



Long Description

Animated introduction screen containing the following text at the top and left of the screen: Welcome to the Small Business Health Options Program Module. On the right side of the screen are three images from the module representing module-specific concepts. Beneath this text on the left is the logo for the Department of Health & Human Services (HHS), which is made up of the profiles of people, stacked on top of each other, resulting in the profile of an eagle. The words "Department of Health & Human Services USA" form a circle that extends out and to the left from the profiles. To the right of the logo are the words "Health Insurance Marketplace®." When used in this document, the term "Health Insurance Marketplace®" or "Marketplace" refers to Federally-facilitated Marketplaces (FFMs), including FFMs where states perform plan management functions, and also refers to State-based Marketplaces on the Federal Platform (SBM-FPs). On the right side of the screen are three images; two representing agents and brokers and one image of a laptop. The health caduceus symbol is behind these images.

Small Business Health Options Program

Disclaimer

The information in this training was current at the time it was published or uploaded onto the Web. Eligibility policies and Marketplace* requirements may change so links to the source documents have been provided within the document for your reference. This training is not intended to grant rights or impose obligations. It may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage learners to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of the requirements.

This communication was printed, published, or produced and disseminated at U.S. taxpayer expense.

*When used in this document, the term "Health Insurance Marketplace®," "SHOP Marketplace," or "Marketplace" refers to Federally-facilitated Marketplaces (FFM), including FFM where states perform plan management functions, and also refers to State-based Marketplaces on the Federal Platform (SBM-FP).



Page Text

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Alt Text

A page of text with horizontal lines across it; a red horizontal box containing the word "Disclaimer" within it

Small Business Health Options Program

3 / 31 | Exit >

Introduction

In this module, you will learn about the characteristics of the Small Business Health Options Program (SHOP) and how you, as an agent or broker, can help employers understand and complete the initial enrollment requirements and the process to renew each year. The contents of this module are limited to the SHOPS run by the federal government and SHOPS using the federal platform.



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Help



Glossary



Job Aids



Page Text

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Alt Text

A male small business owner standing behind a counter and in front of a wall of produce and groceries.

Small Business Health Options Program

4 / 31 | Exit >

Objectives

Upon completion of this module, you should be able to:

- Define the employer eligibility requirements for purchasing a SHOP plan and the benefits of purchasing a SHOP plan
- Understand how an employer may appeal a SHOP eligibility determination
- Understand the Small Business Health Care Tax Credit and who may be eligible for it
- Understand the SHOP employer options for health and dental plan offerings
- Describe how to use tools on HealthCare.gov to help clients decide if they want to enroll in a SHOP plan
- Understand how you can help your clients enroll in a SHOP plan directly with an issuer
- Understand how an employee may file a complaint if a SHOP issuer does not honor a special enrollment period (SEP) request
- Identify where agents, brokers, employers, and employees can go for more information and updates on the SHOP



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- Identify where agents, brokers, employers, and employees can go for more information and updates on the SHOP

Alt Text

A young woman is leaning against the door frame of a store front with her arms folded across her chest.

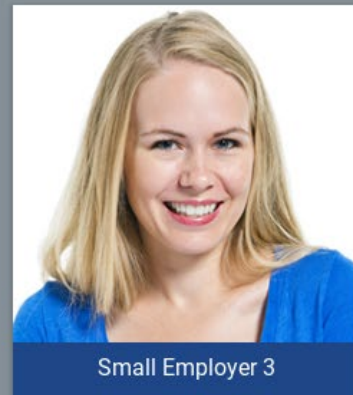
Small Business Health Options Program

5 / 31 | Exit >

SHOP Advantages for Small Employers

Select each small employer to reveal the advantages of the Patient Protection and Affordable Care Act.

The SHOP, created under the Patient Protection and Affordable Care Act, gives eligible small employers (sometimes referred to as qualified employers) a variety of options when offering their employees health and/or dental insurance.



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[Text Description of Image or Animation](#)



Long Description

Interactive graphic representing small employers and the advantages to them of the Patient Protection and Affordable Care Act. There is prompt text at the top of the page. Below the prompt text are the heads of three people representing small employers. As each head is selected, a pop-up box appears and displays text and the image of the small employer. When the pop-up box is closed, the blue banner at the bottom of each image turns green and a checkmark appears to indicate the action is completed.

Prompt Text

Select each small employer to reveal the advantages of the Patient Protection and Affordable Care Act.

Page Text

The SHOP, created under the Patient Protection and Affordable Care Act, gives eligible small employers (sometimes referred to as qualified employers) a variety of options when offering their employees health and/or dental insurance.

Pop Up Text



Small Employer 1

HealthCare.gov provides tools for small employers who are looking for health and/or dental insurance for their business. The agents and brokers who are helping these small employers can also use these tools, which include the [Eligibility Determination Form](#), the [Small Business Health Care Tax Credit Tool](#), the [Minimum Participation Rate \(MPR\) Calculator](#), the [Full-Time Equivalent \(FTE\) Employee Calculator](#), and the [See Plans and Prices Tool](#).

