Health Care Tax Credit for Small Groups in 2017
Temporary process for producers and employers

The Oregon Health Insurance Marketplace and participating insurance companies have created a way for small businesses to take advantage of the IRS Small Business Health Care Tax Credit, even though small businesses are not yet able to purchase health insurance through Oregon Health Insurance Marketplace (OHIM). For more information about the tax credit, consult a tax professional or visit the Oregonhealthcare.gov or IRS.gov websites.

To follow is information on the temporary process that has been created to facilitate this.

An employer may be eligible for the tax credit if all of the following criteria are met:

- Employ fewer than 25 full-time equivalent employees (FTEs)
- Pay average annual wages of less than $50,000 per full-time equivalent employee per year
- Pay at least 50 percent of the premium cost of qualified employee-only health insurance coverage for their employees
- Purchase one or more Oregon Health Insurance Marketplace-certified medical and/or dental plans from a participating insurance company

Small business tax credits, to be taken at the end of the year, are only available on Oregon Health Insurance Marketplace-certified SHOP plans (they are not available on private market plans). Providence is offering the following Oregon Health Insurance Marketplace-certified plans:

- Providence Oregon Standard Bronze Plan
- Providence Oregon Standard Silver Plan
- Providence Oregon Standard Gold Plan

Please note: Neither Providence Health Plan nor Oregon Health Insurance Marketplace determines eligibility for the Small Business Tax Credit. Consult a tax professional for more information.

Oregonhealthcare.gov has been updated to include several useful resources on this topic.
Follow the appropriate process below to enroll in a PHP Oregon Marketplace-certified medical plan and obtain an Eligibility Notice from OHIM. The Oregon Health Insurance Marketplace Eligibility Notice can then be used to apply for the Small Business Health Care Tax Credit at the end of the tax year.

New Business:
1. Producer makes a note on the Master Contract Application (MCA) that the group will be applying for the tax credit and chooses one or both PHP certified plans.
2. PHP sends the policy information to OHIM
3. The Oregon Marketplace determines SHOP eligibility and mails the Eligibility Notice to the employer, producer of record and PHP
4. Employer provides the Eligibility Notice to their tax professional and applies for the small business tax credit.

Renewals:
1. PHP sends a renewal confirmation to the group.
2. Producer requests a plan change to an Oregon Marketplace-certified plan.
3. PHP sends the Oregon Health Insurance Marketplace Renewal for Employers form to the producer, who completes the form on behalf of the group, and returns to PHP.
4. PHP sends the completed Oregon Health Insurance Marketplace Renewal for Employers form and policy information to Oregonhealthcare.gov.
5. The Oregon Marketplace determines eligibility and sends the Eligibility Notice to the employer, producer of record and PHP.
6. Employer provides the Eligibility Notice to their tax professional and applies for the small business tax credit.

Off-renewal* requests:
1. Producer generates quote for requested effective date, and submits request for plan change to Oregon Health Insurance Marketplace-certified plan to PHP.
2. PHP sends the Oregon Health Insurance Marketplace Renewal for Employers form to the producer, who completes the form on behalf of the group, and returns to PHP.
3. PHP sends the completed Oregon Health Insurance Marketplace Renewal for Employers form and policy information to Oregonhealthcare.gov.
4. Oregon Health Insurance Marketplace determines eligibility and sends the Eligibility Notice to the employer, producer of record, and PHP.
5. Employer provides the Eligibility notice to their tax professional and applies for the small business tax credit.

*Existing groups wishing to move to an Oregon Health Insurance Marketplace-certified plan off-renewal will terminate their current contract and begin a new 12-month contract at the requested effective date.