

VIRTUAL HOUSEKEEPING

Welcome to the Health Reimbursement Arrangements (HRAs) as Alternatives for New Jersey Employers Webinar

The webinar will begin at 2:00pm.

- The webinar will be recorded and posted at cshp.rutgers.edu.
- All attendees will be in listen-only mode.
- Submit content questions using the Q&A box.
- There will be brief Q&A breaks throughout and time for questions at the end.

Health Reimbursement Arrangements (HRAs) as Alternatives for New Jersey Employers

Co-Hosted by

Rutgers Center for State Health Policy,
New Jersey Business & Industry Association, &
New Jersey Employer Association

December 1, 2022

*Conducted with support from the Robert Wood Johnson Foundation, through a contract to
Wakely Consulting Group, an HMA Company*

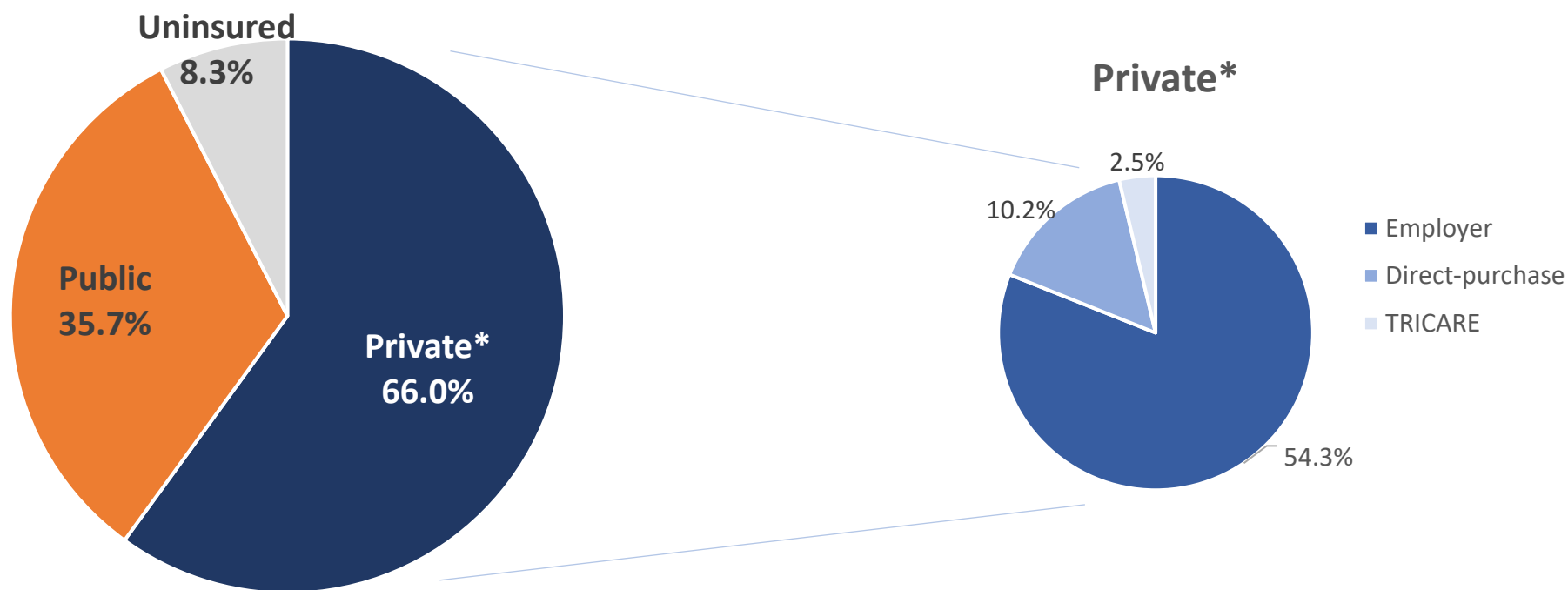
Agenda

- Welcome & introductions
 - **Margaret Koller**, Executive Director, Rutgers Center for State Health Policy
