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Pete Ricketts, Governor

FOR IMMEDIATE RELEASE

Small Business Health Options Program No Longer Available in Nebraska

December 7, 2016 (LINCOLN, NE) - Nebraska small business owners who had coverage or planned to purchase small group health insurance from the Small Business Health Options Program (SHOP) exchange will have to seek other coverage options for 2017. No small group health insurance companies plan on participating in 2017. "Although the SHOP exchange concept was primarily a failure in Nebraska due to issues regarding the implementation of the Affordable Care Act by the federal government, the Department of Insurance wants to make sure that those few who did buy off the SHOP know that they must find different coverage," said Director of Insurance Bruce Ramage. Small business owners who are currently receiving a tax credit through SHOP or who have enrolled in SHOP can stay on their plan until the end of their plan year.

SHOP is different from the Individual market and has a rolling open enrollment. The plan year starts on the month that the health insurance coverage for the business was purchased. Director Ramage noted that under the law, carriers now are no longer required to participate on the SHOP exchange and all have declined to do so in Nebraska. "Nebraska's small group health insurance market is vibrant with several options from which employers can choose," said Ramage. "I'd encourage small business owners to speak with an insurance agent or broker when shopping for their employees' health insurance needs."

It is unknown at this time if small business owners who are currently participating in SHOP will still receive a tax credit in the next plan year. The Nebraska Department of Insurance has communicated with the Obama Administration and is awaiting an answer with regard to the tax credits for employers who qualified for them through the SHOP exchange. The Department of Insurance suggests those employers who had SHOP coverage and were receiving the tax credit contact the Internal Revenue Service at 1-800-829-4933 to any discuss tax credit options they may have available.

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