

The background of the slide is a solid brown color with a pattern of faint, overlapping autumn leaves in various shades of brown and tan. The leaves are scattered across the entire area, creating a textured, seasonal feel.

Insure Montana Program

September 2009

Presented by Jill Sark, Director

Program Overview

- Insure Montana is a two-part program designed to assist small businesses and their employees with the cost of health insurance.
- The program was a voter initiative approved in November 2004 and passed into law by the 2005 legislature.
- The program is funded by a tobacco tax revenue.
- The first subsidies were issued in January 2006.

Basic Eligibility

- The business must employ 2 to 9 eligible employees.
 - An eligible employee is defined as an employee who works on a full-time basis with a normal workweek of 30 hours or more; however an employer may reduce the criteria to 20 hours per week.
- The business must contribute at least 50% of the employees' monthly premium.
- Employees (excluding owners) cannot earn more than \$75,000 from the business or related business.
- The business or related business cannot owe delinquent State taxes.

Tax Credit Program

- The Tax Credit Program provides a refundable tax credit to small businesses for a portion of the health insurance premium the business contributes to its employees.
- 40% of the Insure Montana funding is appropriated to the Tax Credit Program.

Tax Credit Statistics

- 742 Businesses Participating in the program
- 2,462 Employees with 1,575 Dependents = 4,037 lives covered
- \$5,187.24 average annual tax credit (annual small business savings)
- Total Annual Cost \$3,850,412.68

Purchasing Pool Program

- The Purchasing Pool Program provides a subsidy, or incentive payment, to small businesses to reimburse a portion of the health insurance premium the business contributes to its employees.
- The program also provides a subsidy, or assistance payment, to employees to reimburse their out-of-pocket health insurance costs.
- 60% of the program's funding is appropriated to the Purchasing Pool Program.

Purchasing Pool Board

- The Purchasing Pool Program is directed by a Board of Directors
- The Board is comprised of seven members
 - Four members are appointed by the Governor:
 - A management-level individual with knowledge of state employee health benefits;
 - A management-level individual with knowledge of Medicaid;
 - A consumer representing the public interest; and,
 - A consumer representing the small business community.

Purchasing Pool Board Cont.

- Three members are appointed by the Commissioner of Securities and Insurance:
 - A person who has knowledge regarding health insurance;
 - A consumer representing the small business community; and,
 - A consumer representing the public interest.
- The Board is responsible to establish an operating plan for the Purchasing Pool Program.
- The Board also selects an insurance carrier through the Request for Proposal process.

Purchasing Pool and QAP's

- Participants can purchase health insurance through the Insure Montana purchasing pool currently contracted with BCBS of MT.
- Participants can also purchase health insurance through a Qualified Association Plan approved by the Insure Montana Program.

Purchasing Pool Statistics

- 829 Businesses Participating
- 2,247 Employees with 1,904 Dependents = 4,151 covered lives
- Average Business Incentive Payment \$206.81 = Annual Business savings of \$2,481.72
- Average Employee Assistance Payment \$129.28 = Annual Employee savings of \$1,551.36
- Total Annual Cost \$5,542,131.24
 - 174 Businesses Added with Additional Funding

Senate Bill 135

- This bill was passed through the House and Senate and also signed by Governor.
- The bill made the following changes:
 - Flexibility in administration;
 - Tightening of income guidelines;
 - Establishing CHIP and Medicaid as a prior resource; and,
 - Allowing businesses to purchase a group health plan considered 'not creditable coverage' while on the waiting list.

House Bill 258

- This bill provided additional funding for the program to serve the waiting list.
- It was stripped of additional funding to lift the 2007 premium caps.
- It provided an additional FTE due to increased caseload.
- It is funded by cigarette tax reversion funds.
- The bill passed through both the House and Senate and was signed into law by the Governor.

General Gov't Budget

- The Insure Montana Program was awarded an FTE by the General Government subcommittee. This FTE will serve as the Program's "auditor" conducting random audits of case files.
- This FTE will verify information included on the participating business' and employees' applications.

Upcoming Change

- Business incentive and employee assistance payments will be paid to BCBS rather than the businesses and employees.
- BCBS will bill the business the difference of the employees' premiums minus the Insure Montana subsidy payments.
- Target date is May 2010.

Applications and Forms

- The most recent applications and forms can be found on the Insure Montana website at: www.insuremontana.org.
- The website also provides information regarding the both the Tax Credit and Purchasing Pool Programs as well as Board activities (meetings, decisions, minutes, etc.) for the Purchasing Pool Program.

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