



# WHAT ARE MY RESPONSIBILITIES?

The Patient Protection and Affordable Care Act (ACA) provides health care coverage options for small business owners (50 employees or less) through the Small Business Health Options Program (SHOP).

- SHOP is the health insurance exchange/marketplace for small businesses.
- Small business owners such as pediatric practices are not required under the ACA to provide employees with health insurance, but may qualify for tax credits if they do offer employees health insurance through the SHOP.
- SHOP open enrollment is from October 1, 2013 through March 31, 2014. Coverage would begin January 1, 2014.
- You can also apply for insurance any time in 2014, with coverage starting the following month.

## What is a SHOP marketplace?

- The SHOP is a health insurance exchange/marketplace for small businesses, intended to help small businesses buy health insurance.
- Small employers are those with 50 or fewer full-time equivalent employees. Part-time employees can also count toward the 50 employee threshold.
- Visit [healthcare.gov](http://healthcare.gov) for more information on how to count your employees.
- Each state will have its own SHOP exchange/marketplace, which may be combined with the exchange/marketplace for individuals and families.
- The SHOP marketplace in Idaho is called Your Health Idaho can be found online at <http://www.yourhealthidaho.org>.
- In the 33 states where the federal government is running the health insurance exchanges, small businesses will be able to offer one health plan to their employees. In states with state based exchanges, business owners may be able to offer multiple health plans to their staff, but this will be at each state's discretion. Check with your state's SHOP marketplace to find out your options.

## Am I required to provide health insurance to my staff?

- If you have 50 or fewer employees, you are not required by the ACA to provide your staff with health insurance. However, if you do offer your employees coverage through the SHOP, you may qualify for tax credits.
- Businesses with more than 50 employees who do not offer qualified health insurance may be subject to an "Employer Shared Responsibility Payment" beginning in 2015.
- If you plan to use the SHOP, you must offer insurance coverage to all of your full-time employees (those working 30 hours or more per week).
- In most states, to be eligible to participate in the SHOP, 70% of your employees offered coverage must enroll in your SHOP plan. Check with your state's SHOP marketplace to see if the percentage differs.

Where can I find more information?

More information on the SHOP and the options for small business owners at [www.healthcare.gov](http://www.healthcare.gov).

Check with your state's own health insurance exchange/marketplace for more details and state-specific information:  
<http://www.yourhealthidaho.org>

- There are additional criteria regarding which of your employees count toward the 70% threshold. For example, employees who are covered by a spouse's insurance would not be included in the calculation. Be sure to [review this information](#) to ensure you are calculating correctly.
- If you do not meet the 70% threshold, there will be a special open enrollment period from November 15, 2013-December 15, 2013 to allow qualified employers to offer SHOP coverage to their employees.
- Small business owners can also decide whether or not they will offer family coverage to their employees. Family coverage may be especially important for child dependents of your employees.

## What if I already provide my staff with insurance?

- If you already provide your employees with insurance, you can keep the coverage you already have.
- You also have the option to change your current insurance and offer a plan through the SHOP and possibly earn tax credits.

## Will I qualify for small business tax credits?

- Tax credits are available if you obtain coverage through the SHOP.
- If you have fewer than 25 full-time equivalent employees making an average of \$50,000 or less, you may qualify for employer health care tax credits.
- You must also pay at least 50% of your full-time employees' premium costs.
- Coverage of part-time employees or employee dependents is not required to qualify for tax credits.
- Owners of, or partners in, a small businesses, do not count as employees for the purpose of qualifying for the tax credit.
- Beginning in 2014, the credit is worth up to 50% of your contribution toward employees' premium costs.

## Can I use my existing insurance agent or broker?

- Yes. Licensed agents and brokers are permitted to sell insurance in the SHOP exchange/marketplace.
- If you already have an insurance broker you can continue to use him/her. If you do not, there will be people available to assist you as you navigate your way through the SHOP.

## If I choose to provide insurance through the SHOP, what do my employees need to do?

- If you choose SHOP insurance coverage your employees can sign up for it online.
- You or the exchange/marketplace can notify your employees and tell them what they need to do to sign up.
- The exchange/marketplace can help you set up an e-mail distribution list or download the offer of coverage in order to distribute it to your employees.
- Your staff will decide whether or not to accept the coverage you offer.
- Coverage will not take effect until you, as the employer, accept the plan.
- After the open enrollment period is over you can see who has accepted coverage and calculate the total cost to you and then decide whether or not to approve the plan or search for other SHOP options.

## An example of how the tax credit works:

**Number of Employees: 10**

**Wages:**

**\$250,000 total or \$25,000 per employee**

**Employer contribution to employee premiums: \$70,000**

**Tax credit amount:**

**\$35,000 or 50% of the employer's contribution**

**For more information on how the tax credit works and how to determine if you qualify, you can visit [IRS.gov](http://IRS.gov) or talk to your tax advisor or accountant.**

For American Academy of Pediatrics resources on what ACA implementation means for pediatric practices and patients, visit [www.aap.org/ACAmarketplace](http://www.aap.org/ACAmarketplace).

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