

NC HBA Health Insurance Trust

FAQ on Program Details

- How long will the census be open?
 - To receive a quote for a 7/1/24 effective date you must submit your census no later than 5/15. If your natural plan renewal is a month other than 7/1, you must submit your census no later than 45 days prior to the effective date.
- How is membership verified?
 - Each Broker will have a list of firm members in their region in excel format. An updated copy will be emailed out monthly by the HBA office.
 - If a firm member is not on the monthly listing, then the Broker will reach out to Tim to verify membership.
 - If member is NEW, the Broker will refer them to join through <https://www.nahb.org/why-nahb/join> website.
 - Group will input their zip code and it will send them to an application to fill out for membership with their local HBA
 - Once they get a receipt of payment, they can show it to Broker
- When will plan options be released?
 - Targeting 4/1/24
- If I answer the census, do I have to get the insurance?
 - No, there is no obligation to enroll. Your regionally assigned broker will help you through the quote process.
- Do any of the plans have HSA options?
 - Yes
- Is there a minimum number of employees who have to enroll in the insurance?
 - Yes, 2 employees must enroll in the insurance.
- Does a company that is a husband and wife count as two employees or one?
 - A spouse does not meet the definition of an employee. One of the employees must be a common law employee.
- How much will the employer have to contribute?
 - The contribution minimum is 50% of the employee only premium, set on the base plan offering. There is no requirement to contribute to dependent coverage.
- Who chooses the plans offered to the employees?
 - The NCHBA will select the main plan offerings to choose from. Each member-firm will then select up to three plans to offer to their employees. We recommend aligning the number of plans to the size of the member-firm. One or two plans per member-firm is usually sufficient. This keeps the contribution strategy manageable and administration of plans as efficient as possible.
- Is it open enrollment or will health screening be required?
 - There is no medical questionnaire or pre-existing condition waiting period for timely enrollees. Timely enrollees are those that enroll when the plan is initially offered or upon a qualifying event.

- Are there any provisions to bridge coverage between policies?
 - Member-firms may enroll effective 7/1/24 or upon their natural renewal date. Member-firms should keep their current plan in place until they join the NCHBA plan. If a firm is joining 7/1/24 and that is not their natural renewal date, they would terminate their current plan early. Accumulators do not carry over, they reset when joining the NCHBA plan.
- Do any other states offer similar health insurance?
 - Yes, including South Carolina's HBA with Blue Cross Blue Shield of South Carolina.
- Will rates be stable or should increases be expected?
 - Being part of a large association creates stability, however, with medical inflation, increases to premiums should be expected.
- Do sole proprietor businesses qualify?
 - No, each member-firm must have 2 or more employees.
- What kind of savings can be expected?
 - The association will be rated as a large group employer which allows Blue Cross NC to underwrite the plan, using factors other than the age of the employee population. The size of the association creates stability and mitigates the impact of risk. Some member firms may see a significant pricing advantage, while others may see a more modest advantage. However, some firms may not see a pricing advantage. We encourage you to compare the NCHBA rates with your current/renewal rates to make a decision that is best for your firm.
- Will there be modifications due to working in a dangerous industry?
 - SIC and NAICS codes are factors that are used for underwriting. However, the industry is one of many factors used in the underwriting process.
- What if the business owner is on Medicare?
 - If the owner is actively working (and meets the other eligibility requirements) they will be eligible to enroll in the NCHBA plan. They are not required to enroll. Since this plan is considered one large employer plan, the Association health plan will pay first and then Medicare will be secondary. Blue Cross of NC will coordinate benefits with Medicare.
- Can someone be denied coverage?
 - Fully insured group medical benefits are guaranteed issue and guaranteed renewable.
- How many plans can employees choose from?
 - The employer should choose between one to three plans for their employees to choose from.
- Is there a minimum income or hours worked for the second employee?
 - Eligible employees must be full-time working a minimum of 30 hours per week. There is no minimum income requirement.
- What is the new hire process?
 - New hires will be subject to the common AHP (Association Health Plan) new hire probationary period, and then eligible for coverage.
- Do new hires have to be affiliate members?
 - Employees do not have to be affiliate members.
- Does the employer or the employee choose the plans?
 - Both, the employer will choose one to three plans for their employees to choose from.

- Will brokers do trainings with employers?
 - Yes, brokers will be a resource for plan administration.
 - Additionally, Capstone will be a resource to the Brokers and Employers. They will conduct training sessions on how to use Benefitsolver for all their Employee Enrollment needs and to pull down monthly invoices. There will also be other resources available such as plan summaries, wellness information, etc. for easy access.
- Who defined the industry codes for eligibility?
 - There is significant Federal regulation and guidance on Association Health Plans (AHPs/MEWAs), including maintaining a “commonality of business” that is the nexus of the Association. Thus, for the NCHBA program only businesses involved directly in the home building trades are eligible.
- Will payment be automated and run as payroll deduction?
 - Monthly premiums payments will be set up on monthly ACH pulls. Firm members will be responsible for working through their payroll company on their employee deductions.
- Will there be a COBRA program?
 - Yes, as a large group policy, this plan is subject to COBRA. Businessolver administers the COBRA and the process is seamless. The COBRA Notice is automatically triggered when an employer terminates an employee in Benefitsolver. The ex-employee will have a portal to go to for enrollment and automatic payment options.
- What is the difference between self-funded and fully insured?
 - In a self-funded arrangement, the employer is the risk bearer and pays the claims on behalf of employees. A third-party administrator processes claims, but the employer funds the claim payment. In a fully-insured arrangement the employer pays a fixed premium to an insurance company and the insurance company administers the plan and is the risk bearer, funding the claim payment.
- Will the broker know the eligibility requirements?
 - Yes
- When will the program be effective?
 - 7/1/24 is the start date and will be the common renewal anniversary.
- When can you enroll in the program?
 - There are two times a member firm may enroll in coverage, on 7/1/24 or at their current plan natural renewal.
- Will claims go through Blue Cross Blue Shield?
 - Yes. Employees will be issued BCBSNC ID cards and they will contact them for all health plan related questions.
- Where will billing come from for employer?
 - Capstone will issue electronic consolidated invoices. Member Groups will receive a monthly email notification their invoice is ready for viewing and then will login to Benefitsolver to pull it down. Payments are made through the NCHBA Trust bank account.
- When you sign up for a plan are you locked in the plan for a year or for multiple years? How often can you change your plan?

- Your plan selection is set for 12 months (the plan year). You may select plans annually at renewal (7/1).
- Will there be Medicare advantage plans?
 - No
- If you change plans before your firm's anniversary date does your deductible start over?
 - Yes
- What defines an employee?
 - A full-time, common-law, W-2 employee working a minimum of 30 hours per week.
- Is it an average 30-hour work week for second employee?
 - Yes, full-time, common-law employees, working a minimum of 30 hours per week.
- Do these plans have anything to do with Obama care?
 - No, these are Group benefits, not Individual coverage.
- Is there a maximum number of employees?
 - No
- If an employee had Medicare and medical through NCHBA, which plan pays first?
 - Since the NCHBA plan is considered one large employer plan, the Association Health Plan will pay first and then Medicare will be secondary.