



# HEALTH INSURANCE OPTIONS FOR SMALL BUSINESSES AND ALASKAN NON-PROFITS

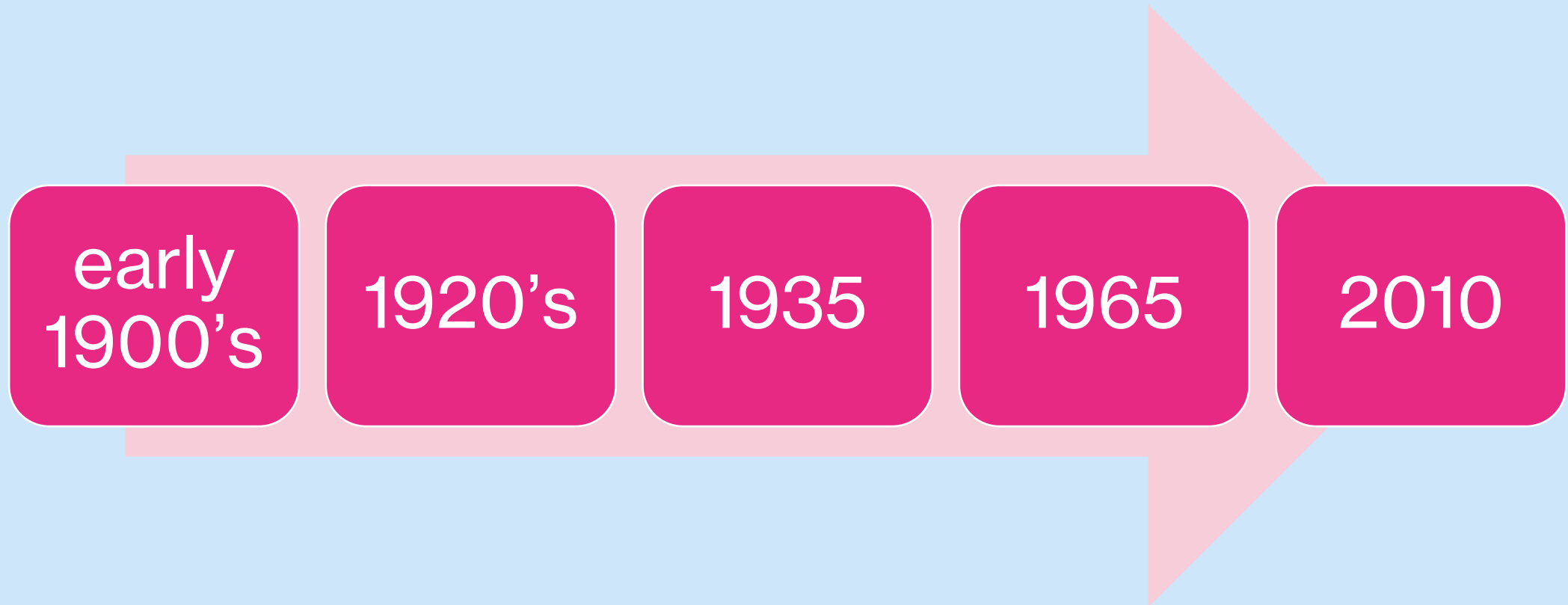
AADD Fall Face to Face

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# U.S. Health Insurance *Brief History*



# Health Insurance *Options*

ICHRA

T-SHIP

Association plans

Miscellaneous

# — ICHRA: *Definition and Rules*

Participants in the plan must be covered by an individual health insurance plan

Employees must receive an annual notice about how the ICHRA plan may impact tax credits, who's eligible, and the employer contribution amount

Employees must show proof of individual coverage

Employers can limit ICHRA eligibility based on classes of employees

Must adhere to ERISA

# ICHRA: *Advantages and Disadvantages*

Offering an ICHRA plan is treated as an ACA offer of coverage

Employers can avoid all employer mandate penalties with an ICHRA plan

Plans are portable for the individual employee if they leave a job

Avoids the need to constantly change carriers and plan types when changing jobs

Offers choice to employees in choosing their underlying product of an individual health plan

It's a defined contribution structure – employers can budget year to year without the annual search for "best deals"

Puts more responsibility on the individual employee

Some concern that this model could be phased out in different administrations

# T-Ship: *Definition and Rules*

Buys private health insurance for Indian Health Service Beneficiaries

Must be an Alaskan resident

Eligible for IHS

Not covered or eligible for Medicare, Medicaid, Denali KidCare, TriCare, CHAMPVA or affordable health insurance through an employer.

ANTHC pays the premium costs, co-payments or deductibles when the person is referred by a Tribal health facility

Provides coverage when a member is traveling or away from a Tribal health facility

# Association Plans: *Definition and Rules*

- A group of employers who have banded together to negotiate with a larger pool of covered lives for better bargaining position with insurers.
- Association can be based on a shared profession, line of business, or geographical. There must be a commonality of interest that has been in existence for at least 5 years
- The AHP must be formed and maintained for other than the purpose of obtaining insurance
- Must comply with federal ERISA requirements
- Requirement of 75% of the participating employers have organizational and operational control of the plan
- If self-funded, the AHP must maintain reserves equal to the greater of 30% of the unpaid claim liability or an amount recommended and certified by a qualified actuary
- Many AHP's carry stop loss coverage in the event of large claims

# Miscellaneous

Pacific Health Coalition

Alaska Support Industry Alliance

Alaska Municipal Health Trust

MODA Association Health Plan



# Considerations

AADD could explore an Association Health Plan for members to join

Advocate for a state-sponsored health insurance premium assistance program for employees of certified HCBS/PCS providers



# Thank You

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