- Background & findings from the *New Jersey Affordable Health Benefits Survey*
 - **Joel C. Cantor**, Distinguished Professor & Director, Rutgers Center for State Health Policy
- Panel discussion
 - **Doreen Anthony**, Director of Human Resources, Laurel Circle
 - **Robert Saphow**, Partner, Broker on Demand, LLC
 - **John Sarno**, President, Employers Association of New Jersey
 - **Kyle Sullender**, Director of Economic Policy Research, NJ Business & Industry Association
 - *Moderator:* **Margaret Koller**, Executive Director, Rutgers Center for State Health Policy
- Q&A

Current Environment for Small Employer Health Coverage

Health Coverage in the United States

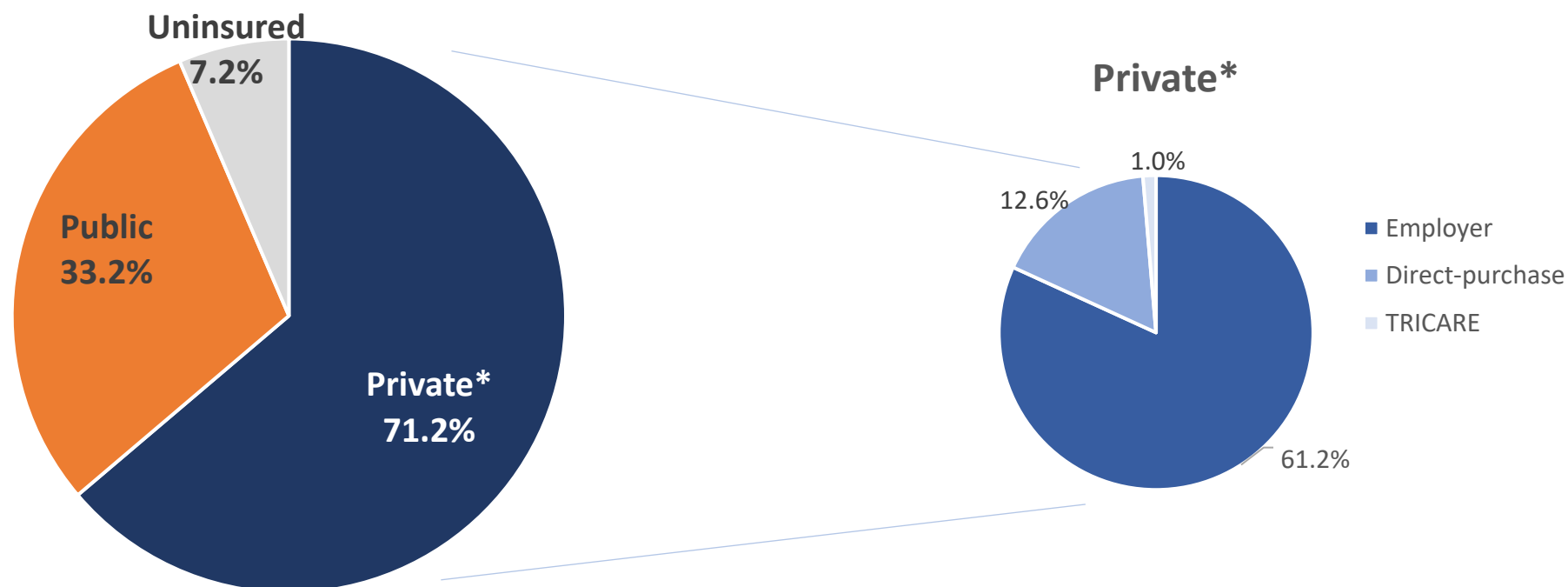
Total US population (~328.1M), 2021



*Note: The types of insurance are not mutually exclusive; people may be covered by more than one during the year.