Small Employer 2

Qualified employers can offer a choice of qualified health plans (QHPs) and/or qualified dental plans (QDPs) to all qualified employees and, if dependent coverage is offered, their employees' dependents.

Small Employer 3

Woman with long blonde hair - Qualified employers may be eligible for the Small Business Health Care Tax Credit if they offer a SHOP plan and group members enroll.

Small Business Health Options Program

6 / 31 | Exit >

Coverage Options Available through the SHOP

Small businesses have three options available when offering SHOP plans to their employees and, if applicable, their employees' dependents:

1. Only health coverage
2. Only dental coverage
3. Both health and dental coverage



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Page Text

Small businesses have three options available when offering SHOP plans to their employees and, if applicable, their employees' dependents:

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2. Only dental coverage
3. Both health and dental coverage

Alt Text

An older man is standing in front of a lumber warehouse smiling and with his hands on his hips.

Small Business Health Options Program

7 / 31 | Exit >

Who is Eligible for the SHOP?



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[Text Description of Image or Animation](#)



Long Description

Interactive graphic representing who is eligible for the SHOP. Three people are holding up a sign that contains prompt text. In the background are storefronts. As each person is selected text appears on the sign. From left to right the people are: 1 – Male with short white hair, wearing light blue golf shirt; 2 – Female, long hair, wearing red turtleneck; 3 – Male with short brown hair wearing orange shirt.

Prompt Text

There are specific requirements for an employer to be eligible to purchase a SHOP plan. The following text pops up as each of the people are selected from left to right:

Pop Up Text

- The employer's principal business address or the eligible employee's primary worksite must be located in the SHOP service area or areas (i.e., state or states) where the employer is applying for and offering coverage.
- To be eligible for the SHOP, employers generally must be "small employers" and have at least one employee on the first day of the plan year. Estimating employer size can be complex and agents and brokers should refer to official Department



of Health & Human Services and Internal Revenue Service (IRS) guidance on this topic before advising employers regarding their size.

Generally, an employer is a “small employer” if it employed one to 50 full-time and full-time-equivalent (FTE) employees (one to 100 in some states) on average, on business days during the preceding calendar year. When counting FTE and full-time employees, do not include the following:

- Sole proprietors
- Partners in a partnership
- 2% S corporation shareholders
- Leased employees
- Real estate agents
- Direct sellers
- Individuals with health coverage under the Department of Defense TRICARE or the Veterans Health Administration program

Under this methodology, a full-time employee is one who is employed for, on average, 30 hours or more per week. An FTE employee is a combination of multiple part-time employees whose combined hours total 120 hours per month.

If an employer was not in existence throughout the preceding calendar year, the count of full-time and FTE employees is based on the average number of employees that it is reasonably expected the employer will employ on business days in the current calendar year.

The SHOP coverage must be offered to all full-time employees (full-time employees are those employed for an average of 30 hours or more per week). Employers may offer coverage in a combination of Federally-facilitated SHOP states and State-based SHOP Marketplace states, including State-based SHOP Marketplaces not using the federal platform.

Small Business Health Options Program

8 / 31 | Exit >

Additional Employer Requirements

As an agent or broker, you may receive additional questions from employers regarding their SHOP eligibility. Employers that are part of the same controlled group must count all employees of the combined entities in the controlled group when determining employer size.

Certain affiliated employers with common ownership or employers that are part of a controlled group are considered part of an aggregated group. In this case, you must aggregate, or combine, your employees to determine your workforce size. Learn more from the IRS on the page for [Determining if an Employer is an Applicable Large Employer](#).



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Plan Year 2020



Help



Glossary



Job Aids



Page Text

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Alt Text

A woman business owner is standing in her store holding a clipboard and talking on the phone.

Small Business Health Options Program

9 / 31 | Exit >

Filing an Eligibility Determination Appeal

Small business employers may appeal eligibility determinations made by the SHOP. Specifically, an employer may appeal:

- Its SHOP eligibility determination;
- The failure of the SHOP to provide a timely eligibility determination; and
- The failure of the SHOP to provide a timely notice of an eligibility determination.

If an employer wishes to appeal its SHOP eligibility determination, the employer must complete and submit a [SHOP Employer Eligibility Appeal Request](#) and any other additional pertinent documentation to the SHOP Appeals address on the form within 90 calendar days from the date the employer receives the notice of its SHOP eligibility determination.

More information may be found on [HealthCare.gov](#).



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Plan Year 2020



Page Text

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Alt Text

Image of "Instructions to help you complete the SHOP Employer Eligibility Appeal Request" form

Small Business Health Options Program

10 / 31 | Exit >

Minimum Participation Rate Requirement

A certain percentage of employees must be enrolled in coverage for an employer group to be enrolled for SHOP coverage, unless the group's enrollment occurs between November 15 and December 15 of the year. This requirement is known as the minimum participation rate (MPR). In most states, during the months when the MPR applies, at least 70% of the business' or group's full-time employees must accept the employer's offer of SHOP coverage or be enrolled in certain other coverage before the group can enroll. A few states with SHOP have set a different MPR, which can be found on [HealthCare.gov](https://www.healthcare.gov) (scroll to the question "How do I know my state's minimum participation rate?").

