

Small Business Programs Advisory Committee (SBPAC)

Meeting 16: January 29, 2025



for small business

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

Agenda

1:00 - 1:15

Welcome, Agenda

Amber Hyde & Rick Weldon, Co-chairs

1:15 - 1:45

Enhanced Enrollment Portal Design

Dawn Fairburn, Director, IT Requirements Manager

1:45 - 2:00

Small Group Affordability

Mimi Hailegeberel, Small Business Program Manager

2:00 - 2:30

MHBE ICHRA Program

Mimi Hailegeberel, Small Business Program Manager

2:30 - 2:50

Discussion

2:50 - 3:00

Public Comment

Approve Meeting Minutes

- November meeting minutes were emailed to members on 1/06/2025.

Enrollment Portal Demo

Enhanced Enrollment Portal Design

Interactive Prototype Demo

<https://uat1-mhcsb-www-ak.marylandhealthconnection.gov/anonymous-web/#/landingPage>

The background is a solid teal color with several overlapping, semi-transparent circles of a lighter shade of teal, creating a pattern reminiscent of a flower or a stylized sun.

Small Group Affordability

Lowest Cost Silver Plan

2025 Avg cost = \$440

Lowest Cost Silver Plan - Age 40 Baltimore Metro Region					
Carrier	Network Type	2024 Monthly Approved	% Rate Change	2025 Monthly Approved	Monthly Change
Aetna	HMO	\$335	9.8%	\$368	\$33
Aetna	PPO	\$351	14.6%	\$403	\$51
CareFirst BlueChoice	HMO	\$438	2.9%	\$451	\$13
CareFirst GHMSI/CFMI	PPO	\$519	0.1%	\$520	\$0
Kaiser	HMO	\$349	9.1%	\$380	\$32
United Healthcare (MAMSI)	EPO	\$434	3.8%	\$450	\$16
United Healthcare (Optimum Choice)	HMO	\$402	10.5%	\$445	\$42
United Healthcare of the Mid-Atlantic	HMO	\$411	12.2%	\$462	\$50
United Healthcare Insurance Co.	PPO	\$456	4.9%	\$478	\$22

Lowest Cost Gold Plan

2025 Avg cost = \$513

Lowest Cost Gold Plan - Age 40 Baltimore Metro Region					
Carrier	Network Type	2024 Monthly Approved	% Rate Change	2025 Monthly Approved	Monthly Change
Aetna	HMO	\$421	14.6%	\$482	\$62
Aetna	PPO	\$442	19.7%	\$529	\$87
CareFirst BlueChoice	HMO	\$534	3.2%	\$551	\$17
CareFirst GHMSI/CFMI	PPO	\$589	3.6%	\$610	\$21
Kaiser	HMO	\$400	8.4%	\$433	\$34
United Healthcare (MAMSI)	EPO	\$490	2.0%	\$500	\$10
United Healthcare (Optimum Choice)	HMO	\$456	5.8%	\$483	\$27
United Healthcare of the Mid-Atlantic	HMO	\$464	7.4%	\$499	\$34
United Healthcare Insurance Co.	PPO	\$514	3.0%	\$530	\$15

Program Solutions

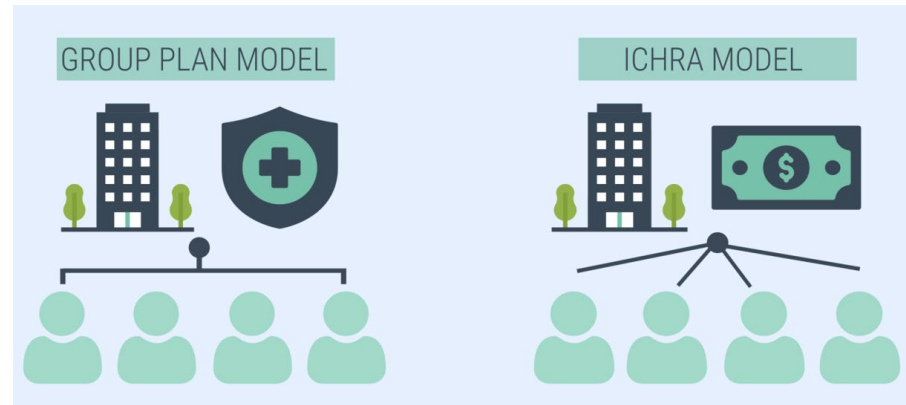
- MHBE currently building the Enhanced Enrollment Portal and conducting outreach activities to get small businesses covered and streamline the enrollment process.
- Reducing the administrative burden for small employers by offering a one-stop-shop, user-friendly and efficient system.

