



State of New Jersey

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SMALL EMPLOYER HEALTH BENEFITS PROGRAM
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ADVISORY BULLETIN 15-SEH-01

January 5, 2015

To: SEH Program Member Carriers that Issue Coverage
SEH Program Interested Parties

From: Ellen DeRosa
Executive Director

**Re: Purchasing Small Employer Health Benefit Plans
Additional Action Required for Employers Buying a Plan through the FF-SHOP**

Since January 2014 small employer plans have been available in two ways:

Directly from the carriers. Directly from the carriers means the way small employers have purchased group plans in the small employer market for the past 20 years. All small employer carriers make coverage available in the small employer market. Detailed information on small employer plans and carriers that sell them can be found on the New Jersey website which is www.dobi.nj.gov/seh/. Small employers can request premium quotes from their brokers or directly from the carriers. Small employers can also use the rate calculator tool on our website at http://www.state.nj.us/dobi/division_insurance/ihcseh/sehrates.htm

Through the FF-SHOP. FF-SHOP refers to the Federally-facilitated Small Business Health Options Programs which is another way small employers can purchase a group plan. Not all small employer carriers have elected to make plans available through the FF-SHOP. In 2015, only two carriers are offering plans through the FF-SHOP. Information regarding the FF-SHOP is available at www.healthcare.gov. Small employers that qualify for the small business health care tax credits available under the Affordable Care Act can only have access to the tax credits if they buy a plan through the FF-SHOP.

Visit us on the Web at dobi.nj.gov/reform.htm

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Additional Action Required for Employers Buying a Plan through the FF-SHOP

CMS has acknowledged that the FF-SHOP online marketplace is unable to provide New Jersey carriers with the statutorily required documentation and information necessary for carriers to issue group policies and certificates.ⁱ

Small employers that purchase coverage through the FF-SHOP using the online marketplace **must** also complete the New Jersey Application for Small Group Health Benefits Policy. The completed Application will give the carriers everything that is necessary to issue the group policy and certificates. Please note that the Application must be fully completed. The application will be attached to the group policy and forms the entire contract.

Employers that applied for coverage during the Employer Open Enrollment Period (Nov 15 – Dec 15) in anticipation of a January 1, 2015 effective date and employers that have applied through the online marketplace since the Employer Open Enrollment Period ended will need to complete the New Jersey Application for a Small Group Health Benefits Policy. Carriers that have received incomplete documentation and information from the FF-SHOP will contact the employers and/or brokers to secure the Applications.

Employers in the process of applying through the FF-SHOP or that will apply in the future should complete New Jersey Application for Small Group Health Benefits Policy at the same time as they complete the FF-SHOP application. Please write “FF-SHOP” on the top of the Application so the Application can be appropriately matched with the information that will be transmitted from the FF-SHOP.

The online application employers completed through the FF-SHOP contains the information necessary to enable the processing of the small business health care tax credits. That online application will continue to be used for purposes of the tax credits and certain other administrative functions performed by the FF-SHOP.

Questions?

If you have any questions please send them by email to ellen.derosa@dobi.state.nj.us.

ⁱ As required by N.J.S.A. 17B:27-34, the employer application **must** be attached to the group policy. Carriers may accomplish this by attaching the application when issuing the policy or by asking the employer to attach the application. The Orientation Period and Waiting Period provision contained in the group policy and certificate must be drafted according to the election the employer made on the group application. As required by P.L. 2003, c. 246, employers must elect whether to extend coverage to domestic partners. The dependent coverage provisions contained in the group policy and certificate must be drafted according to the domestic partnership election the employer made on the group application.