The MPR is calculated at the group level and is determined by first adding the number of full-time employees accepting coverage offered by a qualified employer to the number of full-time employees who, at the time the employer submits the SHOP group enrollment, are enrolled in coverage through another group health plan, government-sponsored coverage (such as Medicare, Medicaid, or TRICARE), the individual market, or other minimum essential coverage. This number is then divided by the number of full-time employees offered coverage to calculate the participation rate.

If an employer group is unable to meet the MPR, the group's ability to complete an initial group enrollment or renewal through the SHOP may be restricted to a limited enrollment period (November 15 – December 15) when the MPR may not be enforced by issuers. Mid-year fluctuations in a group's participation rate do not affect an employer's ability to maintain coverage through SHOP.



Health Insurance Marketplace®
Plan Year 2020



Page Text

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Alt Text

Two bakers, a man and a woman, are standing in front of a bakery display. The man is holding a computer tablet.

Small Business Health Options Program

11 / 31 | Exit >

Calculating Premiums in the Small Group Market

Under the Patient Protection and Affordable Care Act, premiums are calculated differently than they have been in the past in many states. Under the health care law:

- Qualified employee premiums reflect age and employer geographic location.
- In some states, employee premiums also reflect tobacco use.
- The family premium is generally the sum of premiums attributable to each family member (taking into account no more than the three oldest covered dependent children under age 21).
- Group premiums are generally built up from members of the group, and each group's rates are based on the individual rates of its members.
- Rating based on average characteristics of the group, such as claims history or gender makeup, is no longer permitted.
- In some states, premiums may be calculated using composite rating.



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Plan Year 2020



Help



Glossary



Job Aids



Page Text

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Alt Text

Image of a man and woman in business suits; The man is standing in front and the woman is standing behind him.

Small Business Health Options Program

12 / 31 | Exit >

Knowledge Check

True or False:

Under the health care law, group rates generally are based on the individual rates of the group's members.

Select **the best answer** and then click **Check Your Answer**.

- ☐ A. True
- ☐ B. False

✓ Check Your Answer

Reset

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Plan Year 2020



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Glossary



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Prompt

Select the best answer and then click Check Your Answer.

Question

True or False: Under the health care law, group rates generally are based on the individual rates of the group's members.

Options

- A. True
- B. False

Correct Answer

A

Positive Feedback

Correct! In general, under the health care law, group rates generally are based on the individual rates of the group's members.



Negative Feedback

Incorrect. The statement is true. In general, under the health care law, group rates are generally based on the individual rates of the group's members.

Small Business Health Options Program

13 / 31 | Exit >

Health Plans Available in a SHOP

As noted earlier, small employers may choose to offer both health and dental coverage, only health coverage, or only dental coverage through SHOP. All SHOP health plans must be QHPs. Employers can be confident in the health insurance coverage options they have to offer their qualified employees because all QHPs in the SHOP must:

- Be certified by the SHOP
- Provide [essential health benefits \(EHB\)](#)
- Meet one of the [four plan categories of actuarial value \(AV\), a measure of plan coverage](#)



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Plan Year 2020



Help



Glossary



Job Aids



Page Text

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Alt Text

Image of two sets of hands. The one set of hands is that of a doctor holding another set of hands, the patient's.

Pop Up Text

Essential Health Benefits

All SHOP plans must provide a set of essential health benefits (EHB). All of them are prohibited from excluding coverage based on pre-existing conditions and all of them cover some preventive services without cost sharing.



Plan Categories and Choice

The QHP plan categories correspond to different levels of actuarial value (AV) based on how enrollees and the plan can expect to share the costs for health care.

The category an employer chooses affects, on average, how much enrollees pay for things like premiums, deductibles, and copayments, and the total amount they have to spend out-of-pocket for the year if they need a lot of care.

- Bronze. The health plan covers about 60% of the total costs of care on average. An average enrollee can expect to pay about 40%.
- Silver. The health plan covers about 70% of the total costs of care on average. An average enrollee can expect to pay about 30%.
- Gold. The health plan covers about 80% of the total costs of care on average. An average enrollee can expect to pay about 20%.
- Platinum. The health plan covers about 90% of the total costs of care on average. An average enrollee can expect to pay about 10%.

Small Business Health Options Program

14 / 31 | Exit >

Employer Health and Dental Plan Choices

Employers decide which QHPs and/or QDPs to make available to their qualified employees.