Discussion Questions

- What approach do you believe could be effective in reducing premium costs for small businesses in the group market?
- Are there specific policy changes or incentives that could help rising premiums in the small group market?
- Are there any regulatory or financial solutions that could help small businesses with the rising cost of premiums?

MHBE ICHRA Program

- What it is: An ICHRA is an account-based health plan that reimburses employees for qualified medical expenses, such as monthly premiums, deductibles, and copayments.



- How it works: Employees must have individual health insurance coverage to use the funds. Employers choose the amount of the monthly allowance they provide to employees, and then reimburse them up to that amount.
 - A. Employers can choose how much they're willing to reimburse.
 - B. There's no reimbursement maximum.
 - C. Employees can take their plan anywhere

Section 125 Cafeteria Plans

- Section 125 allows employers to provide benefits like health insurance on a pre-tax basis to the employee.
- Reduces taxable income for employees, which lowers their tax liabilities.
- Employers also benefit by reducing payroll taxes.
- As more employers adopt ICHRA, there could be an increased number of employees purchasing individual health insurance policies using their own pre-tax dollars.

Program Goals

ICHRA Administrators provide:

- Complete Employer solution for ICHRA and Cafeteria Plan (via Section 125) setup and management including reporting and compliance requirements.
- Seamless integration with HR and payroll systems.
- Employer and Employee communication/notices on ICHRA coverage, contributions, and deadlines.
- Dedicated support hotline for brokers, employers, and employees.
- Maintain platform security and compliance.
- Affordability calculation tool*

HRA Council Members

CURRENT MEMBERS



Program Considerations

Employee Circumstance		ICHRA Provider Exchange	MHC Exchange	Notes
1	Undocumented Employees	✓	✓	<ul style="list-style-type: none"> Starting in 2026, Access to Care Act allows undocumented Marylanders to enroll in private health plans.
2	Employee Family Eligible for Federal Subsidy/Medicaid	✗	✓	<ul style="list-style-type: none"> Subsidies are unavailable through ICHRA provider.
3	Medicare Eligible Employees (65+)	✗	✗	<ul style="list-style-type: none"> Medicare eligible non retirees are not eligible to enroll on or off exchange
4	Out of Area Employees	✓	✗	<ul style="list-style-type: none"> A Maryland-based Employee may enroll in either platforms. Employees outside of Maryland must enroll through ICHRA provider's exchange.

Tax Considerations

	Circumstance	ICHRA Provider Exchange	MHC Exchange	Notes
1	Pre-tax Employer contribution	✓	✓	<ul style="list-style-type: none">Employees can use pre-tax dollars employer dollars to shop from MHC or off-exchange.
2	Pre-tax Employee contribution	✓	✗	<ul style="list-style-type: none">Mirror exchange must be established to use pre-tax employee dollars on “MHC.”
3	Employer coverage impact to APTC	✗	✓	<ul style="list-style-type: none">Affordable offer of coverage from employer impacts employee APTC eligibility.Subsidies are unavailable through ICHRA provider.

Observe Developments

- Current administration regulations on Section 125 plans.
- Impact to new MHC enrollment through ICHRAs.
- MHBE budget.

Simple Integration

Employer Experience

MHC-SB Portal Landing Page

The screenshot shows three user role cards on a landing page. Each card has a 'Get Started' button. The Employer card is white with a blue button, the Employee card is white with a purple button, and the Broker card is white with a green button.

- Employer**
Offer your employees quality, affordable medical, dental or vision insurance. Businesses with 1-50 employees are eligible and can enroll any time.
[Get Started](#)
- Employee**
If the company you work for offers health insurance through Maryland Health Connection, learn more and enroll.
[Get Started](#)
- Broker**
Let's navigate MHC for Small Business options together, so you can guide employers and employees to their perfect plan.
[Get Started](#)

The flowchart shows a path from the landing page to a box for 'Establish an ICHRA program through one of our approved providers'. This box contains a 'Get Started' button and a link to 'ICHRA Provider Search'.

maryland health connection™
for small business

Establish an ICHRA program through one of our approved providers

[Get Started](#)

[ICHRA Provider Search](#)

ICHRA Administrator A
ICHRA Administrator B
ICHRA Administrator C
ICHRA Administrator D

