



SENATE HEALTH CARE BILL: SMALL BUSINESS WINS

Immediate Benefits

Temporary Reinsurance for Early Retirees Available

Creates a new temporary reinsurance program to help companies that provide early retiree health benefits for those ages 55-64 to offset the cost of that coverage.
Amendment: Requires Secretary to ensure a "reasonable percentage" is allocated for small business retirees.

States MAY Establish Exchanges

States may open exchanges: (1) an exchange for individuals, and (2) a Small Business Health Options Program (SHOP exchange) for small employers in enrolling their employees into the individual or small group market. Eligible businesses include those with 100 or LESS employees (or 50 or LESS employees at state option).

Temporary Reinsurance for Early Retirees Available

Creates a new temporary reinsurance program to help companies that provide early retiree health benefits for those ages 55-64 to offset the cost of that coverage.

No Annual Limits and Restricted Lifetime Limits

Prohibits lifetime limits on benefits in all group health plans and in the individual market and restricts the use of annual limits, to ensure that you have quality, affordable coverage is available when you really need it.

Reporting Medical Loss Ratios

Health plans must report on the share of premium dollars spent on medical care and provide consumer rebates for excessive medical loss ratios between 2010 and 2013.

Bridge Credit for Small Businesses: To help small businesses bridge the current affordability gap in providing health insurance for their employees, beginning in 2011, a bridge tax credit is available to small businesses with 25 or fewer employees with average annual wages of \$40,000 or less to help more small businesses more immediately provide health insurance. However, the full credit would be available only to an employer with 10 or fewer employees and whose fulltime employees have average annual wages of less than \$20,000.



SENATE HEALTH CARE BILL: SMALL BUSINESSES WINS

Benefits in the Near Future

Deadline for Setting Up Exchanges

States must have exchanges open. For states that do not have an exchange, HHS will establish one for that state.

Temporary Bridge Credit for Small Businesses Expire And Are Replaced with Exchange Credit for Small Businesses

Tax Credits available for small businesses to purchase health insurance coverage for employees through the SHOP exchange. Eligibility: firms with fewer than 25 employees and average wages of \$40,000 or less, and the maximum credit available would be 50%.

No Employer Mandate (Shared Responsibility Begins)

Requires employers with **50 or more employees** who DO NOT offer coverage to their employees to pay \$750 annually for each full-time employee as long as one of their employees receives a tax credit. Requires employers who DO offer coverage but whose employees receive tax credits to pay for each worker receiving a tax credit up to a cap of \$400 per full-time employee. Precludes waiting periods over 90 days and requires employers to pay \$400-600 annually for each full-time employee in a waiting period between 30-90 days.

SHOP Exchanges Expand

In 2016, States must allow small businesses with up to 100 employees purchase coverage through the SHOP exchange. In 2017, States may allow employers with more than 100 employees into the state exchange