- **Single Plan.** The employer may use the traditional method of offering employees a single SHOP QHP and/or QDP. When choosing this option, the employer should carefully examine the details of each QHP and QDP to choose the one that best meets both the employer's budget and the employees' needs.
- **Employee Choice.** Alternatively, an employer may offer its qualified employees a choice of all SHOP QHPs at a specific plan category. In many states, employers may alternatively offer a choice of all plans across all available plan categories from a single insurance company. A list of states giving employers the ability to offer plans across all available plan categories from a single insurance company is available [here](#). Providing qualified employees with a choice of plans simplifies the employer's choice (because the employer only has to select the plan category or a single issuer), and allows qualified employees to choose a plan that best fits their individual or family needs. Employers offering employees a choice of plans would need to choose the plans, either across a plan category or by health insurance company, to offer to their employees. Once the employees choose the plans they want to enroll in, the employer is responsible for paying premiums to each company in which an employee enrolls in a plan. Remember, an employer's MPR is determined at the group level. If an employer offers its employees a choice of plans and the group meets the applicable MPR for its state, or if the enrollment occurs between November 15 and December 15, the issuers must accept the employee's enrollment, even if only one employee is enrolling with a particular issuer.



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Plan Year 2020



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enrollment occurs between November 15 and December 15, the issuers must accept the employee's enrollment, even if only one employee is enrolling with a particular issuer.

Alt Text

A grocery store owner with a thought bubble in front of him with the text "Which QHPs should I make available to my employees?"

Small Business Health Options Program

15 / 31 | Exit >

Knowledge Check

If a qualified employer chooses to offer its qualified employees a choice of Silver plans, which of the following is true?

Select the best answer and then click **Check Your Answer**.

- ☐ A. Each of its qualified employees may choose a Silver plan that best fits his or her individual or family needs.
- ☐ B. The small employer cannot also offer dental coverage to its qualified employees.
- ☐ C. The qualified employees must enroll in the Silver plan that the small employer has chosen as the preferred plan.
- ☐ D. The qualified employees may enroll in any plan category.

✓ Check Your Answer

Reset

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Plan Year 2020



Help



Glossary



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Prompt

Select the best answer and then click Check Your Answer.

Question

If a qualified employer chooses to offer its qualified employees a choice of Silver plans, which of the following is true?

Options

- A. Each of its qualified employees may choose a Silver plan that best fits his or her individual or family needs.
- B. The small employer cannot also offer dental coverage to its qualified employees.
- C. The qualified employees must enroll in the Silver plan that the small employer has chosen as the preferred plan.
- D. The qualified employees may enroll in any plan category.

Correct Answer

A

Positive Feedback

Correct! If a qualified employer offers its employees a choice of all plans in the Silver plan category, each qualified employee may choose the Silver plan that best fits his or her individual or family needs.



Negative Feedback

Incorrect. The correct answer is A. If a qualified employer offers its employees a choice of all plans in the Silver plan category, each qualified employee may choose the Silver plan that best fits his or her individual or family needs.

Small Business Health Options Program

16 / 31 | Exit >

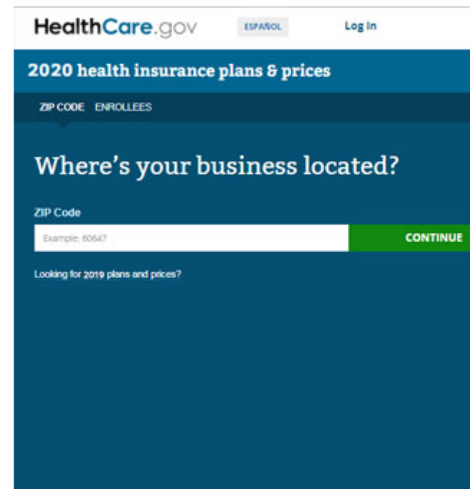
Plan Selection

Agents, brokers, and small businesses can get a look at price estimates for all the SHOP QHPs and QDPs offered in their area by using the [See Plans and Prices tool](#) available at HealthCare.gov.

Users answer a few quick questions, such as whether they are looking for health benefits or dental benefits, and select the state or states where the small business' principal business address or eligible employee worksites are located.

The price estimates are generally based on the ages of enrollees and where the business is located. Estimates reflect prices for people who do not use tobacco. Issuers are allowed to charge higher premiums for tobacco users under certain circumstances.

Once an employer finds a plan or plans in which it would like to enroll, agents and brokers can assist the employer in contacting an insurance company or companies to enroll.



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Plan Year 2020



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Once an employer finds a plan or plans in which it would like to enroll, agents and brokers can assist the employer in contacting an insurance company or companies to enroll.

Alt Text

Screenshot of the See Plans and Prices tool from HealthCare.gov <https://www.healthcare.gov/see-plans/small-business/>

Small Business Health Options Program

17 / 31 | Exit >

Small Business Health Care Tax Credit

Small employers may be eligible for the Small Business Health Care Tax Credit to assist with the cost of health coverage. To qualify, employers must meet all of the following criteria:

- Generally, must have employees enrolled in SHOP QHPs or QDPs
- Have fewer than 25 FTE employees for the taxable year (based on a 40-hour work week and excluding workers, such as seasonal workers, independent contractors, and certain owners of the business and their family members)
- Have employees with average annual wages of less than \$50,000 per FTE employee (as adjusted annually for inflation—for tax year 2017, the inflation-adjusted amount is \$53,000) (The IRS has released guidance detailing how employers in areas with no SHOP plans may be able to claim the tax credit.)
- Contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee who enrolls in a SHOP QHP
- File for the Small Business Health Care Tax Credit with the IRS

The tax credit is generally available only for employers who offer and have employees enrolled in SHOP coverage. The [Small Business Health Care Tax Credit Estimator](#) is available on HealthCare.gov to help agents and brokers assist small employers in assessing if they might be eligible for the credit and [estimating how much the credit might be worth](#).



