, ambulatory, self-care, vision or hearing difficulty
 - Not applicable to respondents under age 5

CY 2021		
Additional Categories	Estimate [95% CI]	Proportion [95% CI]
Speak English Well	240,878	92.7%
Not Military veteran	211,861	81.5%
No cognitive, ambulatory or self-care difficulty	246,300	94.8%
No vision or hearing difficulty	252,869	97.3%



Small Business Outreach Program

MHC for Small Business

Goals:

- **Prioritize helping small businesses** and their employees connect to health coverage easily;
- **Increase** Health Insurance literacy for Maryland small businesses;
- **Cultivate partnerships with state agencies** to educate small business owners about Maryland Health Connection for Small Business;
- **Establish and strengthen** relationships with brokers and external stakeholders;.
- **Increase** overall small business enrollment.

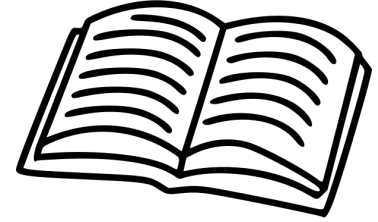
State Agencies Collaboration

- Connect and maintain partnerships with state agencies;
- Participate in statewide special events, MHC sponsored conferences, and broker events;
- Guest presenter at state agency webinars, private organizations;
- Social media platforms in print and online communications such as newsletters, blogs, and podcasts to expand our marketing outreach efforts and increase health insurance enrollment among small business and nonprofit employers and employees.

Educational Materials for Employer

- Overview of why employers offer health insurance benefits.
- Financial considerations including taxes, payroll and tax credit.
- What are the administration considerations including enrollment, contracting and compliance.
- What are the strategies Employers use to provide health coverage?
- Provide guidance on next steps/assist employer take action to get employees covered.

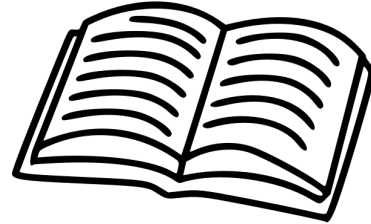
MHBE Small Business Health Insurance Outreach & Education: Employer Guide



- Introduction to Maryland Health Connection for Small Business
- Health insurance terms & definitions
- Group Coverage Eligibility
- Employer Contribution
- MHC Employer Options
 - Marketplace Private Health Plans
 - Traditional Small Group Plans
 - ICHRA Plans (Individual Coverage Health Reimbursement Account)
- Health Insurance Tax Credit
- Offered Carriers/Issuers
- Medical
- Dental
- Wellness
- Step by step guide to enrolling
- Work with an MHC authorized broker

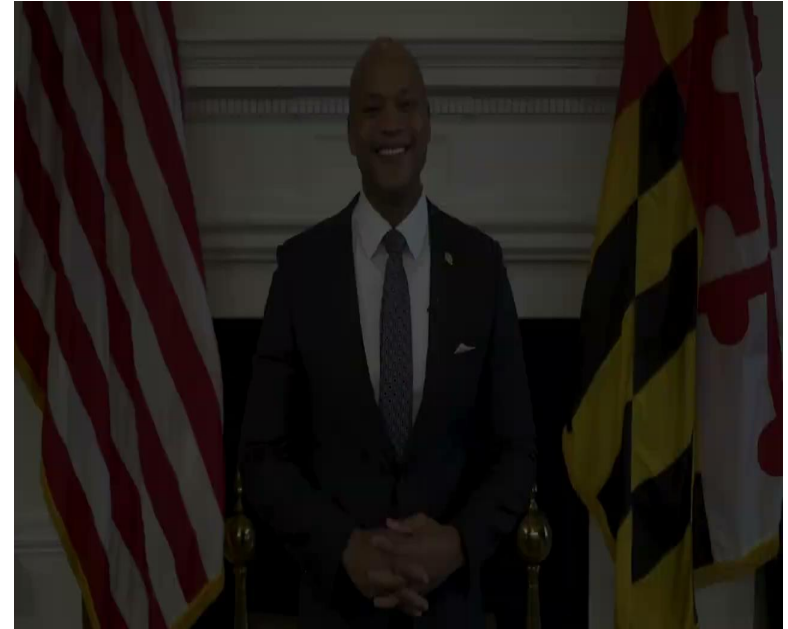
MHBE Small Business Health Insurance Outreach & Education: Employee Guide

- Introduction to Maryland Health Connection for Small Business
- Health Insurance 101- Why is health insurance important?
- MHC Employee Coverage Options
- Offered Carriers/Issuers
- Medical
- Dental
- Wellness
- Step by step guide to enrolling



Broker Awards Recap

- Virtual award ceremony
- Event details
- Attendees: MHBE Leadership, Board Members, Carriers and Brokers
- A message from Governor Wes Moore



Broker Awards Recap, Cont...



