Why is this important?

The federal Patient Protection and Affordable Care Act was enacted in 2010 to ensure affordable health care and help increase the number of Americans with health insurance. Covered California is the state agency in charge of implementing the Affordable Care Act in California.
The Small Business Health Options Program (SHOP) is the new marketplace offering small businesses access to competitively priced health plans and tax credits.

Benefits to California small businesses:

- Make side-by-side comparisons of benefit plans and rates
- Receive one consolidated monthly bill for all benefit plans selected by employees

About Covered California

COVERED CALIFORNIA™

Small Business Health Options Program (SHOP)

Contact the SHOP to learn more about offering your employees a wide range of health plans at an affordable price. We make it easy!

Visit **CoveredCA.com**
or call **1-877-453-9198.**

You can also contact your certified insurance agent.

CoveredCA.com
Your destination for affordable health care

Grantee # _____ Version: June 2013

Health care made easy for you and your employees

COVERED CALIFORNIA™

Covered California's Small Business Health Options Program (SHOP) will provide competitive health insurance choices for small businesses

What is the SHOP?

Effective January 1, 2014, the Small Business Health Options Program (SHOP) will offer small businesses with 50 or fewer full-time employees:

- A consumer-focused approach
- Employer and employee choice of health plans
- Employer choice of premium contribution
- Tax credits for qualified small businesses
- Competitive health plans offered through private health insurance companies
- Online enrollment tools and sales support
- Trained sales support ready to help you

In 2015, Covered California™ will begin offering plans to employers with 100 or fewer full-time equivalent employees, for coverage that begins in January 2016.

Tax credits for qualified small businesses

Some small businesses that purchase health insurance through the SHOP may be eligible for tax credits of up to 50 percent of their eligible premium expense. The assistance is available for small businesses that:

- Have fewer than 25 full-time-equivalent employees
- Pay employees an average of less than $50,000 annually
- Contribute at least 50 percent of the employee premium cost

Nonprofit or tax-exempt employers may be eligible for a tax credit of up to 35 percent.

What should small businesses do now?

- Access **CoveredCA.com** regularly to learn more about the SHOP:
  - Check the Small Business Fact Sheet
  - Read more about the Small Business Tax Credit
  - Review Commonly Asked Questions
- Consider the advantages of offering health insurance to your employees
- Talk to your certified insurance agent about coverage options available through the SHOP

Consult your tax professional to see if you qualify for the small business tax credit.