



5 Questions to Ask Yourself When Choosing Coverage for Your Business

The Small Business Health Options Program (SHOP) Marketplace offers different types of health and dental plans to meet a variety of needs and budgets. In all states, you can select one health plan and/or dental plan for your employees, or you can offer employees a choice of health plans.

Ask yourself these 5 questions as you review your coverage options.

1. Can I get help paying for SHOP Marketplace coverage?

If you buy coverage through the SHOP Marketplace, you may qualify for the Small Business Health Care Tax Credit which may be worth up to 50% of your premium costs. This can help lower the cost of health insurance premiums. You can still deduct from your taxes the rest of your premium costs not covered by the tax credit. Use the Tax Credit Estimator at [HealthCare.gov/small-businesses/provide-shop-coverage/small-business-tax-credits](https://www.healthcare.gov/small-businesses/provide-shop-coverage/small-business-tax-credits) to see if your business may qualify.

In addition to the Small Business Health Care Tax Credit, there are some state premium assistance programs that may be available to you and your employees based on your location. Learn more about the Small Business Health Care Tax Credit and premium assistance programs at [Marketplace.cms.gov/outreach-and-education/small-business-tax-credit-and-assistance.pdf](https://www.marketplace.cms.gov/outreach-and-education/small-business-tax-credit-and-assistance.pdf).

2. What benefits do health plans cover?

All plans in the SHOP Marketplace offer the same set of essential health benefits like doctor's visits, prescriptions, hospitalizations, pregnancy, and more.

Plans can offer other benefits, like vision, dental, or medical management programs for a specific disease or condition. However, specific benefits may be different in each state. Even within the same state, there can be small differences between plans. As you and your employees compare plans, you'll see what benefits each plan covers.

3. What are my coverage options in the SHOP Marketplace?

Health plans in the SHOP Marketplace are put into 4 plan categories (Bronze, Silver, Gold, and Platinum) based on how your employees and the plan can expect to share the costs for health care.

You can offer your employees a choice of plans, or you can select a single plan to offer.

- If you offer your employees a choice of plans, you'll select one plan category and your employees can choose any insurance company and plan in that category.
- In some states, you can select one insurance company with multiple plans. Then, your employees can select a plan from that insurance company in any plan category.

The plan category affects monthly premium costs, and the portion of the bill employees pay for things like hospital visits or prescriptions. It also affects the total amount employees spend out-of-pocket for the year if they need a lot of care. The categories don't reflect the quality or amount of care the plans provide.

Dental plans are put into 2 categories, low and high, based on how your employees and the plan expect to share the costs for dental care. The dental plan category affects the total amount your employees will likely spend out-of-pocket for dental benefits during the year.

Employers offering SHOP Marketplace coverage can offer a dental plan to employees without offering a health plan.

- Employees must enroll in a dental plan before their dependents can enroll.
- If an employee enrolls in health and dental coverage, their dependents can enroll in a dental plan without enrolling in a health plan.

Visit [HealthCare.gov/small-business](https://www.healthcare.gov/small-business) to review your coverage options and decide what's best for your business. To see health and dental plans and prices before you start your SHOP Marketplace application or renew coverage, visit [HealthCare.gov/see-plans/small-business](https://www.healthcare.gov/see-plans/small-business).

4. How do I control my company's spending?

As with all health and dental plans, you and your employees have to pay a monthly premium. You decide up front exactly how much you can afford to contribute towards your employees' premiums. You'll also decide if you'll offer and contribute toward dependent coverage.

- If you offer one health and/or dental plan, you'll contribute a fixed percentage of the individual plan premium for each employee and dependent (if you offer dependent coverage).
- If you offer your employees a choice of plans, you have 2 options:
 1. Contribute a fixed percentage of any individual plan premium within a plan category for each employee and dependent (if you offer dependent coverage). The fixed percentage amount will vary based on the age of the employee and the plan an employee selects.
 2. Contribute a fixed percentage of a specific "reference plan" premium amount that you choose. The reference plan is only used to determine the percentage amount you'll contribute toward your employees' premiums.

For example, if the reference plan premium is \$100 and your contribution is 50%, you'll pay \$50 toward your employees' plan premiums, even if your employees choose a different plan. The reference plan premium amount will vary based on the age of the employee.

Note: A plan can't charge higher premiums for employees with high medical costs or pre-existing medical conditions – and a plan can't hike your premiums when someone needs care.

5. How do plan categories affect out-of-pocket costs?

“Out-of-pocket costs” – what your employees pay when they get care – are just as important as the monthly premium.

- **Plans with higher monthly premiums usually have lower out-of-pocket costs.** For example, employees will likely pay a higher premium with a Gold health plan, but may have lower out-of-pocket costs when they get care. Likewise, premiums are usually higher with a High dental plan, but your employees won't have to pay as much when they get dental care.
- **Plans with lower monthly premiums usually have higher out-of-pocket costs.** For example, employees will likely pay a lower premium with a Bronze plan, but pay a higher share of the costs when they get care. Likewise, employees will likely pay a lower premium with a Low dental plan, but their out-of-pocket costs will be higher when they get care.
- **Platinum health plans will likely have the highest monthly premiums and lowest out-of-pocket costs.** The plan will pay more of the costs if your employees need a lot of medical care.

Need help?

If you have questions or need help, visit [Healthcare.gov/small-businesses](https://www.healthcare.gov/small-businesses) to get information about the SHOP Marketplace, or contact the SHOP Call Center at 1-800-706-7893, Monday - Friday, 9a.m. - 7p.m. ET. TTY users should call 711 to reach a call center representative.

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