

## Small Business Health Options Program (SHOP) not delayed

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The week of April 2, 2013, the headline of an article in the *New York Times* led many to believe that Small Business Health Options Program (SHOP) was put on hold. That is not true. In March, the Department of Health and Human Services (HHS) suggested that some of the more difficult parts of SHOP be delayed, but HHS **did not** suggest that the whole program be put on hold. SHOP will still let people start signing up on October 1, 2013, for coverage effective on January 1, 2014. Below is a brief look at the final rule on exchanges and what may be delayed.

### Summary of exchange final rule

The final rule from HHS called for SHOP exchanges to give employers an “employee choice” option. So, the employer would pick the level of coverage (bronze, silver, gold or platinum) and employees could then pick any qualified health plan from that level on the SHOP. This means that people working for one employer could have insurance plans from different insurance companies.

Also, to make “employee choice” work for the employer, HHS said that SHOP exchanges would have to send one bill to the employer for all employees. This way, the employer could pay one bill, and the exchange would pay the different insurance companies for each employee it covers. This is called the premium aggregation function.

### Parts of SHOP that *may be* delayed

On March 1, 2013, HHS proposed letting exchanges put the “employee choice” option and premium aggregation functions of SHOP on hold until 2015. **This does not delay the whole SHOP exchange.** It just means that for 2014, SHOP exchanges can make employers choose one qualified health plan for all of their employees so that they are all covered by the same plan from one insurance company.

HHS said that if the proposed delay goes into effect, the federally facilitated SHOP will not offer the “employee choice” option or premium aggregation until 2015. State-based exchanges can decide if they want to put off these parts of the SHOP until 2015 or put them in place for 2014. HHS has not made a final decision on this rule, but we expect it to be made soon.

*This article applies to:*

- California - Local and/or ANA, Wisconsin, Virginia, Ohio, New York, Nevada, New Hampshire, Missouri, Maine, Kentucky, Indiana, Connecticut, Colorado, and Georgia
- Small Group