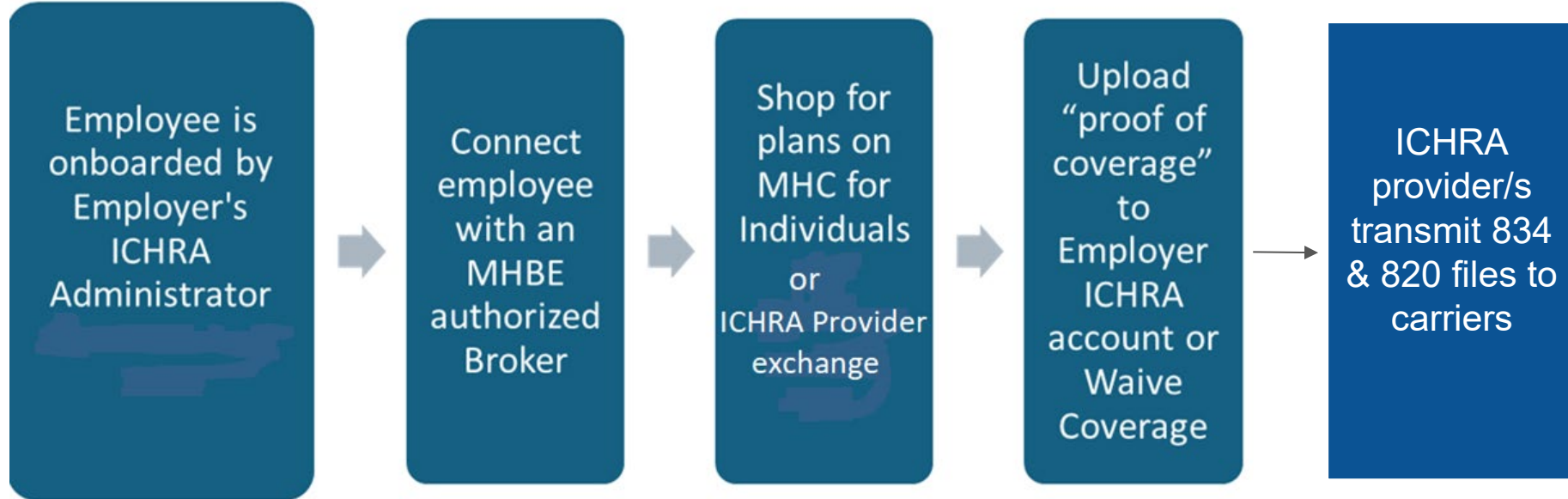
ICHRA Employer Set-up

- Establish account
- Set employee contribution
- Manage employee roster
- Payment of set-up fees
- Compliance & Reporting

