



Covered California for Small Business boosts coverage for small companies

This is an important year for small businesses looking to gain an edge on the competition by offering group health insurance to its employees through [Covered California for Small Business \(CCSB\)](#) and the Patient Protection and Affordable Care Act.

In 2016, businesses with up to 100 employees can apply for coverage for their workers. That is an increase from 2015, when only businesses with fewer than 50 workers could apply for coverage through the Covered California exchange.

According to Covered California, small businesses can get affordable, top quality, brand-named health insurance from six health and seven dental carriers. There are four tiers of plans – Bronze, Silver, Gold and Platinum - with dozens of plan options.

Expanded coverage includes Covered California's new Dual Tier Choice program that allows employees to choose between health plans offered in different tiers as long as the tiers are adjoining. For example, employees may choose between plans offered in Bronze and Silver tiers.

"It's a pivotal year for small business," said Kirk Whelan, director of Covered California's Individual and Small Business Sales Division. "A lot of employers will be rethinking their health insurance strategy."



Whelan said sole proprietors who don't have at least one full-time employee are no longer eligible for tax credits and must enroll themselves in the individual market. Sole proprietors who enroll with Covered California may be eligible for a subsidy.

Small businesses with 25 or fewer employees [may qualify for federal tax credits](#), but only if they enroll through Covered California for Small Business.

Offering health insurance to employees is not mandatory for small businesses with less than 50 employees, but employers may find that offering health insurance allows their business to attract and retain employees and help their workforce stay healthy and productive. Enrollment in Covered California for Small Business is year-round.

As of December 2015, there were 3,354 groups totaling 24,344 members enrolled in private health plans offered through Covered California.

Whelan expects that number to increase as small businesses consider the new options available under the Affordable Care Act. About 64 percent of more than 684,000 small businesses in California employ between 1-to-4 employees.

[Applying is easy.](#)

Through Covered California for Small Business, employers control how much they spend on health insurance, setting the amount it will contribute to their employees' insurance. In turn, employees have multiple insurance plans to choose from.

There are changes at Covered California as well. The agency has renamed and refocused its Small Employer Health Options Program (SHOP) and it is now called Covered California for Small Business.

While the Covered California brand is well known, SHOP was not. Merging the two should help increase public awareness of the



Covered California for Small Business Overview, March 2016

business program and show how Certified Insurance Agents can help individuals with the insurance option that works best for them.

It's commonplace in business for a company to re-launch or rebrand itself or a product to better reflect the service it provides. Whelan said that is what Covered California decided to do with its small business services.

“Covered California for Small Business is a great solution for small businesses,” Whelan said. “Employers set the budget they can afford and their employees choose from a variety of health plans to find the one that’s right for them.”

Some 14,000 Certified Insurance Agents are on hand to help businesses with their health insurance options. About 85 percent of employers work with an agent to make the right decision for their business.



FOR **SMALL
BUSINESS**

For more information about enrolling for coverage through Covered California for Small Business, call (844) 269-3761. To learn more, you can watch this video in [English](#) or [Spanish](#)