



EZ Insurance Guide

Understanding Obamacare for
Self-Employed and Small
Employers

Testimonials

- ▶ “Have you ever walked through a forest and everything you looked at all looked the same and you felt lost and had no idea which way to turn? That is exactly how I felt when I started trying to find health insurance for the employees at our small company. I had no idea where to start until I lucked up and found Bruce Ewing. He has been our agent for 10 years and he has always been there to answer any questions I or my employees have had, and discuss with us all the options we have so we can make an informed decision about our insurances. At Automated Fire Systems, Inc. we do not have many employees, but Bruce has always treated us as though we are his only client. Having Bruce to guide me through all the changes due to Obamacare has been invaluable, as I trust him to navigate me through it and get me the best benefits he can for our needs and our budget.”
- ▶ **Lisa Nance**, VP, Automated Fire Systems, Inc.
- ▶ Charlotte, NC – May 2014

- ▶ “Bruce really knows insurance. His knowledge on Obamacare is amazing! The service, professionalism and honesty that he provides is second to none. He cares about what he does and it shows. Highly recommended!”
- ▶ **Rod Potter**, B2b Networking | LinkedIn Trainer & Author | Animated Sales Videos For Lead Generation
- ▶ Charlotte, NC – August 2014

Copyright © 2014 Bruce Ewing

All rights reserved. No part of this e-Book may be reproduced, transmitted, or distributed in any form or by any means, electronic or mechanical, including photocopying, recording, scanning or by any information storage and retrieval system, without permission in writing from the author.

What's Next in HealthCare Benefits

- ▶ It goes without saying that there has been a major disruption in the way the self-employed and employers deal with their benefits. Many changes have occurred and may continue to occur in structuring how you offer benefits to your employees.
- ▶ It is important to understand the different ways you can put a benefits package together that meets your needs and is within your budget.
- ▶ This e-book gives you a down-to-earth simple guide informing you of the 5 options to consider in delivering these benefits to you and your employees.



Option 1 – Continue As You Are

- ▶ You may have been offering health insurance and other benefits for years.
- ▶ If so, you can keep your plan as is, but you may be tired of the roller coaster ride of increasing premiums and the annual pain of usually decreasing/buying down benefits to keep those increases at bay.
- ▶ With legislation changing the health care and health insurance landscape, you need to look at the advantages and disadvantages of keeping your current transition plan (also known as a “grandfathered” or “grandmothered” plan) or moving to an ACA/Obamacare plan.
- ▶ Consider offering HSAs, HRAs, FSAs; additional benefits such as supplemental products (accident, critical illness, dental, etc.) to compensate for the actual and/or perceived lessening of the level of benefits you have been offering.



Option 2 – Switch to Individual/Family Policies

- ▶ Discontinue your group health insurance and offer the employees the option to enroll in individual/family policies.
- ▶ Depending on the annual incomes of your employees, they may or may not be eligible for a subsidy/discount on their premiums; and if so, often at lower rates than your group rate.
- ▶ Consider whether this is a viable option, as the reason you offer insurance is as an added incentive to acquire and retain the best employees. 65% of employees say having benefits at their place of work is a deciding factor in working at that employer.



Option 3 – Enroll in SHOP

- ▶ The SHOP is the Affordable Care Act's public exchange/marketplace for small businesses. It is an option that applies to those employers with 50 or fewer full-time equivalent employees (up to 100 in 2016).
- ▶ However, it may only make sense for those with 25 or fewer full-time equivalent employees (so the employer can take advantage of the healthcare tax credit), and most advantageous to those companies with 10 or less employees (and where the average employee annual income is \$25,000 or less).
- ▶ If you pay at least 50% of the employee premium costs, then you are eligible for a healthcare tax credit on those premiums paid. This tax credit can only be secured by obtaining a plan through the public SHOP exchange, and is not available outside of the public exchange/marketplace.
- ▶ A company is eligible of up to 50% credit, and a non-profit (such as a church) is eligible of up to 35%. This credit is available to eligible employers for up to two consecutive taxable years.



Option 4 – Private Exchange/Defined Contribution

- ▶ Think of the exchange as a shopping mall with different benefit stores that the employee can choose from: the health insurance store, the dental insurance store, the vision insurance store, the disability (paycheck) insurance store, the identity theft protection store, etc.
- ▶ Also may incorporate a defined contribution option (a similar concept to a 401k), whereby the employer designates a certain dollar amount that the business will contribute towards each employee's "shopping cart" of benefits options. This gives the employer an enormous amount of certainty in comparison to a historically most uncertain process.
- ▶ Employee can then chose the benefits that best meets his or her individual/family situation and budget.



Option 5 - Alternate Funding

- ▶ Allows the employer to be in the driver's seat, and have more control over their health insurance and benefits budget.
- ▶ May also be known by the terms level funding, smart funding, self funding, balanced funding.
- ▶ Employer is not required to comply with all (but still some) of the new healthcare reform rules that are in place with their current type plan (known as a fully funded plan).
- ▶ Employer pays premiums as usual, but they are most often lower than the current scenario, and you may receive a refund of some premium, depending on the claims experience of the group.



Avoid the Uncertainty

- ▶ Do you want to learn more about your 5 options?
- ▶ **Call** Bruce Ewing **now** at 704-995-7270 or 704-522-6000 (x307)
- ▶ Thanks for the opportunity to help you with this ever changing landscape of healthcare reform.
- ▶ Note: The content of this e-Book is deemed current as of September 2014 and may change in the future due to legislation, etc.



Copyright © 2014 Bruce Ewing
All rights reserved. No part of this e-Book may be reproduced, transmitted, or distributed in any form or by any means, electronic or mechanical, including photocopying, recording, scanning or by any information storage and retrieval system, without permission in writing from the author.