Delays in SHOP Enrollment

In recent weeks both Cover Oregon and the U.S. Department of Health and Human Services (HHS) announced delays in functionality for their Small Business Health Options Program (SHOP) Marketplaces.

**Idaho and Montana:** Last week, HHS released a statement indicating the online enrollment functionality of SHOP will not be available until November 1. This announcement applies to states that opted for a federally facilitated exchange, including Montana, and federally supported state-based exchanges, such as Idaho. Small employers will, however, still be able to go online beginning October 1 to get an overview of available plans and premiums in their area, learn about the tax credit, and download forms to start the application process offline. Here's a more detailed account of what is expected to be available and when:

**November 1:** Online Employer Enrollment Begins

- SHOP employers whose paper applications were received during October will be able to log in to My Account, which will be pre-populated with information included in the paper application. Employers will be able to begin shopping in Plan Compare immediately.
- Employers who did not submit a paper application during October will be able to create an account and begin the online application.

**November 15:** Employee Enrollment Begins

- Employees will begin the application process.
- Employers will review employee selections and submit the group’s enrollment.
- If an employer has selected coverage for the 1st of the month, the enrollment system will prevent an open enrollment period that extends beyond the 15th of the prior month (e.g., open enrollment for January 1 cannot extend beyond December 15).
- Once the enrollment group is submitted, issuers will begin to receive group enrollment file and 834s.
Oregon: Cover Oregon, the state-based marketplace for Oregonians, also announced a delay in its SHOP roll-out. They anticipate that sometime in mid-October, the site will be opened first to agents who can help small employers get rates, compare plans, and enroll in group coverage. Functionality for employers will be limited to browsing plans during that "beta testing" time which is expected to last about two weeks. When Cover Oregon believes the SHOP site is ready for full release, they will open to small employers for self-service and allow them to upload census data, get rates, compare plans, and enroll. They currently anticipate that will happen in late October or early November.

More information on the Idaho and Montana federal SHOP application and enrollment process are available at HealthCare.gov. The website for Oregon SHOP information is CoverOregon.com.

Employers Won't Face Penalty for Missing October 1 Exchange Notification Deadline

The Department of Labor (DOL) clarified recently that employers will not be penalized if they fail to notify their employees about the ACA's health insurance marketplaces by October 1.

In an FAQ on their website, the DOL stated, "If your company is covered by the Fair Labor Standards Act, it should provide a written notice to its employees about the Health Insurance Marketplace by October 1, 2013, but there is no fine or penalty under the law for failing to provide the notice." Read the full text of the FAQ.

Eager to Enroll in Individual Coverage through the Marketplace?

Some Things to Consider...

While the Affordable Care Act's new Health Insurance Marketplaces are up and running, it's important to note a few things:

- If you live in Oregon, the site's full functionality is not open to everyone at this point. You'll be able to browse plans and rates, get an estimate of eligibility for financial assistance, and search for an agent or other community partner in your area. But if you want to apply for financial assistance, get a quote, or enroll in coverage during the first few weeks of October, you will need to go through a Cover Oregon-appointed insurance agent or other community partner. Cover
Oregon is limiting initial access while it irons out technical issues.

- If you live in Idaho or Montana, you have the ability to enroll now, however technical issues are expected for the first few weeks.
- The initial open enrollment period will continue through March 2014.
- Your actual plan benefits will not be effective until January 2014 at the earliest*

With those things in mind, we recommend individuals wait a few weeks before visiting the marketplaces to research options and enroll in coverage. A knowledgeable insurance agent can answer your questions and help you navigate the many details you may need to consider. PacificSource is also available to help. Our Coverage Advisors are available by phone or email from 7:00 a.m. to 6:00 p.m. Monday through Friday: Toll-free (855) 330-2792 or email reform@pacificsource.com.

As a reminder, if you don't qualify to receive financial assistance, there is no requirement for you to enroll through the Marketplace. You can enroll right away with PacificSource using our website, or through an insurance agent. Our Coverage Advisors are happy to help you find a plan and enroll directly with us.

*For a January 1, 2014 effective date, enrollment must be completed by December 15, 2013; coverage will not be effective retroactively if you enroll later. Enrollment must be completed by the 15th of the prior month for 2014 effective dates of February, March, or April. If enrollment is not completed by March 15, 2014, then the applicant won't be eligible for coverage until January 1, 2015, unless they have a qualifying event such as involuntary loss of other coverage or acquired a new dependent.

