

Follow up from CASBHC Conference presentation from Adela Flores-Brennan

RE: Businesses and small employers

- **Employer Penalty:** There is no requirement that small businesses (with 49 or fewer full-time equivalent employees) offer health insurance. Beginning in 2014, the ACA imposes a penalty on employers with 50 or more employees that do not offer coverage and have at least one full-time employee receiving a tax credit subsidy to purchase coverage through the Individual Exchange.
 - For employers with 50 or more combined full-time and full-time equivalent employees who do not offer coverage and have at least one full-time employee receiving a tax credit subsidy, the fee will be \$2,000 per full-time employee. For purposes of calculating this penalty, the number of full-time employees will be reduced by 30.
 - For employers with 50 or more combined full-time and full-time equivalent employees who offer coverage but that coverage is not affordable under ACA rules and have at least one full-time employee receiving a tax credit subsidy, the fee will be the lesser of \$3,000 per employee receiving a tax credit subsidy or \$2,000 per full-time employee.
 - Part-time employees are included in the calculation under a special prorated formula to determine the number of full-time equivalent employees.

- **Small Employer Health Insurance Tax Credit:** The ACA includes a sliding scale tax credit to small employers to provide financial incentives for employers to begin or continue to offer health insurance to employees. Eligible employers include those with fewer than 25 full-time employees or a combination of full-time and part-time employees and average annual wages below \$50,000 who offer coverage and contribute at least 50 percent of the cost of their employees' health insurance coverage, beginning in 2010.
 - For years 2010-2013, employers could receive a credit of up to 35 percent of their premium contribution. For nonprofit employers, the maximum credit through 2013 is 25 percent of the employer's contribution.
 - For years 2014 and beyond, employers will be eligible, for two consecutive years, for credits of up to 50 percent of their premium contribution to purchase coverage in the Exchange.
 - Maximum credit is given to employers of 10 or fewer employees and average annual wages less than \$25,000.

RE: Pediatric Dental

- There will not be a requirement to purchase dental. Even if a family has children, they can opt not to purchase dental.

RE: How geographic rating works

- The Division of Insurance has divided the state into 11 regions for purposes of health plan rating. The regions had to be defined using evidence based criteria like costs, not on socio economic factors. That break down has been submitted to and approved by CMS.