



The Broker Network, Inc.

Your Employee Benefits Resource

Small Business Health Options Program

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Buying plans through the Small Business Health Options Program (SHOP) provides an advantage only for employers with fewer than 25 employees that are eligible for a tax credit provided by the Affordable Care Act (ACA).

How do I determine if I qualify for a tax credit for my small business health plan?
For small businesses to qualify, they must:

- * have fewer than 25 full-time equivalent employees
- * pay an average wage of less than \$50,000 a year
- * pay at least half of employee health insurance premiums

The amount of qualifying tax credit gradually decreases as the group size gets closer to 25 employees and the average salary increases. Please see Chart on Page 2

SHOP only enables carriers to make one plan available for each customer. This means that customers lose the option to offer employees multiple plan options, which may result in employee dissatisfaction. Therefore, customers should request a quote for a SHOP plan only if they believe they qualify for a tax credit. Whether or not you are interested in offering multiple plans is something to discuss with your broker.

When can I enroll in the SHOP Exchange?

Open enrollment at the SHOP Marketplace requires a minimum of 30 days prior to the effective date. For example, for a plan with effective date of July 1, 2014, applications are due June 1, 2014. There are no minimum requirements on how long an initial enrollment period must be. The plan year is a 12-month period starting on the effective date of coverage.

The Broker Network Inc. is proud to be a broker in the Health Insurance Marketplace and can assist you in representation through the SHOP Exchange.

The Broker Network Inc. Gerry Dugan, President
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<u># of Employees</u>	<u>Average Earnings</u>	<u>Estimated Tax Credit</u>
10 and under	\$25,000	50%
	\$30,000	40%
	\$35,000	30%
	\$40,000	20%
	\$45,000	10%
	\$50,000	0
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13	\$25,000	40%
	\$30,000	30%
	\$35,000	20%
	\$40,000	10%
	\$45,000+	0
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16	\$25,000	30%
	\$30,000	20%
	\$35,000	10%
	\$40,000+	0
<hr/>		
19	\$25,000	20%
	\$30,000	10%
	\$35,000+	0
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22-25	\$25,000	10%
	\$30,000+	0

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