

**FIRST
DAY OF
SESSION**

**CT General
Assembly**

**February 8,
2012**

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HEALTH INSURANCE EXCHANGE 101 PART 1

by Antonio Paulo Pinto

As a small business owner, you may have heard the term "Health Insurance Exchange", but perhaps you're unsure of what it is and how it will affect you.

Beginning in 2014, the Health Insurance Exchange will be a website, with a variety of health insurance plans for you to review and purchase. Think of it as an online marketplace with several different insurance companies offering an array of benefit options and health insurance plans.

If small business owners or individuals, need to purchase insurance for themselves or their employees, they will be able to do so through the Health Insurance Exchange.

The Health Insurance Exchange will be open to businesses with up-to 50 full time employees in 2014, and presumably individual consumers will be able to purchase health insurance at that time as well.



The Exchange will be open to employer groups of up-to 100 full time employees beginning January 1, 2017.

The process will involve use of the Exchange web portal to input information about the employee group or individuals to be insured.

Once submitted, this information is verified through several other data sources. The purpose to verify income, social security numbers, and other factors to determine eligibility for Medicaid, an alternate Basic Health Plan, or a subsidy to help offset the cost of health insurance. Individuals that qualify for an alternate health insurance program will be provided with the additional options for no cost, or lower cost health insurance plans.

The Health Insurance Exchange is expected to be a self-service method of shopping for health insurance. However there are tentative plans for a "navigator" program with advisors to assist consumers in understanding how the Health Insurance Exchange operates, and how to interact with the web portal.



Antonio Paulo Pinto is a Certified Insurance Consultant with considerable experience in individual and small group (under 50) health insurance markets. He is the author of The Health Insurance Handbook: Understanding and Shopping for Health Insurance.

Med Societies Partner for Healthcare Co-op

The Connecticut State Medical Society (CSMS) and the Connecticut State Medical Society Independent Practice Association (CSMS-IPA) are working together to bring a non-profit healthcare option to Connecticut. The groups submitted an application to the U.S. Department of Health and Human Services for approval to create HealthyCT, a non-profit consumer operated and oriented health insurance plan

(co-op). Co-ops are member-driven health insurance plans designed to compete primarily in the individual and small group health insurance markets. Beginning in 2014 HealthyCT plans to provide services through the CSMS-IPA statewide physicians network focusing on the promotion of healthy lifestyles, and a patient centered medical home delivery model.

SBHC Chair Kevin Galvin has been named to the HealthyCT Board.

“Small businesses have been crying out for affordable health insurance; HealthyCT can provide that option,” said Galvin. “Small businesses belong at the table, and HealthyCT has welcomed us there.”

A decision regarding plan approval is expected in January 2012.

The achievements of an organization are the results of the combined effort of each individual.

Vince Lombardi

Federal Action Sought for Exchange Board

SBHC petitioned U.S. Secretary of Health and Human Services Kathleen Sebelius, to not only take a closer look, but action related to the composition of the CT Health Insurance Exchange Board. SBHC is among a number of advocates who are concerned about the lack of consumer representation on the Board. That concern stems from

Connecticut Public Act 11-53 which specifically excludes membership on the state's Health Insurance Exchange Board of any individual "affiliated with" an insurance company.

Right now the 14 member Board consists of 3 former high-level insurance executives, some of which have received the nod of insur-

ance industry lobbyists.

SBHC, and other healthcare advocates are pushing for the addition of at least 2 consumer representatives and a member of the Office of the Healthcare Advocate. Check: <http://www.ctpost.com/local/article/Insurance-exchange-membership-raises-questions-2395557.php>

Health Exchange Board Blog Launched

SBHC and the Connecticut Health Policy Project are teaming up to make it easier to find out what's happening with the Health Insurance Exchange.

Since all Americans will be required to have health insurance in 2014, a workable, independent, credible exchange is critical to Connecticut consumers. The

blog, *CT Health Insurance Exchange Watch* is sponsored by consumer and small business advocates to track development of Connecticut's exchange.