Health Insurance Marketplace®
Plan Year 2020



Page Text

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The tax credit is generally available only for employers who offer and have employees enrolled in SHOP coverage. The [Small Business Health Care Tax Credit Estimator](#) is available on HealthCare.gov to help agents and brokers assist small employers in assessing if they might be eligible for the credit and [estimating how much the credit might be worth](#).

CLOSE HOLD – DO NOT SHARE. INFORMATION NOT RELEASABLE TO THE PUBLIC UNLESS AUTHORIZED BY LAW.

24

This information has not been publicly disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.

**Alt Text**

A woman is sitting at a desk using a calculator.

Pop Up Text

Small Business Health Care Tax Credit

For tax years beginning in 2014 and beyond, the Small Business Health Care Tax Credit may be worth up to 50% of the employer's contribution toward premium costs (up to 35% for tax-exempt employers) for two consecutive taxable years. The credit is decreased for eligible small employers if the number of FTE employees exceeds 10, or if the average annual wages for FTE employees exceeds \$25,000 (as adjusted for inflation). For an employer with both more than 10 FTE employees and average annual FTE employee wages exceeding \$25,000, the credit is reduced based on the sum of the two reductions. This may reduce the credit to zero even for some employers with fewer than 25 FTE employees and average annual FTE employee wages less than \$53,000 (as adjusted for inflation).

Small Business Health Options Program

18 / 31 | Exit >

Knowledge Check

True or False:

Maria had four full-time employees, on average, on business days during the preceding calendar year and will continue to have four full-time employees on the first day of her business' SHOP plan year. She will offer a SHOP health plan to all four employees. Her flower shop is her only business location or employee work site and is located in the service area of the SHOP where she is applying for and offering coverage. Maria qualifies to purchase a SHOP plan.

Select the best answer and then click Check Your Answer.

- ☐ A. True
- ☐ B. False

✓ Check Your Answer

Reset

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Plan Year 2020



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Glossary



Job Aids



Prompt

Select the best answer and then click Check Your Answer.

Question

True or False: Maria had four full-time employees, on average, on business days during the preceding calendar year and will continue to have four full-time employees on the first day of her business' SHOP plan year. She will offer a SHOP health plan to all four employees. Her flower shop is her only business location or employee work site and is located in the service area of the SHOP where she is applying for and offering coverage. Maria qualifies to purchase a SHOP plan.

Options

- A. True
- B. False

Correct Answer

A

**Positive Feedback**

Correct! Maria does qualify to purchase a SHOP plan because she is a small employer, she offers SHOP coverage to all full-time employees, and her flower shop is located in the service area of the SHOP where she is applying for participation and offering coverage.

Negative Feedback

Incorrect. The statement is true. Maria does qualify to purchase a SHOP plan because she is a small employer, she offers SHOP coverage to all full-time employees, and her flower shop is located in the service area of the SHOP where she is applying for participation and offering coverage.

Small Business Health Options Program

19 / 31 | Exit >

Knowledge Check

To qualify for the Small Business Health Care Tax Credit, small employers must...

Select **all that apply** and then click **Check Your Answer**.

- ☐ A. Cover the cost of all premiums
- ☐ B. Have average annual employee wages below \$40,000
- ☐ C. Have fewer than 25 FTE employees
- ☐ D. Contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee enrolled in a SHOP QHP

✓ Check Your Answer

Reset

Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Prompt

Select all that apply and then click Check Your Answer.

Question

To qualify for the Small Business Health Care Tax Credit, small employers must...

Options

- A. Cover the cost of all premiums
- B. Have average annual employee wages below \$40,000
- C. Have fewer than 25 FTE employees
- D. Contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee enrolled in a SHOP QHP

Correct Answer

C, D

**Positive Feedback**

Correct! To qualify for the Small Business Health Care Tax Credit, small employers must have fewer than 25 FTE employees (based on a 40-hour work week), and must contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee enrolled in a SHOP QHP. In addition, qualifying small employers must have employees with average annual wages of less than \$50,000 per FTE employee (as adjusted annually for inflation). The tax credit is generally available only for employers who offer and have employees enrolled in a SHOP plan.

Negative Feedback

Incorrect. The correct answers are C and D. To qualify for the Small Business Health Care Tax Credit, small employers must have fewer than 25 FTE employees (based on a 40-hour work week), and contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee enrolled in a SHOP QHP. In addition, qualifying small employers must have employees with average annual wages of less than \$50,000 per FTE employee (as adjusted annually for inflation). The tax credit is generally available only for employers who offer and have employees enrolled in a SHOP plan.

