



Oregon

Kate Brown, Governor

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Oregon Health Insurance Marketplace

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Oregon Health Insurance Marketplace SHOP Process

As Oregon currently does not have an automated SHOP, small employers may purchase certified SHOP QHPs directly from the carrier. Upon request, the Marketplace will determine whether the small employer meets the requirements to participate in the SHOP program and potentially be eligible for the IRS small business tax credit. The steps in this process are outlined below. Please note that the Marketplace only determines eligibility to participate in SHOP, not eligibility for the small employer tax credit.

Shopping and Enrollment

1. Small employer works directly with carriers or with an agent to collect quotes for SHOP plans. Carriers provide quotes for each plan based on the entire group.
2. The small employer decides which plan(s) to offer to employees. Carriers will allow an employer to offer up to 3 plans to employees. Most employers do not offer plans from more than one carrier, but some do. Employers most commonly offer 1-2 plans. Because Oregon does not provide an automated SHOP, full vertical and horizontal choice are difficult to provide to employees, but can be done. A modified form of vertical choice (2-3 of a carrier's plans, each in a different metal level) is the most commonly used.
3. After employees choose their plans, the carrier(s) calculate new rates based on the actual enrollment and enroll the group in the SHOP QHP(s). The carrier should ensure the small employer is enrolled in the -01 variant (*the on exchange variant*) of the plan to eliminate any confusion with CMS or the IRS.
4. Enrollment and plan activities between the employer and carrier are regulated by DFR. Carriers offer plans and pay claims pursuant to regulations put forth by DFR, which are consistent with state and federal law.

Small Employer Tax Credit

1. If the employer requests approval to participate in SHOP in order to apply for the small employer tax credit, the carrier fills out the *SHOP Participation Request Form* and sends it to shop.marketplace@oregon.gov.
2. Marketplace SHOP staff receive the application and determine the following:
 - a. *Is application complete?* If not, return to carrier for missing information.
 - b. *Did employer choose a SHOP QHP certified by the Marketplace?* If not, employer cannot participate in the SHOP program.

- c. *Does employer have 50 or less full time employees?* If employer has more employees, they are not eligible for SHOP and must choose a different plan.
 - d. *Does employer contribute at least 50% of premium for employees?* If not, employer is only eligible to enroll in SHOP plan between November 15th and December 15th.
3. If any of the answers to questions b through d are **NO**, SHOP staff will prepare the Employer Eligibility Notice_Not Eligible letter and send it to the employer. This letter contains information for the employer on how to appeal the decision if they do not agree with it.
 4. If the answers to b through d are **YES**, SHOP staff will prepare the Employer Eligibility Notice_Eligible letter and send it to the employer. This notice informs the employer that they are eligible to participate in SHOP and to give the notice to their tax preparer if they wish to apply for the small business tax credit.
 5. Both letters are sent to the employer, with a copy to the carrier and agent (*if applicable*).
 6. Employers whose applications are denied may file an appeal in writing within 15 days of the date of the denial letter. Marketplace staff will review the appeal and issue a response within 14 days of receipt of the appeal.
 7. The turn around time on processing applications and sending out letters is one week or less, unless a large number of requests are received at the same time.
 8. Application forms and response letters will be kept for a minimum of 10 years, per CMS and IRS record retention requirements.