Broker Awards Recap, Cont...



Small Business Outreach Updates

Marketing update on Small Business state agencies and external stakeholders outreach program.

- Regional meetings are currently in progress and scheduled with the twelve representatives of the MD Dept of Commerce's Business Development Regional Team.
- We are planning a MHC for Small Business and MarylandSaves (retirement savings) joint webinar for the fall, featuring executive directors Michele Eberle and Glenn Simmons.
- A Small Business owner's success using MHC for Small Biz will be featured in an article in Expanding Opportunities magazine, published by the Governor's Office of Small, Minority, Business Affairs.
- Attended B'more BOLD Business Conference - Small business education and outreach opportunities.

Small Business Program Updates

- Collaborating with our CFO to revise MHBE's RFP templates, setting a precedent for other state agencies in terms of health insurance coverage.
- Implementing changes in federal RFP contracts pose challenges for MHBE.

Overview: Current Small Business Portal

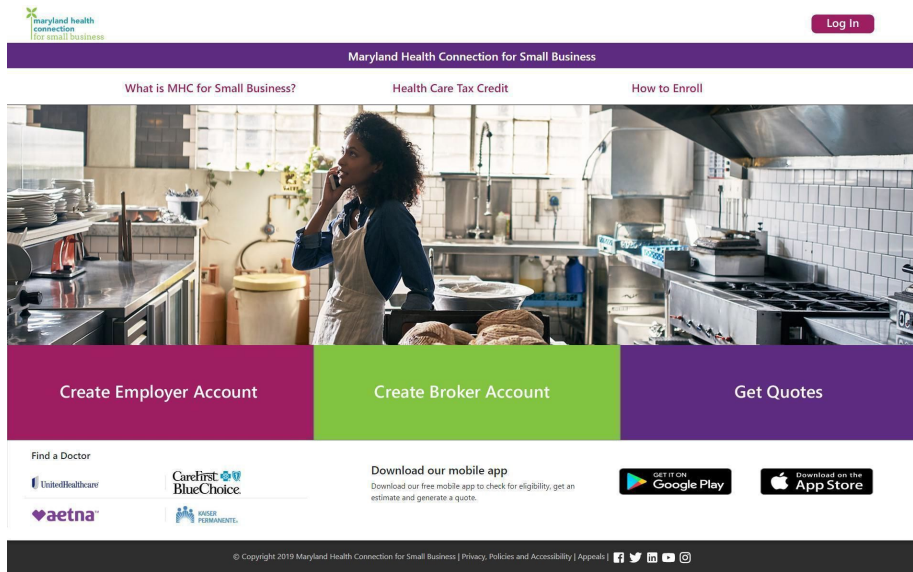
- Brief review of the existing MHC-SB system, highlighting its strengths and identifying areas for improvement.
 - Direct to carrier enrollment process with assistance from brokers and TPA/GA
 - Forms and required documentation

maryland health connection™			
Maryland Health Connection for Small Business - 2023 Direct Enrollment Employer / Carrier Enrollment Application (not an Employer Eligibility Application)			
			Group Number
Company Information			
Legal Company Name	Doing Business As (if Applicable)		
Physical Street Address (PO Box not acceptable)	City	State	ZIP
Billing Address (if different from physical)	City	State	ZIP
Mailing Address (if different from physical or billing)	City	State	ZIP
Phone Number	Fax Number		
Does this business have multiple locations? If so, please attach sheet with all locations with Street Address, City, State and ZIP and number of employees at each broken down by Full-time, Part-time, Retired, COBRA or State Continuees, 1099, Union, Seasonal, Other.			

maryland health connection™			
Maryland Health Connection for Small Business - 2023 Direct Enrollment			
EMPLOYEE ELIGIBILITY AND ELECTION FORM			
New Hire/Rehire	Coverage Change	Special Enrollment	Waiver
Information Update	COBRA/State Continuation	Termination/Cancellation of Coverage	Open Enrollment
1. EMPLOYER INFORMATION Employer Section Only (Include Applicable Effective Dates)			
Employer Name:			
Employer Physical Address:			
Employer City:		State:	Zip Code:
Employer Phone Number:		Group Number:	

MHC for Small Business Functionality

Users begin by creating an employer account options found on the home page and filling out the create account form.



