HealthSource RI for Employers

Broker Certification Training Class

HealthSourceRI
FOR EMPLOYERS

2026

Agenda

- Introductions: NFP Health and HealthSource RI for Employers
- HealthSource RI for Employers Overview
- Small Employer Guidelines
- Plan Design
- Renewals and Billing
- Rating Methodology
- Broker Quoting Tool
- Enrollment System Overview
- Assessment

HealthSource RI for Employers

- HealthSource RI for Employers (HSRI for Employers) is Rhode Island's State-Based marketplace small business program.
- HSRI for Employers provides the tools, resources and information employers need to keep employees informed and healthy.
- Recognized nationally as one of the BEST performing exchanges in the U.S.

Why Choose HSRI for Employers

- Small businesses can manage costs while offering employees more options than ever with our **Full Employee Choice** multi-carrier options.
- Small businesses can compare coverage options side-by-side in simple language.
- Small businesses get customized quotes from multiple insurers for the broker's convenience.
- Brokers and small business employers receive concierge service for their employees.
- Enrollment system offers self-service option.

Streamlined Quoting

HealthSource RI for Employers (HSRI for Employers) provides customized quotes from multiple insurers for the broker's convenience.

- **Medical**
  - Blue Cross & Blue Shield of Rhode Island
  - Neighborhood Health Plan of Rhode Island (NHPRI) **
- **Dental**
  - Blue Cross & Blue Shield of Rhode Island
  - Delta Dental of Rhode Island

** NHPRI sells exclusively through HSRI for Employers

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Defined Employer Contribution

- Employers define and control annual healthcare spending by selecting a “reference plan” that fits their healthcare budget.
- Employers can choose between utilizing composite average rates or list bill rates to control healthcare budget spending.
- Employers begin to disengage from on-going, consistent, double digit rate increases.

Employee Choice Models

Employers and employees can enjoy a wide range of plan designs and prices

Single Choice:

Employer selects single plan design for all employees.

Full Choice:

Employer sets his/her reference plan and employees can choose from any of the plan designs available.

Mini Choice:

Employer sets his/her reference plan and employees can choose from the selected plans being offered.

Full Choice for Employers

Full Choice is a blend of predictable costs and flexible options for employees.

- **Here's how it works:**
  - Employer decides how much they want to spend**
  - Employer decides between list bill or composite average model
  - Employee picks any plan from multiple health insurance companies
  - Employee pays the difference between what Employer pays and the cost of their plan
  - Employer writes one check to HSRI for Employers

****Defined Contribution –** lets you offer employers the option to choose an affordable contribution level to match their budget and manage costs – and lets their **employees choose** the plan that works best for them. **This is the ultimate way to customize benefits for your clients.**

Enrollment Simplification

- Completely electronic enrollment process with support:
  - No paper applications if you are utilizing the self-service portal.
  - No waiver forms required. However, we strongly suggest you continue to provide these to the employer for employees who waive coverage.
  - HSRI will transmit your sales information directly to the insurance company for you.
  - One-step certification process: Rhode Island quarterly tax and wage report. A team of Business Engagement Specialists with extended hours is available to support brokers onsite, by phone or via email.
  - Special broker phone number and email.

Small Employer Guidelines and Plans Available

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Small Business Eligibility: RI Specific

- Businesses with 50 or fewer full-time equivalents (FTEs)
  - Counting of employees complies with Federal definition of counting employees, including adding up hours for part-time employees
  - Businesses without a common law employee will no longer qualify to purchase employer health insurance- part time employees may be eligible
  - Small businesses must have an EIN number
  - Small business needs to be a RI company by law -or- out of state location can buy for RI worksite
  - No participation requirements; reduced recertification requirement

Small Employer Tax Credit

- Credit offered by the Federal Government
- Only available to employers who offer coverage through state exchanges
- Up to 50% tax credit available to qualifying employers
  - 25 or fewer FTE's *
  - Average wages of less than $56,000 a year per full-time equivalent **
  - Employer pays 50% of healthcare premium

* Maximum benefit for employers with 12 employees or less (with average wages at $35,000 or less)

** For must up to date guidance see https://www.irs.gov/affordable-care-act/employers/small-business-health-care-tax-credit-and-the-shop-marketplace

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Employer Unaffordable Coverage

- If employer offers its **full-time employees** (and their dependents) the opportunity to enroll in minimum essential coverage, and
- One or more **full-time employees** enrolls for coverage in the exchange and qualifies for a premium tax credit or cost sharing reduction because:
  1. The employee's share of the self-only premium for the lowest cost plan that meets minimum value exceeds **9.12%** of adjusted gross family income, or
  2. The actuarial value of the coverage was less than 60% (doesn't meet minimum value).
  3. Starting in 2023, the family premium that the employee needs to pay on the most affordable plan will be used rather than employee only premium. Family members can enroll at HSRI for individuals and family, but the employee will remain under employer coverage.

