



Vermont Agricultural Producer Resource Packet



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Vermont agricultural employers need to make important decisions in the coming weeks regarding health insurance. In the past, many agricultural producers have relied on co-ops, farm bureaus, and other group associations to provide health insurance, while others were enrolled in state programs like VHAP or Catamount. Many of these plans are ending on March 31st, 2014.

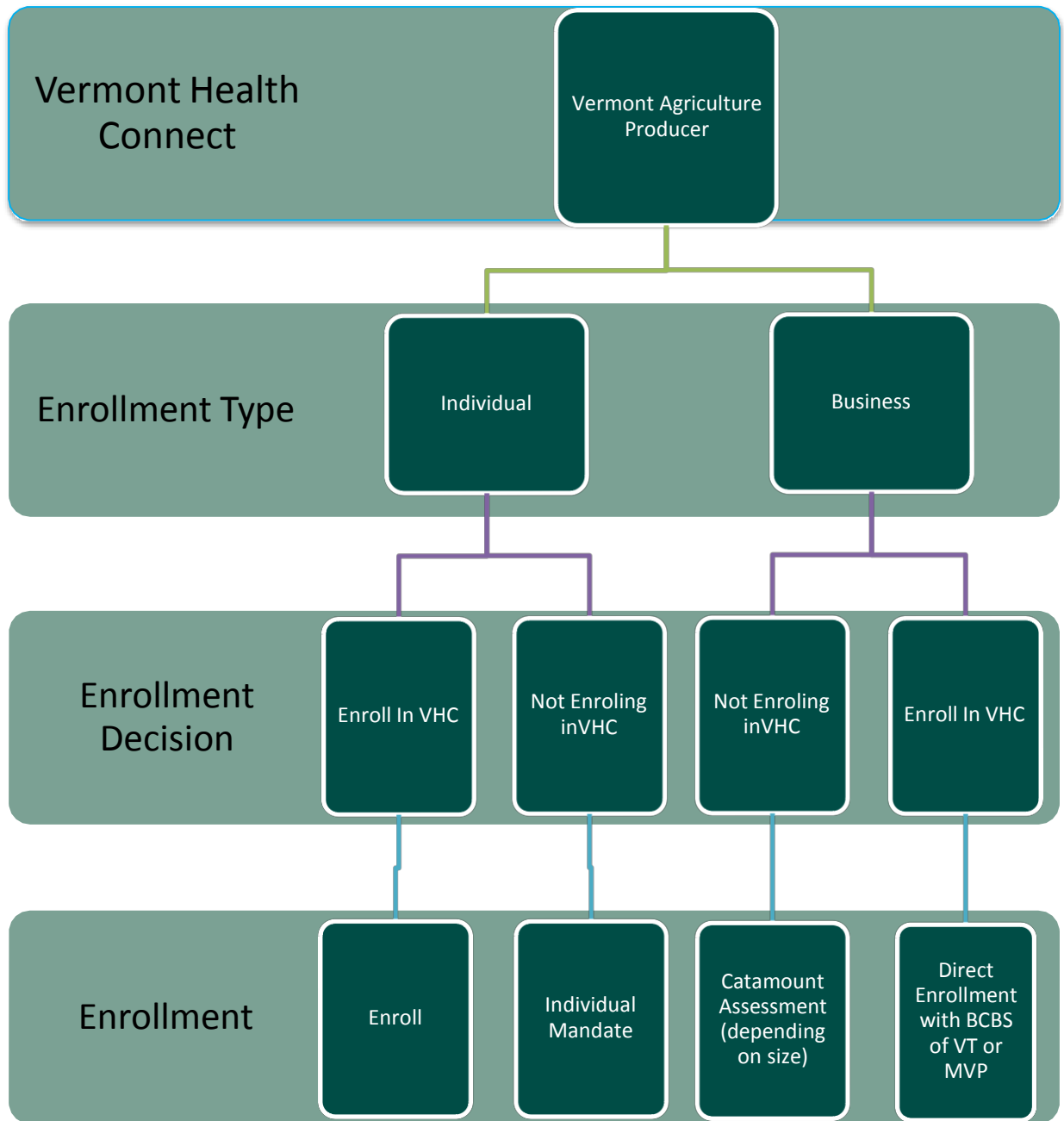
If your plan is ending, you need to enroll in a health plan through Vermont Health Connect by March 15 for coverage that will take effect April 1st 2014. If you enroll between March 15th and March 31st 2014, coverage will begin on May 1st, 2104, and may result in a gap in coverage

If you plan to offer employer sponsored insurance, depending on the size and type of farm, producers will be required to direct enroll their employees with either Blue Cross Blue Shield of Vermont or MVP Healthcare. If you are planning on offering insurance to your employees, please check with insurance carriers about their suggested deadlines to avoid gaps in coverage.