The screenshot shows the 'Create Account' form. It includes the following fields and options:

- First name *** and **Last name *** (text input fields)
- Email address *** and **Re-enter email *** (text input fields)
- User ID *** (text input field)
- Password *** and **Re-enter password *** (text input fields)
- A note: "Please enter 6-20 characters (A-Z, a-z, 0-9, and ! \$ % ...)"
- A checkbox: "Yes, I accept the User Acceptance Agreement, which specifies how my information will be kept confidential and secure. [Click here](#) to view the User Acceptance Agreement."
- A checkbox: "I'm not a robot" with a CAPTCHA logo.
- Back** and **Create** buttons at the bottom right.

The footer contains copyright information and social media icons.

Register Business & Find a Broker

Welcome John Smith

Register Business

General Information

Business Name *
John's Business

Employer Identification Number (EIN) *
12-3456789

Business Email *
guruprasad.gattamaneni+1@maryland.gov

Business Phone *
(123)-456-7890

Cell Phone
(123)-456-5411

Maryland Office Site Address

Search Address
750 waas pratt stw

Address Line 1 *
6th floor

Address Line 2

City *
baltimore

State *
Maryland

ZIP code *
21202

County *
Baltimore City

Mailing Address

☐ Different Mailing Address from Office Address

Date for coverage to begin *
08/01/2020

Do you have an insurance broker?
☐ Yes ☒ No

Would you like additional assistance to enroll in coverage? Adding a broker is optional and free.
☐ Yes ☒ No

[Proceed](#)

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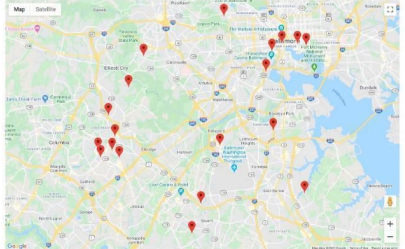
Find a Broker

Search for a broker by name, company, NPN, city or ZIP code.

[Find](#)

Items per page: 5 1 - 2 of 2

Diem-Phuong Ton-Nu Eden Financial & Accounting Services, Inc. (703) 533 - 9610 diemphuong.tonnu@verizon.net Languages spoken: English, Spanish NPN: 123456789	0.0 mi	Request Broker
Diem-Phuong Ton-Nu Eden Financial & Accounting Services, Inc. (703) 533 - 9610 diemphuong.tonnu@verizon.net Languages spoken: English, Spanish NPN: 123456789	0.0 mi	Request Broker
Diem-Phuong Ton-Nu Eden Financial & Accounting Services, Inc. (703) 533 - 9610 diemphuong.tonnu@verizon.net Languages spoken: English, Spanish NPN: 123456789	0.0 mi	Request Broker



Confirm Broker

You have selected a broker. You may contact the broker using the information below.

Name: Diem-Phuong Ton-Nu
Organization: Eden Financial & Accounting Services, Inc.
Address: 6763 Wilson Blvd. STE. 2, Falls Church, VA, 22044
Website: diemphuong.tonnu@verizon.net
Email: (703) 533 - 9610
Phone: (703) 533 - 9610

Once you click the submit button, your request for assistance will be sent to the Broker you selected along with your name and contact information. Once the broker accepts your request, your broker will have access to all of the information in your Maryland Health Connection account. You can remove or change your broker at any time. To continue and authorize your broker to access your account, select "Submit". To go back, select "Back".

[Back](#) [Submit](#)

Eligibility Determination Tool

Employers can determine their eligibility by selecting “Find out if you’re eligible” to determine eligibility for small business coverage.

The screenshot displays the Maryland Health Benefit Exchange's Eligibility Determination Tool. The interface is divided into two main sections: a registration/eligibility overview on the left and a detailed eligibility determination form on the right.

Left Panel (Registration/Eligibility Overview):

- Welcome Test Business:** A section with a family photo and a button to "Find out if you're eligible".
- Progress Bar:** A horizontal bar with three steps: "Register a Business" (completed), "Determine Eligibility" (current step), and "Get a Quote".
- Profile:** A section for "Test Business" with contact information: "121333634", "(121) 456-7890", and "gunaprasad.gatamaneni1+1@maryland.gov".
- Broker:** A section for "Broker" with a note: "You haven't added a broker for free assistance in enrolling into coverage." and a "Find a Broker" button.
- Inbox:** A table with columns: Message, Date, From, Attachments. It shows a message from "Welcome to MHC for Small Business" dated "07/02/2020" from "MHC".
- Quote History:** A section with a note: "You haven't generated any quotes yet." and a "Get a Quote" button.