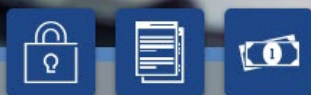
Small Business Health Options Program

20 / 31 | Exit >

Plan Year 2020 Application and Enrollment for Employers

Select the icons below to review what you need to know to assist employers with enrollments.

You, as an agent or broker registered with the FF-SHOP, may help employers through the SHOP application and enrollment process, so it is important to understand each step in the correct order and the information needed for each step.



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Plan Year 2020



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Glossary

Job Aids

[Text Description of Image or Animation](#)



Long Description

Interactive graphic of horizontal icons. When each icon is selected, a pop-up appears containing related text. When the pop-up is closed, the icon changes color from blue to green, and a checkmark appears in the upper left-hand corner to indicate the action has been completed. The background image to the prompt text is a person writing in a notebook.

Page Text

You, as an agent or broker registered with the FF-SHOP, may help employers through the SHOP application and enrollment process, so it is important to understand each step in the correct order and the information needed for each step.

Prompt Text

Select the icons below to review what you need to know to assist employers with enrollments. From left to right the following text appears as each icon is selected.

Pop Up Text

- Image: a padlock. Text: SHOP privacy and security requirements



- Image: a document with horizontal lines. Text: How to help an employer apply for and offer SHOP coverage
- Image: a dollar bill. Text: Paying for SHOP coverage

Small Business Health Options Program

21 / 31 | Exit >

SHOP Privacy and Security Requirements

Agents and brokers providing assistance with SHOP plans to clients through the FF-SHOP or SBM-FP-SHOPs must maintain a valid state license for the state(s) in which SHOP plans are being purchased and must complete the applicable FFM registration requirements for agents and brokers. They may have access to personally identifiable information (PII), and must follow privacy and security standards to safeguard PII, including preventing unauthorized or inappropriate access, use, or disclosure.

As a condition of registering with the FF-SHOP, agents and brokers must execute the "Agreement Between Agent or Broker and the Centers for Medicare & Medicaid Services (CMS) for the Small Business Health Options Programs of the Federally-facilitated Exchanges and State-based Exchanges on the Federal Platform" (SHOP Privacy and Security Agreement). This Agreement includes, but is not limited to, the requirement that agents and brokers provide employers and employees with a Privacy Notice Statement regarding use and disclosure of PII. This Privacy Notice Statement must be presented to employers and employees prior to collecting PII or assisting them with SHOP enrollments. You need to review this Agreement for more details about the Privacy Notice Statement, and when it is necessary to obtain affirmative, informed consent, as well as to learn about the other privacy and security standards.

Agents and brokers must execute the annual SHOP Privacy and Security Agreement prior to assisting clients with enrolling in SHOP plans.



Page Text

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Agents and brokers must execute the annual SHOP Privacy and Security Agreement prior to assisting clients with enrolling in SHOP plans.

Alt Text

Graphic of a blue keyhole in the foreground is a running stream of random 0s and 1s repeated across the entire graphic



Small Business Health Options Program

22 / 31 | Exit >

How to Help an Employer Apply for and Offer SHOP Coverage

SHOP-registered agents and brokers can help their small group clients enroll in a SHOP plan directly with an issuer instead of completing an enrollment through HealthCare.gov. Small employers seeking to purchase a SHOP plan still visit HealthCare.gov to receive a SHOP eligibility determination.

An employer can visit the See Plans and Prices tool on HealthCare.gov to get a listing of and price estimate for all the SHOP QHPs and QDPs available in the employer's area. The SHOP-registered agent or broker with whom the employer has elected to work could help the employer compare coverage options.

Agents and brokers can assist their small group clients enroll in SHOP coverage directly through an issuer, utilizing the issuer's usual enrollment channels. Employers generally pay their initial and monthly premiums directly to the issuer(s) with whom their group enrolls. Agents, brokers, and employers will also contact the SHOP issuer directly (not the SHOP Call Center) with any enrollment, billing, or payment questions.

Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

SHOP-registered agents and brokers can help their small group clients enroll in a SHOP plan directly with an issuer instead of completing an enrollment through HealthCare.gov. Small employers seeking to purchase a SHOP plan still visit HealthCare.gov to receive a SHOP eligibility determination.

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Small Business Health Options Program

23 / 31 | Exit >

Paying For SHOP Coverage

Employers enrolling in a SHOP QHP or QDP receive a bill from each issuer with whom employees are enrolled and pay their monthly premium directly to each issuer. Payments are not made to the SHOP Marketplace.



Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

Employers enrolling in a SHOP QHP or QDP receive a bill from each issuer with whom employees are enrolled and pay their monthly premium directly to each issuer. Payments are not made to the SHOP Marketplace.

Alt Text

A young woman is looking down and writing a check in her checkbook.