Employers that do not offer health insurance coverage may pay the Catamount Assessment, depending on how many employees are uncovered. For more information on the Catamount Assessment, please visit the Department of Labor website: <http://labor.vermont.gov/InfoCenter/FrequentlyAskedQuestions/EmployerHealthCareReportingFAQ/tabid/1165/Default.aspx>

Those who are not offering employer sponsored coverage will need to enroll in individual/family coverage through Vermont Health Connect by March 15th, 2014 for coverage to take effect April 1st. Most individuals will qualify for financial assistance that reduces premium amounts, and in most cases, out of pocket costs. Remember, you must pay your premium before your plan starts.

Please visit **Frequently Asked Questions**, for commonly ask questions by farmers, or contact your local Vermont Health Connect navigator for free services.





Frequently Asked Questions

Are Vermont Health Connect Navigator and Certified Application Counselor services free?

Yes, VHC Navigator and Certified Application Counselor services are free of charge. Vermont Health Connect Brokers can charge a standard fee.

Individuals

Can one family be enrolled in different kinds of health plans?

Yes. You can enroll in separate plans through Vermont Health Connect. For example, if you make less than 300% of the federal poverty line (about 70,650 for a family of four), your income may qualify you for both advanced premium tax credits for the adults in your family and Dr. Dynasaur for your children.

Can my adult children be enrolled in my health plan?

If your children are under the age of 26, they can be enrolled on your family plan. However, their household income must be included in your application to determine their eligibility for financial assistance. If your adult children have family members that need health insurance, they would need to apply separately.

What changes are in store for sole proprietorships?

If you and your spouse are the owners of your business and you have no other employees, then you will purchase insurance as an individual or family through Vermont Health Connect, not as a small business. This means that you could qualify for financial help to pay for premiums and out of pocket costs.

How will depreciation and losses impact my eligibility for financial help?

Medicaid and eligibility for tax credits will be calculated by using Modified Adjusted Gross Income (MAGI) this year. It's a new way to determine eligibility for financial assistance that means Vermont farmers may be more likely to qualify for financial help to purchase health plans. For example, income received through child support does not count in MAGI, while self-employment and farm income is counted **after depreciation** and deduction of capital losses. Similarly, the tax code allows for deductions from business and farm income and from net rental income for expenses. With the potential

for significant tax credits on the line, you may want to contact a tax professional to find personalized advice.

What happens if I choose to go without insurance?

Starting this year, most Vermonters who go without health insurance for 3 months, or who have several “short gaps” in coverage will pay a federal penalty. The penalty for 2014 is \$95 per individual or 1% of gross income, whichever is greater. The penalty will increase in 2015 and 2016.

What is a grandfathered health plan and how do I find out if my health plan is grandfathered?

A grandfathered plan is a group health plan that was created—or an individual health insurance policy that was purchased—on or before March 23, 2010. Grandfathered plans are exempted from many changes required under the Affordable Care Act. Even if you joined a grandfathered plan after March 23, 2010, your plan may still be grandfathered. The status depends on when the plan was created, **not** when you joined it.

In Vermont’s agricultural community, at least one MVP plan offered by Agri-Services Agency is grandfathered. The best way to find out if your particular plan is grandfathered is to call your insurance carrier and ask.

Small Business

Are farms required to provide health insurance to their employees?

If a farm has 50 or fewer employees, it is considered a small business and is subject to the same policies as other small businesses. If you have questions about whether or not your business is defined as a small business, please visit this website: <http://info.healthconnect.vermont.gov/smallemployerestimator>.

If a farm offers a premium contribution for an individual, and offers family coverage with no additional contribution to health insurance for their family, can families still receive subsidies through Vermont Health Connect if they elect to deny coverage from the employer?