Right Panel (Determine Eligibility):

- Determine Eligibility:** A section with a heading "Confirm whether your business meets the following eligibility requirements:".
- Eligibility Questions:** A series of questions with "Yes" or "No" radio buttons:
 - "This business has from 1 to 50 full-time equivalent (FTE) employees or has participated in MHC for Small Business last year." (Yes selected)
 - "This business has a business address in Maryland and either:
 - elects to provide coverage through MHC for Small Business to all eligible employees, wherever employed; or
 - elects to provide coverage through MHC for Small Business to all eligible employees who are principally employed in Maryland." (Yes selected)
 - "All full-time employees of the business will be offered MHC for Small Business coverage." (Yes selected)
 - "This business has at least one employee enrolling in coverage who isn't an owner or business partner, or the spouse of the owner or business partner." (Yes selected)
- Disclaimer:** A checkbox "I attest this information is correct and I understand that Maryland Health Connection for Small Business has the right to request verification of this information." is unchecked.
- Disclaimer Text:** "An eligible employer must meet the following participation requirements."
 - "At least 75% minimum participation level if the qualified employer designates a coverage level within which its employees may choose any qualified health plan in the MHC for Small Business or"
 - "the carrier's minimum participation rate (that does not exceed 75% of eligible employees) where the qualified employer selects one carrier for employees to choose a plan. Please click [here](#) to make an initial determination of participation rate. Additional information may be requested to verify responses provided in these attestations."
- Buttons:** "Cancel" and "Submit" buttons.

Footer: "© Copyright 2019 Maryland Health Connection for Small Business | Privacy, Policies and Accessibility | Appeals |" followed by social media icons.

Employer Eligibility Notice Letter



Maryland Health Connection
P.O. Box 857
Lanham, MD 20703-0857

Important Notice: Determination of Eligibility for Maryland Health Connection for Small Business

**PLEASE MAINTAIN A COPY OF THIS LETTER FOR TAX FILING
PURPOSES.**

VIA e-mail: info@ABC.COM

ABC Financial LLC
123 Wisconsin Avenue
Bethesda, Montgomery MD 20814

MHC for Small Business ID# 6211

Notice Date: 05/03/2023

To Whom It May Concern:

Good news for ABC Financial LLC with Employer Identification Number:
832130000

You are eligible to purchase a small business health plan certified by Maryland Health Connection (MHC) for Small Business.¹ If you have indicated that you are working with a broker on your application, your broker will also receive notice of your eligibility.

Get a Small Group Quote

Employee Information Show Plans View Quote

Enter Employee Information Clear Details

#	Name	Date of Birth	Relationship	Action
1	Employee One First Nam	04/27/1967	Full-time	Add Family Member ✕
	Employee One Spouse F	01/26/2005	Spouse	✕
	Employee One Child On	09/11/1991	Child	✕
	Employee Two Child On	09/09/1950	Child	✕
	Employee Three Child O	08/21/1985	Child	✕
	Employee Four Child On	10/01/2017	Child	✕
2	Employee Two First Nam	11/16/1974	Full-time	Add Family Member ✕
	Employee Two Spouse F	01/01/1980	Spouse	✕
	Employee Two Child On	12/09/1962	Child	✕
3	Employee Three First Na	09/03/1973	Full-time	Add Family Member ✕
	Employee Three Spouse	05/21/1983	Spouse	✕

Welcome John Smith

Employee Information Show Plans View Quote

Sort By: Annual Deductible Per Page: 10

Select your benefit options from the 61 health plans

ORDERED

☒ Full Time *

Employees 50 %

Spouse 50 %

Children 50 %

☒ Part Time (Optional)

Employees 50 %

Spouse 50 %

Children 50 %

KP MD Platinum Q/10/Dental METAL LEVEL: Platinum Details

TOTAL COST PER MONTH	ANNUAL DEDUCTIBLE	ANNUAL OUT-OF-POCKET MAX	URGENT CARE CENTER	PRIMARY CARE CO-PAY	H.S.A. Certified
\$2,675.73	\$0 per person \$0 per group	\$2000 per person \$4000 per group	\$30.00 Copay	\$10.00 Copay	No