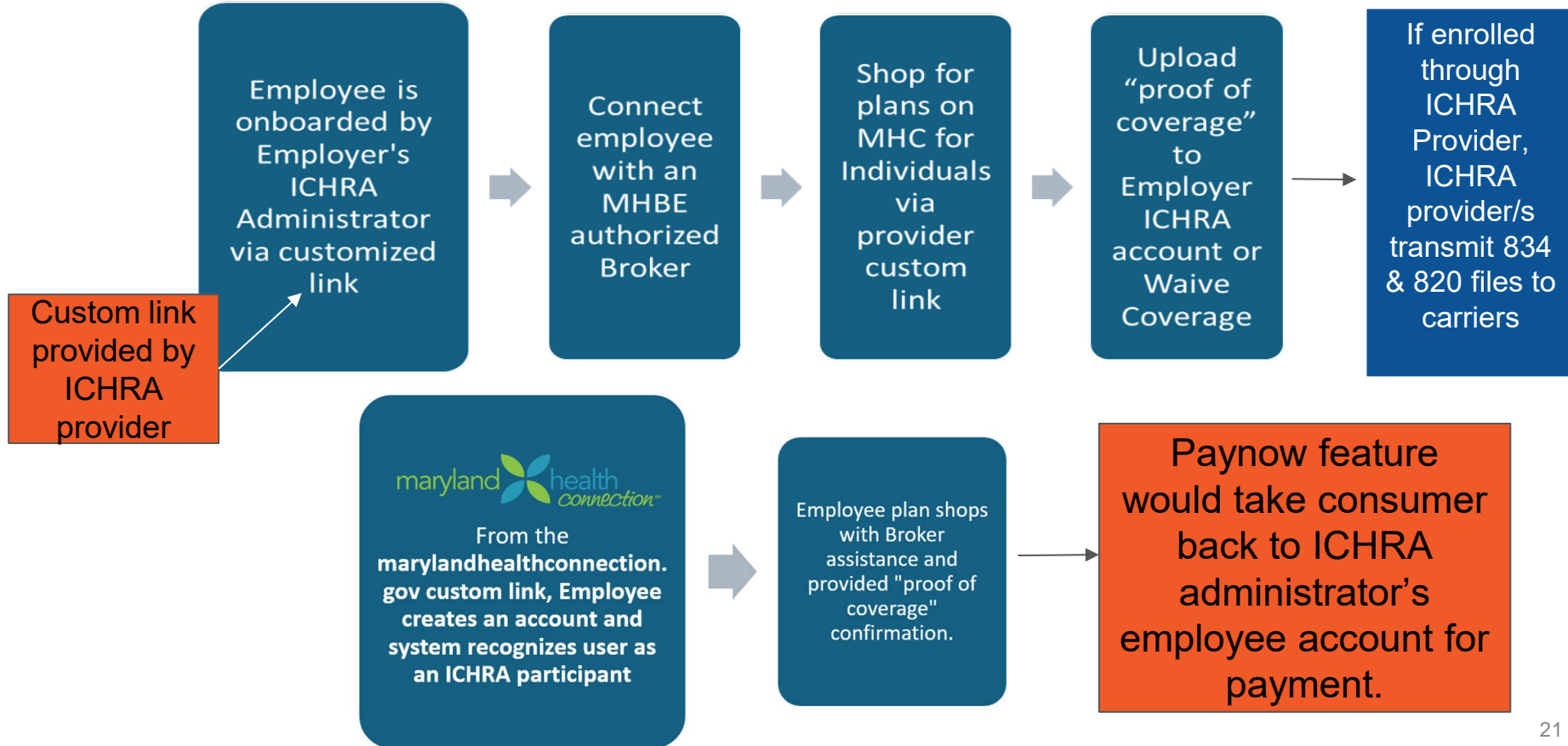
ICHRA Employee Set-up

- Establish account on ICHRA Provider's website
- Use employer contribution
- Plan shop on MHC or ICHRA provider's private exchange

Employee Experience



Moderate Integration



Complex Integration

Mirror Exchange



From the marylandhealthconnection.gov custom link, Employee creates an account and system recognizes user as an ICHRA participant



Employee plan shops with Broker assistance and provided "proof of coverage" confirmation.

Summary

Description	Option 1- Basic	Option 2- Moderate	Option 3- Complex
Solution	Provide list of ICHRA providers.	Same as option 1 with customized link.	Same as option 2 with a mirror MHC.
ICHRA Provider/s Responsibilities	<ul style="list-style-type: none"> - ICHRA program link on MHC-SB. - Enrollment and Payment (834 & 820) transmission to carriers. 	Same as option 1 with data sharing/integration with MHC.	Same as option 2.
MHBE Responsibilities	-Enable provider links on MHC-SB.	Opt 1 with integration to display employer dollars during employee plan shopping.	Opt 2 with implementation of MHC mirror exchange.
Cost	Most cost-effective	Mid-Range	High

Summary (continued)

Description	Option 1 - Basic	Option 2 - Moderate	Option 3 - Complex
Advantages	<ul style="list-style-type: none"> -Meets market demand -Coverage for Marylanders -Fast implementation and low maintenance 	<ul style="list-style-type: none"> -Same as Option 1 -Custom link simplifies employee shopping/enrollment experience 	<ul style="list-style-type: none"> Same as Option 2 - ↑ MHC enrollment - MHBE Broker inclusion -Single platform
Challenges	<ul style="list-style-type: none"> - MHC enrollment uncertain due to tax favorability through ICHRA private exchange. 	<ul style="list-style-type: none"> - Cost/budget -MHC enrollment uncertain due to tax favorability for off-exchange enrollment. 	<ul style="list-style-type: none"> - Cost/budget -More complex system integration and maintenance needed.
Where do people enroll?	Mostly through ICHRA exchange	A mix of MHC and ICHRA exchange	Mostly through MHC (mirror)



Discussion

Discussion Questions

- Given the information presented, which of the three ICHRA program integration (simple, moderate, complex) options would you support?
- What other features would you like to see in an ICHRA program through MHC?
- What other options you would like to see presented?

The background is a solid teal color. In the center, there is a stylized graphic of a flower or a four-petaled shape. Each petal is a lighter shade of teal and overlaps the center. The petals are arranged in a cross-like pattern, with each petal pointing towards the center.

Public Comment