Small Business Health Options Program

24 / 31 | Exit >

Making Changes After the Initial Enrollment in the SHOP

If an employer has an employee quit mid-plan-year, or a qualified employee moves and has a change of address, the employer, qualified employee, or SHOP-registered agent or broker will need to contact the issuer directly to update the information.



Health Insurance Marketplace®
Plan Year 2020



Page Text

If an employer has an employee quit mid-plan-year, or a qualified employee moves and has a change of address, the employer, qualified employee, or SHOP-registered agent or broker will need to contact the issuer directly to update the information.

Alt Text

Two mechanical wheels are interlocked. The top wheel displays "Make A" and the bottom wheel displays "Change."

Small Business Health Options Program

25 / 31 | Exit >

Knowledge Check

Before agents and brokers can begin assisting small group employers in the SHOP, they must...

Select **all that apply** and then click **Check Your Answer**.

- ☐ A. Successfully complete training
- ☐ B. Complete identity proofing
- ☐ C. Execute the SHOP Privacy and Security Agreement, which includes privacy and security standards
- ☐ D. Have the employer's authorization to work on its behalf

✓ Check Your Answer

Reset

Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Prompt

Select all that apply and then click Check Your Answer.

Question

Before agents and brokers can begin assisting small group employers in the SHOP, they must...

Options

- A. Successfully complete training
- B. Complete identity proofing
- C. Execute the SHOP Privacy and Security Agreement, which includes privacy and security standards
- D. Have the employer's authorization to work on its behalf

Correct Answer

B, C, and D

Positive Feedback

Correct! Before agents and brokers can begin assisting small group employers in the SHOP, they must execute the SHOP Privacy and Security Agreement (which includes privacy and security standards), complete identity proofing, and obtain the

CLOSE HOLD – DO NOT SHARE. INFORMATION NOT RELEASABLE TO THE PUBLIC UNLESS AUTHORIZED BY LAW.

37

This information has not been publicly disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosure may result in prosecution to the full extent of the law.



employer's authorization to work on its behalf. Agents and brokers assisting employers to apply for and enroll in SHOP coverage are encouraged, but not required, to take the Affordable Care Act and Marketplace Basics, Privacy and Security Standards, and SHOP courses and the corresponding exams.

Negative Feedback

Incorrect. The correct answers are B, C, and D. Before agents and brokers can begin assisting small group employers in the SHOP, they must execute the SHOP Privacy and Security Agreement (which includes privacy and security standards), complete identity proofing, and obtain the employer's authorization to work on its behalf. Agents and brokers assisting employers to apply for and enroll in SHOP coverage are encouraged, but not required, to take the Affordable Care Act and Marketplace Basics, Privacy and Security Standards, and SHOP courses and the corresponding exams.

Small Business Health Options Program

26 / 31 | Exit >

Knowledge Check

True or False:

If an employee or dependent's eligibility status changes mid-plan year, the agent, broker, or employer would inform the applicable issuer directly.

Select **the best answer** and then click **Check Your Answer**.

- ☐ A. True
- ☐ B. False

✓ Check Your Answer

Reset

Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Prompt

Select the best answer and then click Check Your Answer.

Question

True or False: If an employee or dependent's eligibility status changes mid-plan year, the agent, broker, or employer would inform the applicable issuer directly.

Options

- A. True
- B. False

Correct Answer

A

Positive Feedback

Correct! The statement is true. If an employee's or dependent's eligibility status changes mid-plan-year, the agent, broker, or employer would inform the applicable issuer directly.



Negative Feedback

Incorrect. The statement is false. If an employee's or dependent's eligibility status changes mid-plan-year, the agent, broker, or employer would inform the applicable issuer directly.

Small Business Health Options Program

27 / 31 | Exit >

Annual Renewal Process

Employers that are no longer small employers can continue to purchase SHOP QHPs if the employer:

1. Received a determination of eligibility from HealthCare.gov and has continued purchasing SHOP coverage since that time;
2. Was a small employer when it initially enrolled in a SHOP QHP, but has since ceased to be a small employer solely by reason of an increase in the number of employees; and
3. Continues to meet all other requirements for purchasing a SHOP QHP.

Employers renewing coverage must renew their SHOP coverage directly through their preferred issuer (or issuers) offering SHOP-certified plans.



Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

Employers that are no longer small employers can continue to purchase SHOP QHPs if the employer:

1. Received a determination of eligibility from HealthCare.gov and has continued purchasing SHOP coverage since that time;
2. Was a small employer when it initially enrolled in a SHOP QHP, but has since ceased to be a small employer solely by reason of an increase in the number of employees; and
3. Continues to meet all other requirements for purchasing a SHOP QHP.

Employers renewing coverage must renew their SHOP coverage directly through their preferred issuer (or issuers) offering SHOP-certified plans.

Alt Text

A woman in a business suit is seated next to a man and she is pointing to her tablet screen.