Unaffordable Coverage Safe Harbors

- Since employers do not have access to information about employee adjusted gross family income, it is not possible for them to know in advance whether their employee contribution level exceeds **9.12%**** of adjusted gross family income.
- For this reason, the IRS has established safe harbors to allow employers a degree of certainty in this area.
- Employers can select one of the following three safe harbors:
  - They can base contributions on current year W-2 wages
  - They can base contributions on the [hourly rate of pay] x [130] to get a monthly allowable contribution
  - They can base contributions on the federal poverty level

** *For up-to-date guidance see https://www.irs.gov/affordable-care-act/employers/small-business-health-care-tax-credit-and-the-shop-marketplace*

Employer Waiting Period (Probationary)

- Effective January 1, 2014, waiting periods (probationary) were updated for small employers.
- All plans must enroll eligible employees within 90 days of first becoming eligible
  - **90 days** means **90 days** within the first day they are eligible
  - **Date of Hire** = first of the month following date of hire
  - **30 days** = first of the month after 30 days
  - **60 days** = first of the month after 60 days

COBRA and RI Extended Benefits

- Federal COBRA applies to group with 20 plus employees
  - Employer contribution is eliminated
  - Former employee is rated like current employee; remains part of the group plan
  - Former employee pays original composite rate as premium unless the employer chose the list bill contribution option.
  - Employer may charge employee additional 2% administrative fee
- RI Extended Benefits is for groups with under 20 employees
  - Must be an involuntary termination
  - Employee is not treated as part of the group
  - HSRI bills employee separately
  - Employee and family members are charged list rate based on age

Plan Design Review

- 2026 - 18 medical plans and 6 dental plans available
- Wide range of plan designs and cost (Platinum to Bronze)
- All medical plans offered through HSRI for Employers have a plan year deductible
- Insurers will not issue a deductible credit when a group moves to HSRI for Employers from a plan outside of HSRI for Employers

Please refer to hard copy benefit summary…

Actuarial Value (AV)

- Qualified health plans (QHPs) offered on HealthSource RI do not have to have specific deductibles, copays, and coinsurance
- Instead, cost-sharing in QHPs is regulated using the concept of "actuarial value" (AV)
- Plans will be categorized into “metal levels” for easier comparison
  - Metal level (also known as actuarial value) provides a general idea of what portion of covered expenses will be paid by the plan, with the remaining portion to be paid by the consumer
  - The higher the actuarial value, the less member cost-sharing the plan will have
- AV is based on overall cost-sharing requirements across all plan participants and not the way a specific individual uses his or her plan

Essential Health Benefits

Section 1302(b) defines essential health benefits to include:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and Substance use disorder services
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Lab services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

Renewals and Billing

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Small Business Renewal Process

- Clients renew annually
- Notices are mailed to the broker and employer;
  - 105 days prior to renewal for the broker
  - 90 days prior to renewal for the employer
  - 60 days prior renewal quote sent via email
- Notice includes information regarding renewal specifics and how to renew for next year
- Auto-renewal safeguards are in place for employers that do not want to make any changes from their previous year plan; mapping to same or closest plan available

Renewal Enrollment Timeline

If coverage is effective on April 1:

• Complete employer application by	**February 25**
• Employee Open enrollment begins	**March 1**
• Employee Open enrollment ends	**March 15**
• Payment due from employer to HSRI for Employers	**March 23**
• Coverage begins	**April 1**

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Requirements for Renewal

The following items must be confirmed 35 days ahead of the employer's renewal date:

- Rhode Island Quarterly tax and wage (TX-17) upload is a requirement for recertification; failure to upload will result in enrollment not being sent to the carriers.
- Employer must confirm the current enrollment census
- Employer must confirm the medical and dental reference plans and the contribution options
- Groups with 2 or fewer employees need to submit a TX-17 in even years (e.g., 2024, 2026); groups with more than 2 employees need to submit in odd years (e.g., 2025, 2027)
    - Employee count = any subscriber active in any benefit type through the end of the group renewal date

Please note, the group needs to be current on payment in order to renew their coverage.

