

July 11, 2013

Connecting Hawaii's Residents with Quality Health Insurance

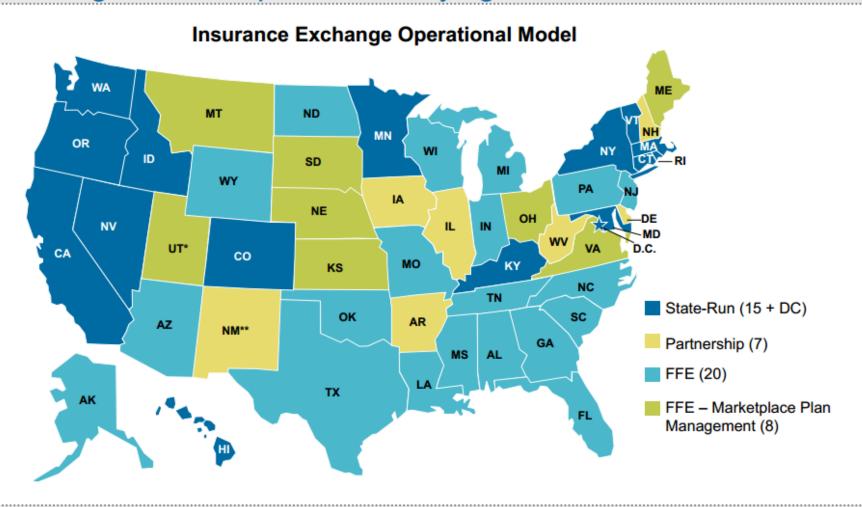
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What is the Hawaii Health Connector?

The Hawaii Health Connector

- A non-profit organization, of Hawaii, for Hawaii, established to comply with the federal Patient Protection and Affordable Care Act (PPACA) of 2010
- 100% federally funded
- An online health insurance marketplace
- For individuals, families and small businesses
- A group of dedicated professionals including technology experts, financial experts, and outreach advocates

15 States and DC Will Run Exchanges in 2014, 7 States Pursuing Partnership, Others Relying on the FFE



Source: Avalere State Reform Insights, May 9, 2013.

In addition to the marketplace plan management model for its individual exchange, Utah will rely on its existing small group exchange as ts SHOP.

™While New Mexico will operate a partnership for its individual exchange, the state will run its own SHOP.



Avalere Health LLC

What is the Affordable Care Act?

The Affordable Care Act (ACA)

Consumer Protections

Health Insurance Marketplace

More Affordable Coverage Cost Control and Quality Improvements

What are the benefits of using the Connector?

On the Connector, you can...

- Browse health plan options
- Compare plan benefits and costs side by side
- Learn about the low-cost (or no-cost) health plans you may qualify for with financial help from federal tax credits
- Receive help from trained and certified professionals, an agent or a broker
- Choose, buy and manage a health plan that suits your unique needs

What does this mean for small businesses?

Benefits for Small Businesses

More Affordable Coverage

- Compare insurance plan benefits and costs
- Determine a business's eligibility for tax credits
- Enroll in and purchase health insurance plans

Less Administrative Burden

- Single monthly bill and single payment for fast and efficient processing
- Automate enrollment, tracking, and HR notices.

What kind of health benefits are available on the Connector?

10 Essential Health Benefits

- Ambulatory patient services
- 2. Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment

- 6. Prescription drugs
- Rehabilitative and habilitative services and devices
- 8. Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

As of October 1, 2012.

Four levels of coverage under ACA

Bronze 60%

Low premiums, high annual deductibles

Silver 70%

Gold **80**% Platinum 90%

High premiums, low annual deductibles

What tax credits are available to small businesses?

Small Business Health Care Tax Credit

- Retroactive to 2010
- Refundable credit
- Can make a difference and put money in your pocket
- An expense deduction may still be claimed in addition to the credit
- Work with your tax professional to determine your credit



Employer Tax Credit Eligibility

- Employers with fewer than 25 FTEs may be eligible, with an average salary of less than \$50k.
- Employers must contribute at least 50% of the cost of single coverage for their employees.
- The maximum credit they can receive is 35% of what they contributed towards their employee health benefit costs and a maximum of 25% for non-profits.
- In 2014, the maximum credit they can receive increases to 50% and 35% respectively.

Example: Downtown Diner

- 40 half-time employees (the equivalent of 20 fulltime workers)
- Wages: \$500,000 total, or \$25,000 per full-time equivalent worker
- Employee Health Care Costs: \$240,000
- 2010 Maximum Tax Credit: \$28,000 (up to 35% credit)



 2014 Maximum Tax Credit: \$40,000 (up to 50% credit)

Example: Foster Care Non-Profit

- Employees: 9 full-time
- Wages: \$198,000 total, or \$22,000 per worker
- Employee Health Care Costs: \$72,000
- 2010 Maximum Tax Credit: \$18,000 (up to 25% credit)
- 2014 Maximum Tax Credit: \$25,200 (up to 35% credit)



When can I use the Connector?

Important Dates to Remember

October 2013

Open enrollment begins

January 2014

Health coverage begins

Beginning 2016

Large group employers eligible to participate

What if I need help enrolling in a health plan?

Help is Available

- Through trained and certified agents and brokers
- In-person with our team of professionals
- By calling our local customer support center
- In multiple languages
- Free with no additional charge



Hii Ola Marketplace Assister Program

Beginning October 2013, our Kokua (Marketplace Assisters) will personally guide you. They will:

- Answer questions you may have about plan benefits
- Help you review your plan options
- Help you enroll once you've chosen a plan
- Be located on every island
- Be trained and certified professionals, not from an insurance company.

By the way, all the help we provide is offered at no charge.

Where can I get more information?

HawaiiHealthConnector.com

Facebook.com/HawaiiHealthConnector

Twitter.com/HIConnector

Sign up for e-updates!