**Health Plan Renewal Mailings**

Starting January 1, 2014, all health insurance plans must meet specific requirements of the ACA. Here's how we're helping our customers with this transition:

**Individual and Family Policyholders**

In Oregon, individual policies are currently renew on a calendar year basis. So for Oregonians with individual plans, that means their current plan will end on December 31, 2013, and they will have new plans to choose from that meet the ACA requirements. For our Idaho and Montana individual members, the change will take place when their policy renews in 2014. Any new policies issued in 2014 will renew January 1
annually and accumulators will be based on a calendar year in Oregon, Idaho, and Montana regardless of when the individual enrolls.

We are in the process of sending our members special 2014 health plan renewal kits, which include recommended 2014 plans and rates, information on how to renew with PacificSource, and a copy of the individual and family plan product guide. Most Oregon individual members and Idaho and Montana members who renew in January should already have received their kit or will receive one this week. Kits will be mailed to the rest of the Idaho and Montana members 90 days prior to their 2014 renewal dates. Summaries of coverage and benefits (SBCs) for our new 2014 plan designs can also be found at PacificSource.com and will be based on calendar year deductible and out-of-pocket maximum accumulators.

As we issue the individual renewal kits to our members, agents who serve those policyholders will receive a summary report providing them with a list of their renewing clients and the 2014 plans we'll recommend in their renewal kit.

Small Employer Group Clients
Small employers can keep their current renewal period, unless they change insurers or go into the Health Insurance Marketplace prior to their current renewal date. Current plan designs will end upon the small group's renewal in 2014, and they will have new plan designs to choose from that meet the ACA requirements at that time. In Oregon and Idaho, deductible and out-of-pocket accumulators will be based on a calendar year. In Montana, accumulators will be based on a plan year.

For our small employers, we began mailing plan design discontinuance notices in September for January renewal, and will continue as an ongoing process over the next year. These notices will mail at least 90 days prior to each employer's renewal date. Renewing small group clients will then receive notice of change letters with their renewal quote for 2014 ACA-compliant plans 60 days prior to renewal. Agents are copied on these letters, which include information on the benefit and eligibility changes. Copies of these letters and summaries of coverage and benefits (SBCs) for our new 2014 plan designs can also be found at PacificSource.com.

Understanding AV, MV, and EHBs
The ACA has spawned a whole new crop of acronyms, and it can be a challenge to keep them straight. To help with three commonly confused acronyms, we've created a new two-page
The document gives a brief overview of the definitions and differences between actuarial value (AV), minimum actuarial value (MV), and essential health benefits (EHB). You can find this and many other employer resources in the Healthcare Reform Resource Center: PacificSource.com/reform.

**Don't Fall Victim to Reform Scams**

Numerous scams connected to healthcare reform have already been reported, and officials predict they will increase this fall with the roll-out of the exchange marketplaces. Criminals are selling fake health policies and conning consumers into giving out their bank account information, often posing as government employees.

Fraud.org offers the following tips to avoid falling victim to one of these scams:

1. Get informed about how the health reform affects you. The Center for Medicare and Medicaid Service (CMS) website, HealthCare.gov is a great place to start.
2. If someone claiming to be with Obamacare or another federal program asks you to wire money, give out your bank account number, or load funds onto a prepaid card, it's a scam.
3. If you received an unsolicited phone call, email, or fax claiming that you need to purchase a new Medicare card or update your personal information (such as your Social Security number, date of birth, or other sensitive information) because "it's the law," simply hang up and report the event to Fraud.org.
4. Be careful of phishing sites made to look like official insurance exchange websites. They may contain the actual seal of the real insurance exchanges, but likely simply exist to load malware onto your computer or collect your personal information.
5. In the event that you inadvertently divulge personal information to an Obamacare fraudster, inform your banks, credit card providers, and the three major credit bureaus so that they can be on the lookout for potential identity thieves.

CMS also offers individuals a helpful flier titled, "Protect Yourself from Fraud in the Health Insurance Marketplace." Click here for the PDF.

**Questions about Reform?**

PacificSource.com/reform is a great resource for PacificSource clients and members. It includes FAQs, timelines, additional
resources, and more.

HealthcareLawGuide.com is our healthcare reform website for the general public. It provides extensive healthcare reform guides for both employers and consumers.

New information is continually being added to both sites, so we encourage you to bookmark them and visit frequently.

Your insurance agent is also a good resource to assist you with questions about how healthcare reform may impact you.