



Connecticut Health Insurance Exchange
SHOP Advisory Committee
Special Meeting

Remote Meeting

Tuesday, February 27, 2024
Draft Meeting Minutes

Members Present:

Grant Ritter (Chair); Shelly Sweatt; Matthew Katz

Other Participants:

Access Health CT (AHCT) Staff: James Michel; John Carbone; Maurice Hadley;
Marcin Olechowski

The Meeting of the SHOP Advisory Committee was called to order at 4:00 p.m.

I. Welcome and Introductions

Chair Grant Ritter called the meeting to order at 4:00 p.m. Roll call for attendance was taken.

II. Public Comment

No public comment was submitted.

III. Review and Approval of Minutes

Chair Grant Ritter requested a motion to approve the August 8, 2023, SHOP Advisory Committee Special Meeting Minutes. Motion was made by Matthew Katz and was seconded by Shelly Sweatt. Roll call vote was ordered. **Motion passed unanimously.**

**IV. Individual Coverage Health Reimbursement Arrangements
Presentation Also Known as ICHRA**

John Carbone, Director of SHOP, Product Development and Broker Support, provided an overview of the Access Health CT's newest major project, Individual

Coverage Health Reimbursement Arrangements (ICHRA). Mr. Carbone stated that with the fully insured small group market continuing to shrink – down 60 percent since 2014, AHCT recognizes that there is not only an opportunity, but a need to create a program that would assist more people.

Mr. Carbone indicated that today's employees expect health insurance, but with rising costs, employers are finding it challenging to offer traditional group plans and need flexibility and other choices. Mr. Carbone emphasized that the proposed flexible solution could give employers the ability to offer a plan that works within their budget and gives employees reduced healthcare costs, access to great plans, as well as more ownership for their healthcare. Mr. Carbone stated that in 2019, the Internal Revenue Service (IRS) and the Departments of Treasury, Labor and Health and Human Services issued final rules to expand individuals' access to health insurance coverage by allowing health reimbursement arrangements to be integrated with individual health insurance coverage.

Mr. Carbone added that ICHRAs represent a departure from previous Affordable Care Act (ACA) implementation rules that forbid employers from reimbursing employees for individual marketplace premiums. Mr. Carbone added that Qualified Small Employer Health Reimbursement Arrangements, also known as QSEHRAs, which became available in 2017, allows small business employers with less than 50 employees to reimburse employees for individual marketplace premiums. Mr. Carbone pointed out that ICHRA allows this for employers of any size, and it would offer more flexibility in terms of how much an employer is allowed to reimburse an employee.

Mr. Carbone provided hypothetical and theoretical examples that may occur while potentially utilizing ICHRA. Mr. Carbone also provided a high-level overview of AHCT's role in activating ICHRA to help employees and to reduce the uninsured rate.

Matthew Katz inquired about employer options with ICHRA. Mr. Carbone answered that the employer will be able to offer different options to different classes of employees and added that AHCT will run a pilot program for non-profits and evaluate its effectiveness with them first.

Conversation ensued regarding the establishment of the ICHRA portal, its potential way of suggesting options to the employees along with the broker assistance support group sizes, as well as the IRS regulations.

Maurice Headley, Senior Counsel, noted that financial help through the Exchange would only be available if the ICHRA offered is considered to be unaffordable and noted that with different classes of employees such as full-time and part-time employees, there may be an option of offering full-time employees a richer group plan.

Mr. Headley also spoke about the affordability tests for employees to determine if the ICHRA offer is affordable for them – if it is, then they will not be eligible for tax credits on the individual Exchange.

Pamela Russek asked for a workflow for ICHRA for both, small and large groups. Mr. Carbone noted that it will be prepared and distributed to the Committee.

Chair Grant Ritter commented that the ICHRA seems to be a complicated process and Mr. Carbone responded indicating that the process would need to be simplified and it is currently one of the aims. Mr. Carbone emphasized that choosing the proper platform would certainly contribute to the simplification of the process.

James Michel, Chief Executive Office (CEO), reiterated Chair Ritter's point that implementing ICHRA is a complicated process, however with the adequate broker, carrier and employer education, it is achievable.

V. Adjournment

Chair Grant Ritter requested a motion to adjourn. Motion was made by Shelly Sweatt and was seconded by Pamela Russek. Roll call vote was taken. Motion passed unanimously. Meeting adjourned at 4:26 p.m.