Employer Notification Regarding Exchange

- Employers must provide notice to existing employees and new employees at time of hire
- Notice to include:
  - Information about the existence of HealthSource RI and Exchanges in other states where employees reside
  - Information on employee eligibility for Exchange coverage and potential subsidy availability if employer's coverage does not provide "minimum value"
  - Information about the loss of employer contribution if employee purchases coverage through an Exchange
- Resources are available at **HealthSourceRI.com/Employers**

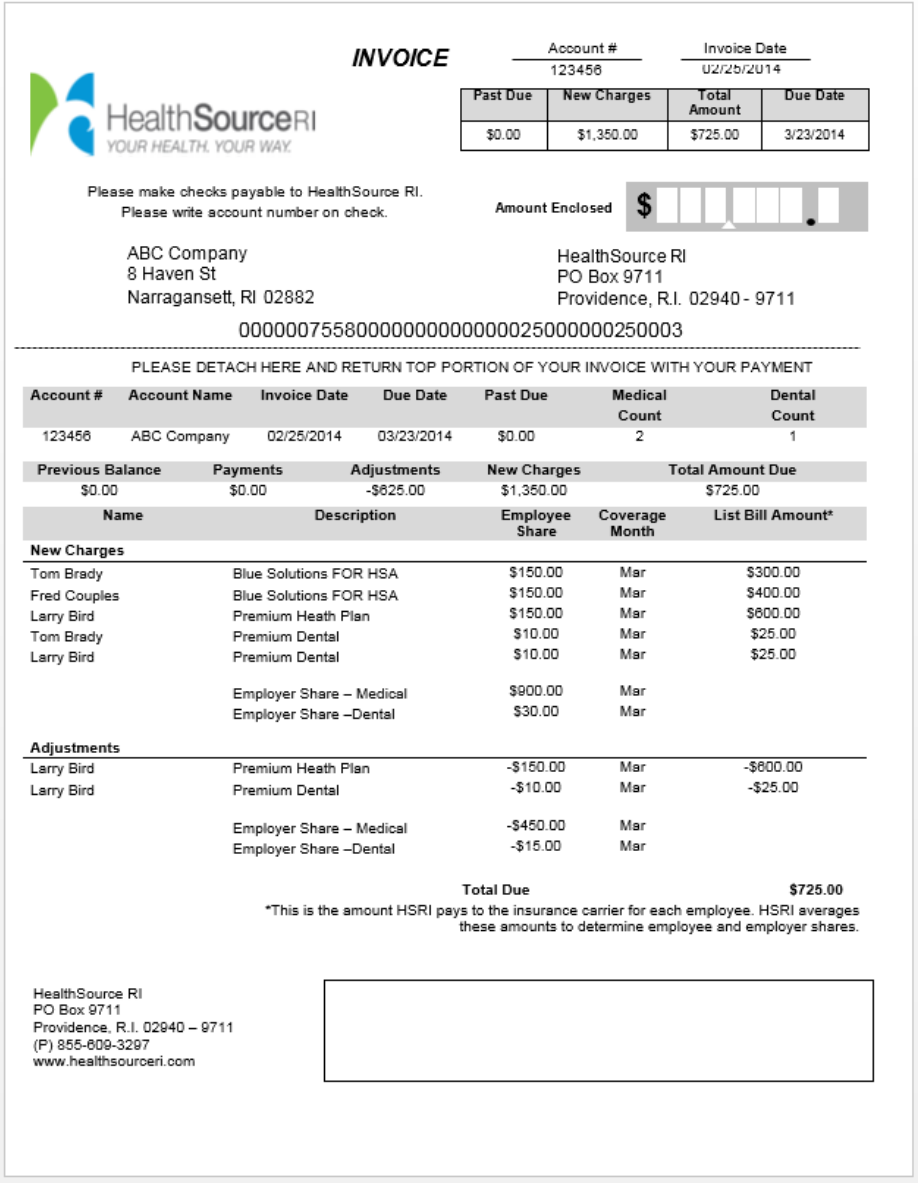
Employee Renewal Process

- Notice sent to employees of annual renewal period
  - Includes employer's base plan selection and premium contribution
- Default employee open enrollment timeframe is 1st to 15th of month before renewal
- Employees may update family information
- Employees can change plans or choose same plan
- If employees do not select a plan, we will automatically renew the employee's current plan