Small Business Health Options Program

28 / 31 | Exit >

Filing a Special Enrollment Period Complaint

An employee may file a complaint with the SHOP when an issuer does not permit an employee to obtain SHOP coverage during a qualifying SEP. Note: A dependent of an employee is not eligible for an SEP if the employer does not extend the offer of coverage to dependents.

If an employee wishes to file a complaint about a QHP issuer in the SHOP denying an SEP, the employee must submit a complaint with any other additional pertinent documentation to SHOP@cms.hhs.gov. Note: An employee should only use this mode of submittal if his or her personally identifiable information is protected via email encryption (e.g., use of Transport Layer Security).

An employee must submit the complaint within 90 calendar days from the date he or she receives notice of the SEP eligibility determination. Employees with questions concerning the complaint process may call the SHOP Call Center at 1-800-706-7893 (TTY: 1-888-201-6445).



Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

An employee may file a complaint with the SHOP when an issuer does not permit an employee to obtain SHOP coverage during a qualifying SEP. Note: A dependent of an employee is not eligible for an SEP if the employer does not extend the offer of coverage to dependents.

If an employee wishes to file a complaint about a QHP issuer in the SHOP denying an SEP, the employee must submit a complaint with any other additional pertinent documentation to SHOP@cms.hhs.gov. Note: An employee should only use this mode of submittal if his or her personally identifiable information is protected via email encryption (e.g., use of Transport Layer Security).

An employee must submit the complaint within 90 calendar days from the date he or she receives notice of the SEP eligibility determination. Employees with questions concerning the complaint process may call the SHOP Call Center at 1-800-706-7893 (TTY: 1-888-201-6445).

Alt Text

A person is sitting at a desk and putting a sheet of paper into an envelope.

Small Business Health Options Program

29 / 31 | Exit >

SHOP Resources

Agents, brokers, employers, and employees can obtain more information and updates on the SHOP from the following resources:

- [SHOP Resources](#)
- [How to Sell SHOP Insurance](#)
- [Agents and Brokers Resources webpage](#)
- SHOP Call Center 1-800-706-7893 (TTY: 1-888-201-6445) available 24 hours a day, seven days a week



Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

Agents, brokers, employers, and employees can obtain more information and updates on the SHOP from the following resources:

- [SHOP Resources](#)
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- SHOP Call Center 1-800-706-7893 (TTY: 1-888-201-6445) available 24 hours a day, seven days a week

Alt Text

Image of a person hold a computer tablet with their left hand; The index finger on the right hand is pressed down on the tablet screen.

Small Business Health Options Program

30 / 31 | Exit >

Module Summary

Select each button and review the key points of this lesson.

Agent and Broker Role

SHOP Eligibility

SHOP Employer Options

Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids

[Text Description of Image or Animation](#)



Long Description

Interactive graphic: A collage of icons representing module-specific concepts is displayed; three equally-sized rectangular buttons are shown from left to right across the bottom of the page. Each rectangular button has a label that corresponds to a key module topic or concept. When each button is selected a popup box appears and displays accompanying text.

Prompt Text

Select each button and review the key points of this lesson.

Pop Up Text

Agent and Broker Role

- SHOP-registered agents and brokers can help an employer use HealthCare.gov to obtain an eligibility determination to purchase SHOP coverage and to compare coverage options. The employer enrolls in a plan directly with an issuer, and its SHOP-registered agent or broker can assist with this process.
- Agents and brokers who help employers and employees enroll in SHOP coverage must complete registration and execute the SHOP Privacy and Security Agreement on an annual basis.



- Agents, brokers, and employers must contact the SHOP issuer directly with any enrollment, billing, or payment questions and to make updates to SHOP accounts or enrollments.

SHOP Eligibility

- Employers must meet specific eligibility requirements to purchase SHOP coverage, which include: 1) having a principal business address or eligible employee worksite in the SHOP service area where the employer is applying and offering coverage, 2) being a small employer, as defined under federal and state law, and 3) offering SHOP coverage to all full-time employees.

Small Employer Options

- A small employer can purchase a SHOP plan any month throughout the year, but the group must meet any applicable MPR, except for enrollments occurring between November 15 and December 15.
- Small employers that offer SHOP coverage can offer a single QHP, a choice of QHPs and QDPs, or offer dental coverage without also offering medical coverage.
- To qualify for the Small Business Health Care Tax Credit, small employers must have fewer than 25 FTE employees (based on a 40-hour work week), must contribute a uniform percentage (at least 50%) of the premium cost of employee-only insurance coverage on behalf of each employee who enrolls in a SHOP QHP, and must pay average annual employee wages of less than \$50,000 per FTE employee (adjusted annually for inflation). The tax credit is generally available only for employers who have purchased a SHOP plan.
- Employers directly pay each insurance company in which employees are enrolled.

Small Business Health Options Program

31 / 31 | Exit >

Module Completion

Congratulations! You have completed the Small Business Health Options Program module.



Health Insurance Marketplace®
Plan Year 2020



Help



Glossary



Job Aids



Page Text

Congratulations! You have completed the Small Business Health Options Program module.

Alt Text

A person standing on a mountain peak with arms outstretched