The blog can be found at <http://cthealthexchange.blogspot.com/> or the SBHC website at SBHCT.org

Let your voice be heard by posting a comment to the *Hartford Courant* news article, *Consumers Voiceless On Health Insurance Exchange Board* at the following link.

<http://www.courant.com/news/opinion/editorials/hced-consumer-advocate-on-insurance-board-20111214.0.4092549.story>



MEHIP Savings Extend to Non-Profits & Small Groups



Non-profits should become familiar with the Municipal Employee Health Insurance Program (MEHIP) if they offer or plan to offer health insurance to their employees. Small employers with under 50 employ-

ees, are quoted and rated as a large group through MEHIP. Organizations that choose one of the 23 Standard Health Plans offered, save 2% on administrative fees. In addition, both small group employers, (under 50 employees), and large groups employers (over 50 employees), receive a Waiver for the State of Connecticut Premium Tax normally included in health plan rates. The Premium Tax is currently 1.75%, but is scheduled to increase to 1.95%. Under MEHIP, small non-profits receive benefits not directly available from insurance carriers. Small groups are pro-

vided with large group, non-age-banded rates for their employees and simplified enrollment. Additionally, small groups are not required to have employees complete a Family Health Statement. Instead Employees only need to complete a one-page enrollment form. It is important to note that broker compensation is not affected. Employers can keep their current broker while having their plans administered by Stirling Benefits, the MEHIP administrator since January 2009. <http://www.stirlingbenefits.com/services/mehip/>

This table is a case study of an actual January 1, 2012 group being moved from Anthem direct to Anthem through MEHIP.

It is recommended that non-profit groups have their rates quoted through MEHIP. Savings are not guaranteed, but in many cases MEHIP will offer the lowest overall cost and the best overall value.

Benefit Design	Current Plan	Renewal Plan	MEHIP Plan
Plan Name	Anthem POE 20/1500	Anthem POE 20/1500	Anthem POE 20/1500
Prescription Drug**	10/25/40	10/25/40	10/20/35** enhanced
Annual Premium	\$83,256.72	\$89,010.60	\$85,141.32
Percent Increase		6.91%	2.26%** with enhanced Rx
Savings from Renewal			4.35%

An investment in knowledge pays the best interest.

Benjamin Franklin

HARP Mortgage Deadline Extended to 2013

Money saved on your home loan could mean extra bucks for your business. The Home Affordable Refinance Program (HARP) gives homeowners a viable option for refinancing their home. That's the case even if fallen property values make it impossible to qualify for a

loan using traditional underwriting criteria.

Homeowners with an "under water mortgage" owned by Freddie Mac or Fannie Mae have the opportunity to refinance with any participating lender as long as the resulting loan is less than 125% of

the current property's value, and other requirements of the program are met.

For more information: <http://www.makinghomeaffordable.gov/programs/lower-rates/Pages/harp.aspx>





Small Business for a Healthy CT

1245 Farmington Ave., #310

West Hartford, CT 06107

Phone: 203-631-5186

E-mail: info@sbhct.org

**Check in and check up on Connecticut
Healthcare!**

Small Business for a Healthy Connecticut (SBHC) is a network of Connecticut small businesses that have come together to provide an independent voice for quality healthcare in Connecticut.

SBHC is committed to building a strong Connecticut by supporting business practices that sustain the health of businesses, individuals, and vibrant communities. Small Business for a Healthy Connecticut supports access to affordable comprehensive healthcare.

SBHC partners with businesses, individuals, non-profits and groups that care about health, viable small businesses, vibrant communities, and a strong economy. Our goal is to ensure that all of Connecticut is healthy.

www.sbhct.org

Come Join SBHC Healthcare Advocates at the State Capitol



Left to right: Kevin Galvin, James Stirling, Linda St. Peter, Gene Fercodini, and Robert Kennedy following a successful meeting with legislators. If you are interested in taking a stand for access to affordable, comprehensive healthcare, or telling your personal or small business healthcare story, call us: 203-631-5186.