

Small Business Health Options (SHOP) Premium Aggregation



DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS for MEDICARE & MEDICAID SERVICES
Center for Consumer Information and Insurance Oversight



Health Insurance Exchange System-Wide Meeting
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SHOP - Premium Aggregation Services

Topics to be covered:

- **What is “Premium Aggregation Service”?**
- **Who Provides Premium Aggregation Services?**
- **Premium Aggregation Service - Process Flow**
- **Administrative Service Components**
- **Conclusions**

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What is “Premium Aggregation Service”?

As described in 45 CFR § 155.705(b)(4),

A robust financial and administrative system:

- to allow qualified employers to receive a single monthly bill for all QHPs in which their employees are enrolled and to remit a single monthly amount to the FF-SHOP
- then aggregate premium payments from qualified employers and distribute the payments to the appropriate QHP issuers

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Who Provides Premium Aggregation Services?

- FF-SHOPs will contract with a vendor(s) to provide premium aggregation services.
 - Regional vendors, or
 - National vendor

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Premium Aggregation Service - Process Flow

- Linked to the SHOP Qualified Employer/Employee Enrollment System
 - Provide the qualified employer with an itemized single invoice, with details of employer and employee premium contributions
 - Collects a single monthly payment from the qualified employer
 - Remits payment to QHP(s)
 - Facilitates payment changes during special enrollment periods and monthly reconciliations
 - Meets accounting and financial integrity standards

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Administrative Service Components

- Process employee additions and deletions
- Process dependent coverage additions and deletions
- Resolve invoice discrepancies with employer, employee and issuer(s)