

IAHU Legislative Report – October 2016

October is here, the new enrollment season has arrived! I am sure all of us have been very busy with our customer census, trying to find the best options available for their families.

One of the questions brought up by agents at our fall carrier meeting was the ability to offer “Employee Only” coverage?

Here is the answer that we received back from the DOI:

1. The Law in Idaho today, allows as employer to offer health insurance to the Employee Only. This means that the group plan does not offer coverage to the dependents.
2. Since there is no plan offered to the dependents (including the wife), the dependents can go to the exchange and qualify for an APTC for the dependents.
3. The income for the family and all members of the family would have to be reported to DHW with the employee “not seeking coverage” box checked.
4. The dependents, if they qualify, would be able to use the APTC to purchase a plan through the exchange.

Idaho insurance code does not require that employers offer coverage to dependents. What it does require is that small employer carriers cannot restrict coverage to employees only if the small employer wants coverage for dependents as well (per Idaho code, dependents include spouses and children).

See 41-4703 for the definition of dependents and 41-4708(f)(i) for the requirement for small employer carriers to offer coverage to dependents (to which the small employer can say that he/she only want to cover the employees).

The ACA does not require small employers to provide coverage. Large employers are required to cover child dependents but not spouses or pay a tax penalty.

So there will still be cases where an employee is offered coverage while the dependents are not.

The above information is provided by:

Kathy McGill
Health Insurance Specialist
Idaho Department of Insurance

Also this fall a New SEP has been created since the State of Idaho did not expand Medicaid.

This New SEP began on August 31, 2016.

The legislative panel is working on a survey for our members and we should have something for everyone right after the election.

Please don't forget to Vote!

Best Regards:

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