

TO: Board Members, Connect for Health Colorado

FROM: Connect for Health Colorado Staff

DATE: August 26, 2013

RE: **Update: State Alternative Application for the Small Business Health Options Program**

On August 9, 2013, the Centers for Medicare and Medicaid Services (CMS) released [guidance](#) on state alternative applications for the Small Business Health Options Program (SHOP). State-based SHOPS may choose to use the model SHOP employer and employee [applications](#) developed by the U.S. Department of Health and Human Services (HHS) or may develop an alternative employer and employee application that is approved by CMS.

Federal Model Applications

The model SHOP paper and online applications will be the applications used by the Federally-facilitated SHOPS to make eligibility determinations and facilitate enrollment in small group qualified health plans. State-based SHOPS may choose to use the model SHOP employer and employee applications or may develop an alternative employer and employee application that is approved by CMS. The guidance outlines the parameters for creating an alternative application and identifies areas where formal approval of modifications to the model application is needed.

Connect for Health Colorado SHOP Application

Connect for Health Colorado will submit an alternative SHOP application for CMS approval in its Marketplace Blueprint application. Both the online and paper application are so far along in development and testing, there is no reason to back-track to adopt the alternative application put forward by CMS.

Online

Connect for Health Colorado's Small Employer Application is now fully developed and in system testing. The application process includes a way for small employers to be determined eligible to apply for coverage for their employees and set the parameters for an employee to select a qualified health plan that fits their needs. Once the

employer has made their health plan choices, their employees can come to the Marketplace to enroll in an employer-sponsored plan offered by their employer.

Paper

Connect for Health Colorado, in coordination with the Division of Insurance (DOI), is developing a paper application alternative for the Small Employer Application process. Employers who do not have access to a computer, or who prefer to fill out a paper application, may fill out and return this application to the Customer Service Center, agent/broker, or Health Coverage Guide. Their employees will also fill out the DOI's Colorado Uniform Employee Application for Small Group Health Benefit Plans.

Connect for Health Colorado will continue its development and testing of this application for the October 1 implementation date. Staff will submit an alternative SHOP application for CMS approval through its Marketplace Blueprint application process.