

2016 Small Business Health Options Program

Updates for the new plan year

For 2016 the Small Business Health Options Program (SHOP) Marketplace is open to employers with 100 or fewer full-time equivalent employees (FTEs). Understanding how the SHOP will work this year will help you work with employers to decide if they should purchase coverage through the SHOP or directly from Independence Blue Cross (Independence).

In 2016, the SHOP will allow small employers to provide their employees with a choice of health plan options by metallic level of coverage (platinum, gold, silver and bronze). Under the "employee choice" model, employees can choose any health plan at the metal level selected by the employer. The application and set up process is managed entirely through the SHOP which means certain Independence benefits are no longer available. Independence will continue to provide member identification cards, process member claims, and provide member services to answer questions.

Employer tax credit qualification

The primary reason to purchase a plan through the SHOP is if an employer is eligible for the Small Business Health Care Tax Credit. To be eligible, employers must:

- have fewer than **25** full-time equivalent employees
- pay them an average wage of less than **\$50,000** a year
- pay at least **half** of employee health insurance premiums

The amount of qualifying tax credit gradually decreases as the group size approaches 25 employees, and as the average salary increases. Because eligibility can only be determined by the IRS, Independence cannot provide guidance on this matter. To help determine eligibility, brokers and employers may visit the [IRS website](#), or the group may consult with its legal and/or tax advisor.

Comparison of Benefits between On-Exchange (The SHOP) and Off-exchange (direct) plan designs

Benefit	On-exchange	Off-exchange
Pediatric Dental	NOT included	Included
Pediatric Vision	Included	Included
Adult Dental	NOT included	NOT Included*
Adult Vision	Included (Exam/Glasses/Frames)	Included (Exam/Glasses/Frames)
Elective Abortion	NOT covered	Covered

*Note: IBC PPO and DHMO Adult buy-ups are available off the exchange. Adult DHMO is available as a rider to Keystone medical plans. Adult PPO Dental can be purchased with any medical plan.

Factors to consider

Even if an employer group qualifies for the Small Business Health Care Tax Credit, each employer's situation should be carefully considered to determine an employer's health care coverage should be purchased through the SHOP.

Our Keystone Health Plan East HMO plans available through the SHOP cover employees within our five-county service area, but can no longer be extended to any employees and/or dependents who temporarily reside outside our service area because Guest Membership is not available through the SHOP.

Employers looking to offer coverage to employees residing outside Independence's five-county service area should consider a plan that includes a provider network that gives employees access to doctors and hospitals in their area. In that case, our Personal Choice® PPO, which includes the Blue-Card® program, may best serve their needs.

Because plan administration is managed through the SHOP, group administrators will not have access to our employer web portal, IBXpress. This includes benefits administered through third-party vendors, such as for HRA/HSA administration, which must be managed separately in 2016.

Finally, keep in mind that group Medicare plans are not available through the SHOP.

Steps for new business and renewal groups

Employers currently offering coverage through the SHOP are required to re-enroll in a plan in 2016 upon their renewal date, even if they are not looking to change their coverage.

To purchase or renew a plan through the SHOP, you must use the new online process a minimum of 15 days prior to the effective date. For example, for a plan with effective date of July 1, 2016, applications are due June 15, 2016.

More information

If you have questions, call the the SHOP Call Center at [1-800-706-7893](tel:1-800-706-7893) (TTY: 711) Monday through Friday, 9 a.m. – 7 p.m. EST. To get started enrolling your customers in coverage, [click here](#). (www.healthcare.gov/small-businesses/employers).



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