No, if a spouse or family has the option of employer insurance they will not be eligible for subsidies, unless the insurance cost is unaffordable. The spouse or family could purchase a plan through Vermont Health Connect at the full price.

If a farm only offers individual coverage, can the employees’ spouse and children be eligible for financial assistance through Vermont Health Connect?

Yes.

Is Dr. Dynasaur or Medicaid available to those who have insurance?

Yes, depending on your income you may also be eligible for Dr.Dynasaur or Medicaid. Dr. Dynasuar and Medicaid are “payers of last resort” meaning that your private insurance plan would be billed first and then Medicaid and Dr. Dynasaur would be billed for services not covered by your private plan.

How does the Department of Labor define “employee?”

An employee is an individual providing services to your business--this will be the same as the individuals currently being reported on your unemployment contributions report, provided they were 18 for the entire quarter.

What defines a full time employee for the purpose of offering health insurance?

An employee who works 30 or more hours per week over an average year is considered full time.

Do seasonal farming employees count as Full-Time-Employees?

A seasonal employee does not count as a full time employee under the following guidelines, made on a reasonable good faith basis.

- A seasonal employee who works for 120 days
- A seasonal employee who works for 20 weeks per year
- A seasonal employee who works for 30 hours per week, on average, over an entire year

Can migrant farm workers or H-2A employees receive health insurance through Vermont Health Connect?

Yes, migrant workers who are lawfully present can apply for a health plan through Vermont Health Connect and may be eligible for financial assistance. Undocumented workers are not eligible to apply.

Can migrant farm workers or H-2A employees receive Medicaid benefits?

No, migrant workers, even if lawfully present, are not eligible for Medicaid.

How does the Catamount assessment work?

The Catamount Assessment is assessed to businesses with more than four full time equivalents (FTEs) that do not provide health insurance. Small businesses with more than 4 FTEs that do not offer insurance will have to pay \$119.12 per quarter per FTE over 4. (The first 4 FTEs do not count.)

Please refer to the Department of Labor for guidelines and definitions for full time employees.

Is there a federal penalty for small businesses that don't offer insurance?

No. There are no federal penalties for small business that do not offer insurance. Starting in 2016, there may be an Employer Shared Responsibility Payment (penalty) for businesses with more than 50 employees that do not offer health insurance.

Small Business Direct Enrollment with BCBS of VT and MVP Healthcare

Navigator's Role:

- Assistance with Vermont Health Connect plan selection
- Assistance with Vermont Health Connect policy and rule education
- Assist employees who may be eligible for Medicaid and Dr. Dynasaurin addition to employer sponsored insurance
- Assist employees who are not covered by employer Individual/ Family Applications

Blue Cross Blue Shield

- New Small Business Enrollment
 - Groups with 1 EE enrolled can select 1 Vermont Health Connect (VHC) Qualified Health plan (QHP)
 - Groups with 2-24 EEs enrolled can select up to 2 VHC QHPs
 - Groups with 25-50 EES enrolled can select up to 3 VHC QHPs
- Small Business already direct enrolled
 - <http://www.bcbsvt.com/directenroll>
 - Follow the link above or call BCBS of VT at 1-800-255-4550
 - Email: salesandretention@bcbsvt.com
- Contact Information
 - Online Direct Enrollment: www.bcbsvt.com/directenroll
 - Phone: 1-800-255-4550
 - Email: exchangeteam@bcbsvt.com
 - **Enroll in-person at Berlin office or Blue Mall in South Burlington**

MVP

- New Small Business Enrollment
 - Final enrollment date for **4/1/2014** insurance coverage: **03/20/2014**
 - All 9 Vermont Health Connect Qualified Health plans are available for employee choice
- Existing Small Business accounts
 - Contact Account Manager for changes in plan selection and coverage
 - Must be a small business with 2-50 employees

- Contact Information
 - 1-888-687-9872

What You Need To Bring to a Meeting with and Assistor:

Small Business Employer

- Number of FTE employees
- Type of business
- Contribution estimates for employer sponsored insurance premiums

Small Business Employee

- Employer information
- Employer Contribution
- Employer offered insurance plans

Individual/Family

- Personal Information (for all individuals on application)
- SSN (for all individuals on application)
- Recent tax return (for all individuals on application)
- Alimony Pay
- Student Loan Interest (for all individuals on application)
- Current Insurance (Date Coverage Began)