TOTAL EMPLOYER COST PER MONTH \$1,337.86 TOTAL EMPLOYEE COST PER MONTH \$1,337.87

Important Plan Information Plan Costs & Benefits Prescription Drug Search

See Monthly Rate Breakdown Add to Quote

UHC Choice Plus HSA Bronze 6700-2 METAL LEVEL: Bronze Details

TOTAL COST PER MONTH	ANNUAL DEDUCTIBLE	ANNUAL OUT-OF-POCKET MAX	URGENT CARE CENTER	PRIMARY CARE CO-PAY	H.S.A. Certified
\$1,936.25	\$6700 per person \$13400 per group	\$6700 per person \$13400 per group	No Charge after deductible	No Charge after deductible	Yes

MHBE Employer & Employee Education

To effectively conduct outreach and education to employers and employees of small businesses we present the following materials:

- Target Audience
- Proposed curriculum flow
- Training materials and delivery method
- Employer and Employee certificates/badges

Target Audience

- **Sole Proprietorships:** Self-employed individuals who run their own small businesses, such as consultants, freelancers, or independent contractors.
- **Microenterprises:** Very small businesses with a limited number of employees, often operating with fewer than 10 employees. This can include small retail shops, local service providers, or home-based businesses.
- **Non-Profit Organizations:** Charitable organizations, community groups, and non-governmental organizations (NGOs) that employ a small staff.
- **Family-Owned Businesses:** Small businesses that are owned and operated by family members, such as family restaurants, local stores, or small agricultural enterprises.
- **Small businesses of any size, currently not offering health insurance** to their employees

Target Audience, Cont...

- **Small Business Owners:** The primary target audience comprises small business owners who have not yet implemented health insurance coverage for their employees.
- **Human Resources Personnel:** HR managers or personnel responsible for employee benefits and welfare within small businesses can be a crucial audience. They play a significant role in evaluating and selecting health insurance options for their organizations.
- **Decision-Makers and Key Stakeholders:** Individuals within small businesses who have decision-making authority or influence over employee benefits, such as CEOs, CFOs, and business managers, are important targets. Their engagement and understanding are essential for the adoption of health insurance coverage.
- **Small Business Employees:** While the primary focus is on the small business owners and decision-makers, engaging employees in the process can help generate interest and support for implementing health insurance coverage within their organizations.

MHBE Small Business Health Insurance Outreach & Education: Employer Guide

1. Introduction to MHC for Small Business
2. Understanding Small Business Health Insurance
 - Group Coverage Eligibility & Employer Contribution
 - Health Insurance Tax Credit
 - Enrollment and Enrollment Periods
3. MHC Employer Options
 - Traditional Small Group Plans
 - ICHRA Plans
 - Marketplace Private Health Plans
 - Offered Medical Carriers/Issuers
4. Need to Know for Employers
5. Maintaining Compliance with Regulations
6. Resources and Support



1. Introduction to Health Insurance

- Overview of MHC for Small Business
- Importance of health insurance for individuals and businesses
- Basic terminology (premiums, deductibles, copayments, out-of-pocket maximums, etc.)
- Overview of the different types of health insurance plans (HMO, PPO, POS, etc.)

2. Understanding Small Business Health Insurance

- Explaining the Small Business Health Options Program (SHOP)
- Eligibility requirements for small business health insurance
- Employer contribution and employee participation rules
- Open enrollment periods and special enrollment periods, deadlines

Small Business Healthcare Tax Credit

- Facts about the tax credit
- Income and group size eligibility guidelines
- Application process

3. MHC Employer Options

Evaluating Health Insurance Plans

- Factors to consider when choosing a health insurance plan
- Coverage options and benefit summaries
- Comparing costs: premiums, deductibles, and copayments

Available Plans & Carriers/Issuers

- Traditional Small Group Plans (Employer Choice vs. Employee Choice)
- ICHRA Plans
- Marketplace Private Health Plans
- Aetna, CareFirst BCBS, Kaiser Permanente, United Healthcare

4. Need to Know for Employers

Managing Health Insurance Costs

- Controlling premiums and out-of-pocket costs
- Understanding cost-sharing mechanisms (deductibles, copayments, coinsurance)
- Utilizing Health Insurance Benefits

Network providers and out-of-network services

- Understanding pre-authorization and referrals
- In and Out of network providers and services

