

MINNESOTA HEALTH INSURANCE EXCHANGE WORK GROUP REPORT

Small Employer Workgroup

March 30, 2012

Work Group Focus

The purpose of the work group is to provide technical assistance and information on the options related to coverage choices, services, processes, and assistance for small employers and employees through a Minnesota Health Insurance Exchange. The Advisory Task Force will use this information to inform their recommendations to the Commissioner of Commerce.

Work Group Members

Dan Schmidt, co-lead, Great River Office Products	Kathryn Frommer, Aurora Henna Company
Manny Munson-Regala, co-lead, MN Exchange	Rick Varco, SEIU
Alison Baker, Alison Baker Editing Services	Margo Brownell, Maslon, Edelman, Boman & Brand
Dennis Dahlman, Dennis Dahlman Consulting	Kathryn Helmke, Trusight, Inc.
Tina Armstrong, Department of Commerce	Greg Dattilo, MN Association of Health Underwriters
Linnea House, NARAL Pro-Choice Minnesota	Dean Howard, TAB Twin Cities
Stefanie Konobeck, MN Exchange	Scott Keefer, Blue Cross Blue Shield
Mary Krinkie, MN Hospital Association	Matthew Anderson, MN Hospital Association
Timothy Luy, Federated Insurance	Ed Oliver, Agent and Former Legislator
Susan Olsen, The Minneapolis Foundation	John Pratt, MN Council of Nonprofits
Shirley Spraguer, Insurance Advisors, Inc.	Nate Hierlmaier, Department of Health
William Colopoulos, Next Generation Benefit Solutions	

Issues for Discussion

In order to meet the objectives articulated for the Work Group, the Work Group has identified the following issues as topics that it may focus on. Those topics are:

- What barriers keep small employers from offering insurance to their employees? What functions or services can the Small Business Health Options Program (SHOP) provide to eliminate those barriers?
- The SHOP exchange must offer employers the choice of defined benefit and defined contribution plans. How does the SHOP approach each of those options to optimize the benefits to employers and employees? If the employer chooses defined benefit, how can the SHOP help small employers evaluate the cost, quality and value of health insurance for their companies?
- How can the SHOP assist small business employers and employees in expanded health plan choices? How can the SHOP enhance the portability of an employee's health insurance coverage?
- Should the SHOP offer ancillary products?

The work group looks for input from the Task Force on whether these are the appropriate topics to focus on. In addition, the Work Group looks for input on the Task Force on when it should be providing work product to the Task Force.

Meeting Update

The Work Group has had two meetings to date.

The first meeting was on **March 7th, 2012** and the group discussed the following:

- Introduction of team and co-leaders
- Discussed overview document, the scope of work and role of the workgroup vis a vis Task Force
- Discussed proposed work plan
- Reviewed the ACA's requirements for the SHOP exchange, including the draft regulations
- Updated the Work Group on the IT build of the Exchange

The second meeting was on **March 21st, 2012**, and the group discussed the following:

- Reviewed overviews of workgroups (both Exchange and Governor's Task Force work groups)
- Presentation of the Minnesota small group regulatory environment
- Presentation of the Minnesota small group marketplace
- Reviewed the Final Rules on SHOP
- Task Force meeting on March 30th

Proposed Work Plan

April 2012

- Review input from Task Force, identify what changes need to be implemented to work plan and schedule accordingly. In addition focus on identifying the barriers for small businesses.
 - Discussion of the barriers for small businesses.
 - Continued discussion of SHOP administrative requirements from the regulations including: uniform application, features to simplify enrollment, premium aggregation, and the SHOP calculator.

May 2012

- Topics will focus on approaches the MN Exchange should consider to assist small employers and their employees in addressing cost barriers that impact accessing and administering employer sponsored coverage.
 - Discussion of small group products that may be offered on the Exchange.
 - Presentation of the tax implications of the Affordable Care Act for small employers.
 - Discussion of how the design of the SHOP can assist employers and employees in accessing affordable health insurance coverage via existing tax vehicles.

June 2012

- Topics will focus on approaches the MN Exchange should consider to assist small employers and employees in having high quality, low cost health plan choices.
 - Discussion of how the SHOP can approach the implementation of defined contribution and defined plan options to optimize the benefits to employers and employees.
 - Discussion of how the SHOP can help small employers evaluate the cost, quality and value of health insurance plans for their companies.
 - Discussion of how the design of the SHOP can enhance the portability of an employee's health insurance coverage..

July 2012 – Presentation of small employer workgroup findings to the Task Force