

Small Business Programs Advisory Committee (SBPAC)

April 30, 2025



Maryland Open Meetings Act disclaimer: Meetings are recorded and posted on MHBE's website along with meeting minutes and presentation slides

Agenda

1:00 - 1:15

Welcome, Agenda, Vote

Amber Hyde & Rick Weldon, Co-chairs

1:15 - 2:00

Small Group Affordability- Stakeholder Feedback

Mimi Hailegeberel, Small Business Program Manager

2:00 - 2:15

Discussion

2:15 - 3:00

Public Comment

Approve Meeting Minutes

- January meeting minutes were emailed to members on 2/29/2025.

Charter Amendment

- Vote to approve the SBPAC frequency of meetings from monthly to quarterly.

Location, Time, and Notice

SBPAC will convene quarterly on the last Wednesday of each quarter until the program operations and platform are fully implemented. MHBE may adjust the frequency of meetings as the circumstances warrant.

- *Remaining 2025 Meetings will take place on July 30th and October 29th.*

The background is a solid teal color with several overlapping circles of varying shades of teal, creating a layered, organic pattern.

Small Group Affordability- Stakeholder Feedback

Recommendation #1

Increase Market-Wide Attachment Point for Level-Funding Stop-Loss Coverage:

- Current Issue: Level-funding coverage is growing in Maryland's small group enrollment.
- Proposed Solution: Increase the attachment point floor from \$22,500 to \$40,000 to ensure stop-loss policies cover excess risk without replacing small group insurance.

Example: California requires a minimum specific attachment point of \$40,000 for stop-loss coverage in small groups.

- Benefits: Aligns with ACA market rules. Protects the ACA Small Group risk pool. Makes level-funded plans less attractive due to higher stop-loss insurance costs.









Recommendation #2

Establish Insurer Exit Bans Once Small Business Market Matures and Require Insurers to Participate in Both Individual and Small Business Exchanges.

- Current Issue: Frequent insurer exits and entries can disrupt market stability and become unattractive to carriers.
- Proposed Solution: Implement mandate to participate in both marketplaces and a five-year exit ban for insurers leaving either the individual or Small Business market.
- Benefits:
 - Encourages long-term commitment from insurers.
 - Reduces market volatility.
 - Promotes stable, competitive pricing once the market matures.
 - Ensures fair competition among carriers.
 - Enhances SHOP's value by offering diverse plans.

Marketplace Issuers

- MHBE has a 5-year exit ban that applies to both marketplaces.
- Carriers can choose to participate in either marketplace.

Marketplace Medical & Dental Carriers	
MHC & MHC-SB	MHC
  KAISER PERMANENTE®  	   DeltaCare® USA 

Recommendation #3

Remove Metal Tier Plan Limits in Small Business Market.

- Current Issue: Small group employers face limited plan choices on MHC-SB due to metal tier plan caps.
- Proposed Solution: Remove these plan limits or establish an exception process for offering more plans.
- Benefits:
 - Increases plan diversity and flexibility.
 - Encourages carriers to innovate and expand their offerings.
 - Helps prevent employers from seeking plans off the MHC-SB for more options.

MHC-SB Plan Offering Policy

- The Maryland Health Benefit Exchange (MHBE) is considering increasing the plan limit in the Small Business marketplace from 4 to 8 plans per metal tier.
- Stakeholders are invited to provide comments on this proposed change.
- Carriers operating under multiple entities will be limited to a total of 8 plans per metal tier across all entities combined.

Number of MHC-SB Medical Plans Offered	
Carriers	MHC-SB Plans
CareFirst BCBS	9
CareFirst GHMSI	6
United Healthcare	18
Optimum Choice	6
Kaiser Permanente	13
Total	52

Recommendation #4

Develop a Robust 5-Year Business Plan for MHC-SB & Promote Value Proposition.

- Current Issue: Lack of a clear long-term strategy may hinder SHOP's growth. Highlight SHOP's administrative ease, infrastructure, and customer service in the marketplace.
- Proposed Solution: Develop and share a 5-year business plan outlining enrollment growth, market analysis, and marketing strategies.
- Benefits:
 - Builds trust with brokers, insurers, and employers.
 - Provides a clear roadmap for program's development and success.
 - Enhances MHC-SB appeal as a competitive option for employers and employees.

MHBE Small Business Program 2023-2028

	Full Service Small Business Enrollment Platform	Outreach Marketing and Preferred Broker Program	Integrate ICHRAs/ QSEHRAs into Maryland Health Connection
Description	Build an in-house portal that is a one stop shop: end-to-end shopping, tax credit eligibility, enrollment, support and billing aggregation system	Respond to Small Business & Nonprofit Health Insurance Subsidy Workgroup recommendations to offer marketing and outreach resources, support and incentives for businesses.	Partner with ICHRA administrator(s) and build ICHRA/QSEHRA integration into MHC/MHC for Small Business

Ongoing Program Goals

- Stabilize the small group market with affordable ACA plans for small businesses.
- Launch Enhanced Enrollment Portal and continue efforts to improve system.
- Build on Outreach & Education program.
- Continue to enhance MHBE Top Broker Program.
- Continue Broker training and collaboration.
- Implement ICHRA integration in the future.
- Partner with other state agencies to conduct outreach and connect small businesses with healthcare coverage.

Recommendation #5

1. Maximize Broker Participation in MHC-SB.

- Provide financial incentives to brokers/agencies for enrolling new groups through the MHC-SB platform.

2. Consider Paying Broker Commissions through the MHC-SB Platform.

- Streamline commission payments by consolidating them and paying brokers directly via an electronic payment system through MHC-SB.

3. Create a Fair Compensation Structure to Encourage MHC-SB Enrollment.

- Equal commissions for both on and off-exchange enrollments.

4. Implement Elite Broker Programs and Ongoing Support.

- Create programs to recognize and support top-performing brokers, such as dedicated account managers and additional perks.

Broker Program Challenges

- Paying broker commissions and incentives through the MHC-SB platform would require additional state funds, which is unlikely.
- MHBE can advocate for equal commissions for both on and off-exchange enrollments.

Top Broker Program Eligibility

Any Maryland authorized individual or small business broker who meets the following criteria will be eligible for consideration as a Top Broker:

- a. Brokers must have a resident license in Maryland.
- b. Maintained Exchange Authorization without lapses
- c. Zero privacy incidents or violations
- d. Individual Brokers: at least 200 enrolled during open enrollment
- e. Small Business Brokers: at least 2 active groups (2023-2025)

Top Broker Perks

- **Digital Badge:** Displayed on broker profiles on the MHC-SB Find Assistance website.
- **Media Announcement:** Statewide press release including social media recognizing top 100 brokers.
- **Broker Achievement Awards Ceremony:** Exclusive invitation to attend an award ceremony.
 - Receive MHC-branded promotional bag at the ceremony.
 - Top 4 brokers receive a citation from the Maryland Governor.
 - Top 4 brokers receive award plaques and letter from MHBE Executive Director.
- **Outreach Invitations:** Top brokers invited to co-table MHBE-sponsored events in their respective regions.
- **Broker Participation:** Brokers can engage with Maryland small businesses, generate leads, and distribute MHBE marketing materials at events.

Options for Future Discussion

- Offer reinsurance to the Small Group Market
- Merge the Small Group and Individual Markets



Discussion



Public Comment