Adding or removing employees from coverage

- Reporting changes in income or employment status
- SEP/ Qualifying events

Wellness and Preventive Care

- Importance of preventive care services
- Utilizing wellness programs and resources
- Promoting a healthy lifestyle and well-being

5. Compliance, Resources and Support

- Overview of relevant laws and regulations
- Reporting requirements for small businesses
- Understanding the consequences of non-compliance

6. Resources & Support

- Online tools and resources for researching health insurance options
- Small Business Healthcare Tax Credit Calculator
- FTE Calculator
- Utilizing insurance brokers and consultants

MHBE Small Business Health Insurance Outreach & Education: Employee Guide

1. Introduction to Health Insurance & MHC for Small Business
2. Your Small Business Health Insurance Plan
3. Understanding Coverage and Benefits
 - Available Carriers/Issuers
4. Navigating the Enrollment Process
5. Need to Know for Employees
6. Resources and Support



1. Introduction to Health Insurance

- Overview of MHC for Small Business
- Importance of health insurance for individuals and families and employer offered coverage
- Basic terminology (premiums, deductibles, copayments, out-of-pocket maximums, etc.)
- Overview of the different types of health insurance plans (HMO, PPO, POS, etc.)

2. Your Small Business Health Insurance Plan

- Overview of the health insurance plan offered by the employer
 - Traditional Small Group Plans
 - ICHRA Plans
 - Marketplace Private Health Plans
 - Aetna, CareFirst BCBS, Kaiser Permanente, United Healthcare
- Plan benefits, coverage options, and limitations
- Explanation of the employee's contribution and employer's contribution

3. Understanding Coverage and Benefits

- Effective date of plan, In-network vs. out-of-network providers
- Essential health benefits and preventive care services
- How does your plan work
 - Traditional Employer Choice or Employee Choice Offering
 - ICHRA plans
 - Individual plans through your employer

4. Need to Know for Employees

Managing Health Insurance Costs

- Controlling out-of-pocket costs
- Understanding cost-sharing mechanisms (deductibles, copayments, coinsurance)
- Utilizing Health Insurance Benefits

Network providers and out-of-network services

- Understanding pre-authorization and referrals
- In and Out of network providers and services

Wellness and Preventive Care

- Importance of preventive care services & Wellness Programs
- Promoting a healthy lifestyle and well-being

5. Navigating the Enrollment Process

- Enrollment periods and deadlines
- Required documentation for enrollment
- Making changes to coverage (adding or removing dependents, etc.)
- Loss of Coverage/Certificate of Coverage

6. Resources and Support

- Provide list of resources and contact information
- Online tools for researching healthcare providers and costs
- Explaining how to contact carriers, MHC customer service and ask questions

Training Materials and Delivery Method

- Broker Guided In-Person Training
- Video Modules
- Soft copy (PDF) guides
- Hard copy (printed)

Once employer and/ or employees complete their training, employees will receive a certificate of completion and employer will also receive an MHC electronic badge they can place on their website and business cards and/or place on their business front.

The screenshot shows a web form titled "Maryland Health Connection for Small Business Education & Outreach Request Form". At the top is the logo for "maryland health connection for small business" with a green leaf icon. Below the title, the email "makeda.hailegeberel@maryland.gov" is displayed with a "Switch account" link and a "Not shared" status. A red asterisk indicates required questions. The form contains three sections: 1. "Are you a Small Business with 2-50 employees?" with radio buttons for "Yes" and "No". 2. "Do you currently offer health insurance to your employees?" with radio buttons for "Yes", "No", and "If yes, provide details". 3. "Do you have an agent/broker?" with checkboxes for "Yes", "No", and "If yes, please provide the name of your broker". The form is currently titled "Untitled Title".

Special Enrollment Periods

MHBE must provide special enrollment periods consistent with section 45 CFR 155.726 and 45 CFR 155.420.

- Loss of other health coverage (e.g., loss of job-based coverage, aging off a parent's plan, MEC, Medicaid)
- Gaining other coverage
- Marriage or domestic partnership, divorce
- Exchange Error (Medicaid Determination Error, Material Contract Violation)
- Birth or adoption of a child
- Death
- Pregnancy
- Permanent move or relocation to an area with access to Private Health Plans
- Domestic Abuse/Spousal Abandonment [defined by 26 CFR 1.36B-2T]
- Changes in income or household size
- Change in Citizenship or Immigration Status
- Gaining Status as a Member of a Federally Recognized Tribe

