

Information about changes to the Insurance Partnership Program

This is an overview of what is happening to the Insurance Partnership program, which has been administered by MassHealth.

- The Insurance Partnership program is ending December 31, 2013.
- Outreach letters were mailed to Employers and Employees the week of December 9th.
- A dedicated call center for transitioning members is now live – the number is **1-866-865-0147**.
- The call center is geared towards the transitioning employees, to help educate them on what benefits they should qualify for and what steps, if any, they will need to take to obtain those benefits. The call center will also explain to members who are remaining in the MassHealth premium assistance program that the premium assistance payments they will now receive will be sent directly to the employee and no longer to the employer.

What is the Insurance Partnership?

- The Insurance Partnership is a MassHealth program that aims to encourage small employers to offer health insurance for their employees. Through the Insurance Partnership, MassHealth has provided incentive payments for qualifying small employers that offer insurance to their employees, as well as premium assistance to low-income employees who work for these participating small employers. Unlike other MassHealth premium assistance programs, premium assistance payments for employees under the Insurance Partnership are made directly to the employer on the employees' behalf.

What changes will be occurring with the Insurance Partnership?

- Because of new opportunities under national health care reform for small employers to find affordable health insurance, the Insurance Partnership is ending as of December 31, 2013.
- Participating employers will no longer receive incentive payments from MassHealth.
- Low-income employees who have received premium assistance through the Insurance Partnership will be eligible for continued help with the costs of health insurance through MassHealth or the Health Connector.

What will happen to EMPLOYEES currently receiving benefits through the Insurance Partnership?

- **The majority of employees and their families who have received help with their premiums through the Insurance Partnership will continue to receive premium assistance through MassHealth.**
 - The MassHealth benefit they will receive depends on their income and family circumstances. Employees who currently qualify for MassHealth Standard, CommonHealth or Family Assistance will remain in those benefits, and others will qualify for the new CarePlus coverage type.
 - All these individuals will be placed into their coverage type automatically and will not have to do anything to stay enrolled.

- The primary change they will experience is that the policy holder will begin receiving a premium assistance check directly from MassHealth rather than these payments going to the employer.
- **Employees whose employer sponsored insurance is considered unaffordable by ACA standards will qualify for subsidized health insurance through the Health Connector.**
 - Some may qualify for federal premium tax credits, and/or ConnectorCare plans, which have lower premiums and lower out-of-pocket costs because they are subsidized by the state and federal government.
 - These individuals have been directed to MAHealthConnector.org to apply and find out what assistance they qualify for or they can call 1-877-MA-ENROLL (1-877-623-6765).

PLEASE NOTE: The window to enroll in a Health Connector health plan for these people has been extended through the end of March 2014. During this extended enrollment period, these people will receive direct premium assistance payments from MassHealth for their employer-sponsored insurance. The last payment they receive will be in February 2014 for their March health insurance premium.

- **Employees who do not qualify for another MassHealth benefit or Health Connector subsidies may qualify for the new MassHealth Small Business Employee Premium Assistance Program.**
 - Most will be placed automatically into this new program based on the information MassHealth has about their health insurance; a few may end up in this program when they apply through MAHealthConnector.org if it turns out they are not eligible for Health Connector subsidies.
- A very small population of people have been identified who will not qualify for any further subsidies because the insurance they are enrolled in through their employer is either at no cost or such a low cost to them, in relation to their income, that the cost is considered to be “affordable” by Massachusetts standards.

What options will EMPLOYERS that currently use the Insurance Partnership have?

- Beginning in January of 2014, employers no longer receiving incentive payments under the Insurance Partnership will have new opportunities to shop for affordable health insurance through the Health Connector, and they may qualify for tax credits or a wellness rebate. See below for details:
 - Small Business Tax Credit: The Affordable Care Act established new tax credits for certain small employers to make it more affordable to cover their employees. In 2014, this tax credit will increase and will be available exclusively through the Health Connector. Eligible employers can get up to a 50 percent federal tax credit on their share of employer premiums if they:
 - a) have 25 or fewer full-time employees, and
 - b) pay average annual wages below \$50,000, and
 - c) pay at least half of the premiums for employee health insurance.

- The Health Connector also exclusively offers Wellness Track, a free program offered to eligible employers enrolled in a small business group health plan through the Health Connector. Employers who are not the sole owner and employee of a company and who have fewer than 25 employees total are eligible for the program. Eligible employers who participate may qualify for a Wellness Track rebate of up to 15 percent on their group's health insurance premium contribution for coverage purchased through the Health Connector.

For more information, go to MAHealthConnector.org or call 1-888-813-9220.

What is the MassHealth Small Business Employee Premium Assistance Program?

- The Small Business Employee Premium Assistance Program is a new MassHealth pilot premium assistance program for individuals earning at or below 300 percent of the FPL who work for small employers (with 50 or fewer full-time employees) and do not qualify for other MassHealth benefits or for premium tax credits through the Health Connector because the insurance offered by their employer is considered affordable by ACA standards but is considered unaffordable by Massachusetts standards (See the attached link for the related proposed regulations: <http://www.mass.gov/eohhs/docs/masshealth/proposed-regs/130-cmr-505-000.pdf>.) This program primarily targets people who previously received assistance through the Insurance Partnership and who otherwise might not be able to receive continued assistance.
- This is NOT a replacement for the Insurance Partnership or a program for employers.
- Starting in January of 2015, employees will qualify for assistance through this program only if their employer purchases insurance through the Health Connector.

What communications will occur to make employers and employees aware of these changes?

- MassHealth sent outreach letters in early December both to participating employers and the employees currently receiving subsidies through the Insurance Partnership to help them understand the changes and what, if anything, they need to do.
- A dedicated call center for the transitioning Insurance Partnership employees has been set up. The toll free number is 1- 866-865-0147