Billing Review

- Initial invoice must be paid in full prior to coverage effective date
- Ongoing monthly invoice is mailed out the last week of each month
  - These are prospective invoices with payment due on the 23rd of the following month (the month before the coverage month to which such payment applies)
- Payment options
  - One-time bank ACH payment through the Employers HealthSource RI portal
  - Employer can call the customer service phone line at 855-683-6757, and make a one-time payment
  - Recurring monthly bank ACH payment through the HealthSource RI portal
  - Check or money order
- One-month late payment grace period
  - Employers will be considered overdue when they have not paid their monthly bill in full
  - Employers who are overdue will receive an intent to terminate notice
  - Group policies that continue to be delinquent one month beyond the overdue date will be terminated for non-payment

Billing Review



INVOICE

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Account #	Invoice Date
123456	02/25/2014

Past Due	New Charges	Total Amount	Due Date
$0.00	$1,350.00	$725.00	3/23/2014

Please make checks payable to HealthSource RI.
Please write account number on check.

Amount Enclosed $

ABC Company
8 Haven St
Narragansett, RI 02882

HealthSource RI
PO Box 9711
Providence, R.I. 02940 - 9711

00000075580000000000000025000000250003

PLEASE DETACH HERE AND RETURN TOP PORTION OF YOUR INVOICE WITH YOUR PAYMENT

Account #	Account Name	Invoice Date	Due Date	Past Due	Medical Count	Dental Count
123456	ABC Company	02/25/2014	03/23/2014	$0.00	2	1

Previous Balance	Payments	Adjustments	New Charges	Total Amount Due
$0.00	$0.00	-$625.00	$1,350.00	$725.00

Name	Description	Employee Share	Coverage Month	List Bill Amount*
New Charges				
Tom Brady	Blue Solutions FOR HSA	$150.00	Mar	$300.00
Fred Couples	Blue Solutions FOR HSA	$150.00	Mar	$400.00
Larry Bird	Premium Heath Plan	$150.00	Mar	$600.00
Tom Brady	Premium Dental	$10.00	Mar	$25.00
Larry Bird	Premium Dental	$10.00	Mar	$25.00
	Employer Share – Medical	$900.00	Mar	
	Employer Share –Dental	$30.00	Mar	
Adjustments				
Larry Bird	Premium Heath Plan	-$150.00	Mar	-$600.00
Larry Bird	Premium Dental	-$10.00	Mar	-$25.00
	Employer Share – Medical	-$450.00	Mar	
	Employer Share –Dental	-$15.00	Mar	

Total Due **$725.00**

*This is the amount HSRI pays to the insurance carrier for each employee. HSRI averages these amounts to determine employee and employer shares.

HealthSource RI
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Providence, R.I. 02940 – 9711
(P) 855-609-3297
www.healthsourceri.com

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Rating Methodology/Broker Quote Tool

Includes the following scenarios to show how Composite Average and List Bill contributions work for the same business with 3 employees. Please note that plan rates in these scenarios are samples only.

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Composite Rate Contribution

- **Composite Rating** option averages the age-based rates of everyone on the Employee Roster to determine the composite rate for each available plan including the base reference plan. For the reference plan, enrollees will have the same employer share for the monthly premiums.
- Contributions are set up for 4 tiers:
    - Employee
    - Employee + Spouse
    - Employee + Child(ren)
    - Family
- Choose this option if it's important to you that all employees pay the same amount for the reference plan, regardless of age, or you don't mind the average changing when employees are added or removed.

