

# Producer FAQs

Below are questions and answers that involve insurance producers and the new state-based insurance marketplace, Maryland Health Connection, scheduled to open in October 2013. The FAQs include a variety of topics pertaining to the marketplace, authorization process, training, insurance carriers, plans, consumer assistance and more. For more information, visit our consumer marketplace site at [www.MarylandHealthConnection.gov](http://www.MarylandHealthConnection.gov)

## AUTHORIZATION FAQs

Question	Answer
<b>Will there be fees associated with the producer training and application?</b>	Currently, there are no fees associated with the authorization training or application. This is subject to change in the future.
<b>When working with clients in Pennsylvania, D.C. and Virginia along with Maryland, will each state have their own authorization requirements? Or will producers be able to work with each exchange if authorized in Maryland?</b>	Each state may choose to operate its marketplace differently. Because of this, a Maryland licensed producer must complete Maryland’s authorization process and take Maryland’s training to become an authorized producer in Maryland. For authorization procedures related to other state marketplaces or the federally facilitated marketplace, producers would need to contact those states directly to get information.
<b>How often must producer authorization be renewed?</b>	Producer authorization expires two years after the date it is issued. MHBE will notify authorized producers 60 days before expiration and provide instructions as well as the due date for the renewal application.
<b>How will authorized producers be compensated for plans sold on Maryland Health Connection?</b>	The Maryland Health Benefit Exchange Act of 2012 requires that carriers continue to be responsible for compensation of producers that sell plans on Maryland Health Connection. Carriers will continue to develop their own models of compensation for producers. These compensation models must not result in the disruption of consumers’ access to qualified plans, steering of consumers away from appropriate insurance offerings, or threaten the viability of Maryland Health Connection. Carriers are expected to develop equivalent compensation and incentives for sales inside and outside of Maryland Health Connection.

## INDIVIDUAL MARKETPLACE FAQs

<b>What types of coverage will Maryland Health Connection offer?</b>	Maryland Health Connection will offer medical coverage and stand-alone dental coverage.
<b>Will there be access to provider directories from the exchange?</b>	The provider directory will be integrated into the plan shopping experience. Consumers may search for in-network providers when shopping for plans.
<b>If an individual loses their job and is offered COBRA, but wants to go straight to Maryland Health Connection to apply for health insurance to see if they qualify for financial assistance, can they do that? Or do they have to take COBRA?</b>	The consumer may purchase insurance on Maryland Health Connection during a special enrollment period due to a change of circumstance and opt not to choose COBRA.
<b>What if an employee declines their employer coverage and does not elect to enroll through Maryland Health Connection during open enrollment? Can they elect to enroll through Maryland Health Connection in the middle of the year if they become ill or need health care services?</b>	If an Individual does not enroll in a plan on Maryland Health Connection during the annual open enrollment period, they cannot enroll later in the year unless they have a qualifying event.

## SHOP MARKETPLACE FAQs

Question	Answer
What is SHOP?	The SHOP is the portion of Maryland Health Connection designed to allow small businesses with up to 50 employees to search for and enroll in group insurance coverage. Through the SHOP, small businesses are able to access a variety of plan options, get customized quotes for insurance and allow online enrollment for employees. Small businesses can also designate a producer and a third party benefit administrator (TPA) to assist them throughout the process of selecting plans and managing enrollment and billing functions.
When will Maryland launch the SHOP portion of Maryland Health Connection?	For the Small Business Health Options Program (SHOP), MHBE has made the decision to move the opening of the SHOP to January 1, 2014. March 1, 2014 will be earliest effective date available to employees of small businesses that purchase insurance through the SHOP marketplace. SHOP annual open enrollment will then be based on each group's renewal date.
What are the small employer contribution requirements for the SHOP?	The Maryland Health Progress Act of 2013 establishes three defined contribution options for small employers who purchase from the SHOP: 1.) No Contribution. 2.) Small employers could elect to make a percentage contribution based on a reference plan at the desired metal level in the SHOP. 3.) Small employers could select a reference plan and then make a contribution to each employee that would ensure all employees contribute the same amount by coverage level and job class.
Will rates in the SHOP be determined by the employer's zip code or the employee's zipcode?	Rates would be presented and selected based on the employer's address/zip code.
What counting methodology should be used to count employees to determine if an employer can purchase plans from the SHOP?	The MHBE has determined that employers should use the FTE aggregation method of counting employees to determine if they qualify as a SHOP eligible employer.
What are the minimum participation requirements for the SHOP?	Employers must have a minimum of 75 percent of their employees enrolling to be eligible for SHOP participation. For employers that elect the employee choice model, the 75 percent is based on total SHOP participation, not each carrier.
What are the "employer choice" and "employee choice" models of the SHOP?	Small businesses that purchase coverage through the SHOP will have the option of choosing between two coverage models for their employees: <ul style="list-style-type: none"> <li>• <b>Employer Choice</b>—Small employers may select one holding company and allow employees to choose from any plans offered by any carrier within that company across all metal levels.</li> <li>• <b>Employee Choice</b>—Allows a small employer to select a metal level and then employees choose any carrier offering plans at that level.</li> </ul>
What are the advantages for small business owners and their employees with the Small Business Health Options Program?	The Small Business Health Options Program will increase purchasing power and lower costs. It provides small employers with innovative plan options that are easy to administer as well as the "employee choice" model, which is designed to allow more plans to be offered so small businesses can attract and retain employees. Some small businesses will also be able to qualify for tax credits up to 50% if they contribute to the cost of employee coverage.