Scenario for: **Composite Average Option**

Composite Average Option Employee costs are averaged, and the employer chooses to contribute a percentage (or equivalent dollar amount) to each employee.		
Employer Scenario The employer decides to contribute 65% of the composite average premium for the base plan (A). Base plan A: $500 average premium. Employer's 65% contribution is $325/month.		
Jimmy, age 60	**Employer share:** $325/month	**Employee share:** $175/month
Selina, age 27	**Employer share:** $325/month	**Employee share:** $175/month
Eddie, age 50	**Employer share:** $325/month	**Employee share:** $175/month
Total Employer: $975 I Total Employee: $525 I Grand Total: $1500		

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List Bill Rate Contribution

- **List Bill Rating** option calculates the premium for each enrollee based on their age, including spouse and/or dependents that need to be insured. Employers will choose a reference plan, and a percentage share. However, enrollees will have a different employer share for the monthly premiums.
- Contributions are set with 2 tiers:
    - Employee(s)
    - Dependents
- Choose this option if you like to know exactly what each employee's costs are based on their age or if you're familiar with list bill rates that differ by age.

Scenario for: **List Bill Option**

List Bill Rates Option Employee's age-based costs are not averaged. The employer chooses the percentage to contribute.			
Employer Scenario The employer decides to contribute 65% of the cost for the base plan (A). That percentage is applied to each employee's age-based premium.			
Jimmy, age 60	Base Plan A: $700/month 60 year old rate	**Employer Share:** $455/month	**Employee Share:** $245/month
Selina, age 27	Base Plan A: $300/month 27 year old rate	**Employer Share:** $195/month	**Employee Share:** $105/month
Eddie, age 50	Base Plan A: $500/month 50 year old rate	**Employer share:** $325/month	**Employee share:** $175/month
Total Employer: $975 I Total Employee: $525 I Grand Total: $1500			

Steps in the Process

1. Group census is entered
2. Premium is calculated
3. Employer chooses single choice or full choice model
4. Employer chooses contribution option “Composite” or “List Bill”
5. Employer chooses reference plan and contribution
6. Presentation of employee contributions
7. Employee selects plan
8. HSRI For Employers allocates premium to issuers

Considerations

- Age is always calculated as of the group's effective date
- Medical rates do not differ for ages less than age 15
- Dental rates differ between ages 18 and 19
- Only oldest 3 children less than age 21 count in child rates
- "Negative" employee premiums not allowed
- Births and deaths can have mid-month effective dates
- Mid-year census changes - Adding/Removing Employees or dependents will affect the overall total and employer shares when using the composite average model.

Quote Tool Demo
Enrollment System Demo

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Decision Support Tool

HealthSource RI for Employers offers an integrated Decision Support feature as part of our enrollment process. This feature assists customers with the plan selection process to help the employee better understand the plan coverage and the total out-of-pocket costs. While browsing plans in our enrollment system customers anonymously answer a hand full of questions pertaining to their medical history and status while they shop.

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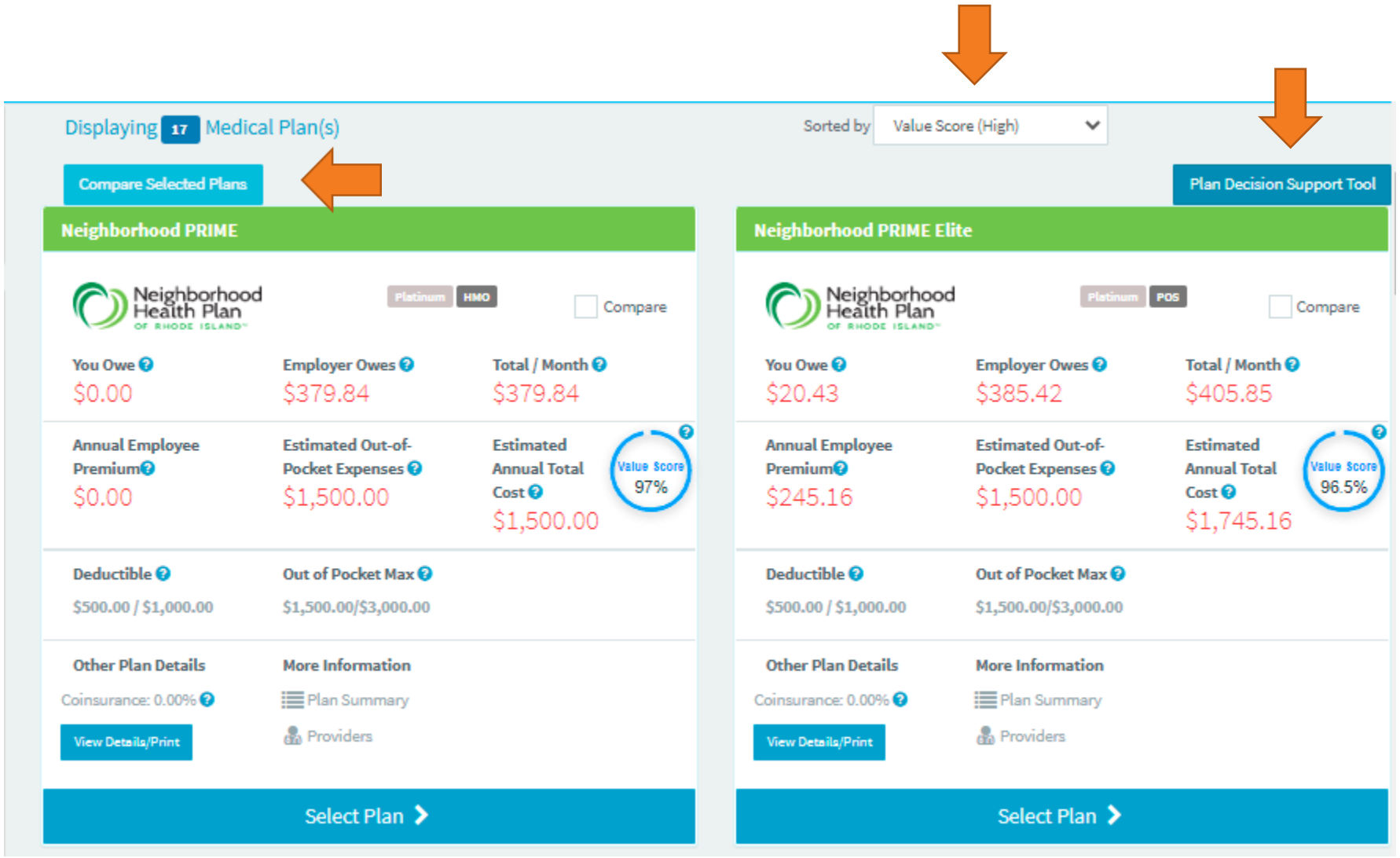

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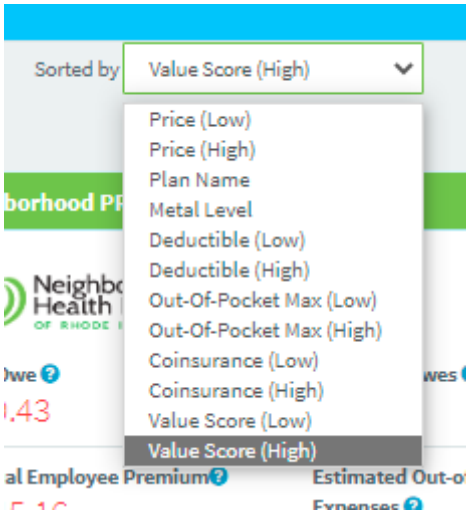
Compare Plans

Plan Overview

Name	Neighborhood PRIME	Neighborhood PRIME Elite
Carrier	Neighborhood Health Plan of Rhode Island	Neighborhood Health Plan of Rhode Island
Monthly Premium	$379.84	$405.85
Your Cost	$0.00	$20.43
Estimated Annual Total Cost	**$1,500.00**	**$1,745.16**
Plan Level (Metal Tier)	Platinum	Platinum
Health Savings Account Qualified	No	No
Certificate of Coverage / Benefit Summary	Link	Link
Formulary Link	Link	Link
Cost Sharing Overview		
Deductibles	Individual:$500.00 Family:$1,000.00	Individual:$500.00 Family:$1,000.00
Out of Pocket Max	Individual:$1,500.00 Family:$3,000.00	Individual:$1,500.00 Family:$3,000.00
Prescription Drug Deductibles	Individual:$0 Copay Family:$0 Copay	Individual:$0 Copay Family:$0 Copay
Prescription Drug Out of Pocket Maximum	Individual:0 Family:0	Individual:0 Family:0



Assessment
Questions
Contact Information

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Thank you!

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