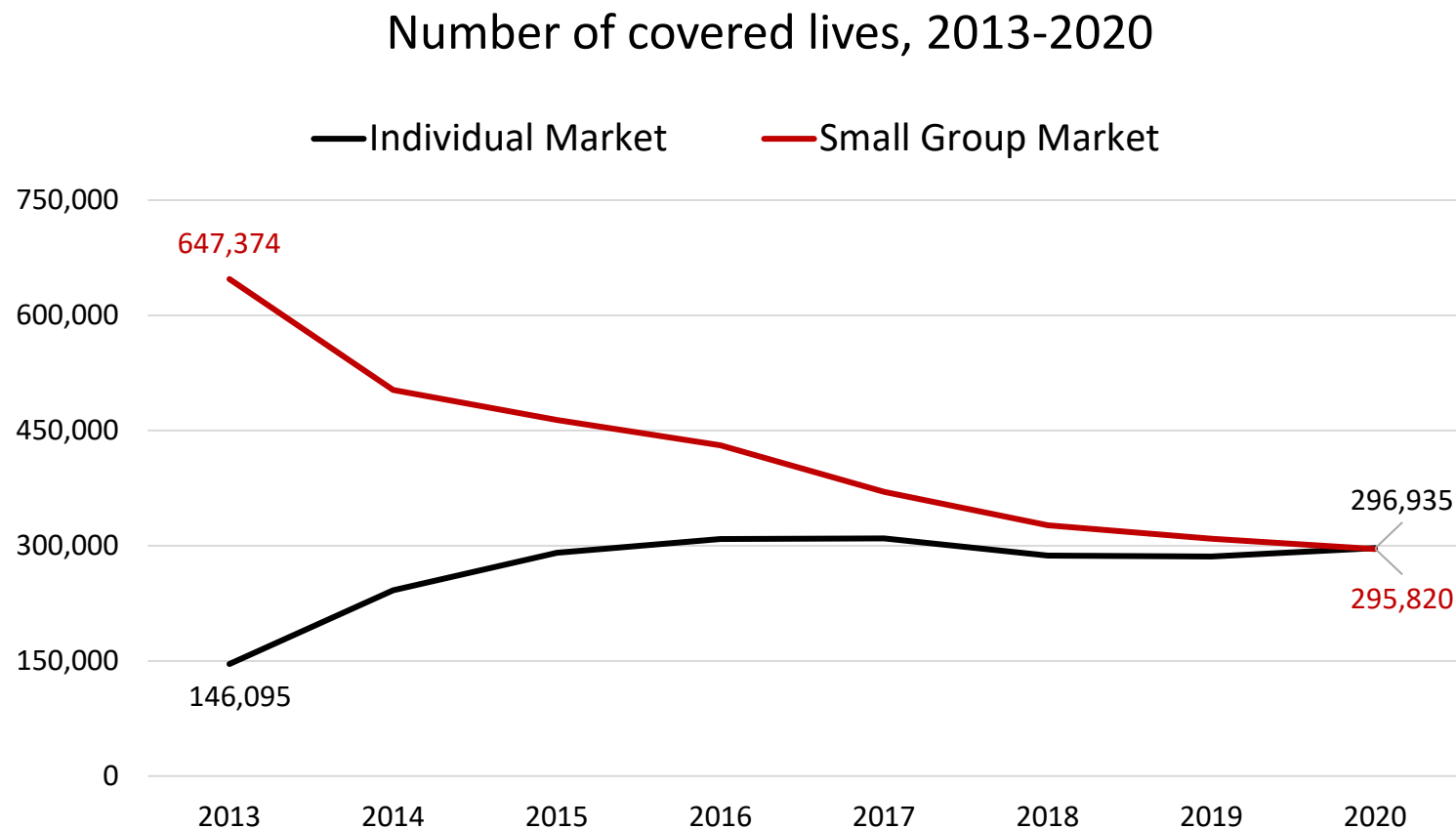
Health Coverage in the New Jersey

Total NJ population (~9.2M), 2021



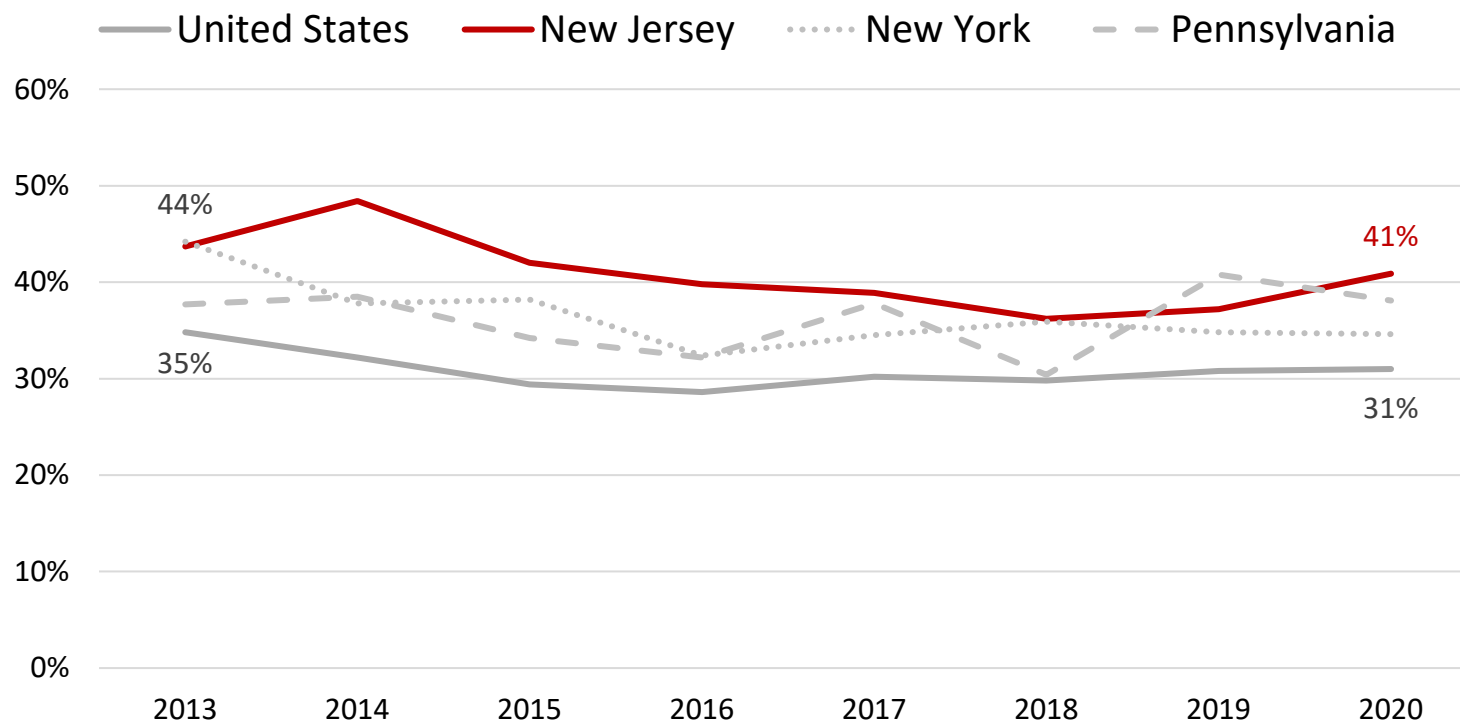
*Note: The types of insurance are not mutually exclusive; people may be covered by more than one during the year.

NJ Individual vs. Small Group Health Insurance



Small Group Health Insurance Offer Rates

% Private establishments (with <50 employees) offering coverage, 2013-2020



Options to Standard Coverage :

New Health Reimbursement Arrangements

- Qualified Small Employer HRA QSHRA (2016):
 - Restricted to firms with < 50 full-time employees
 - Must be offered to all full-time employees
 - Employer cannot offer group policy
 - Maximum contribution
- Individual Coverage HRA ICHRA (2019):
 - Employers of any size
 - Can offer ICHRA to groups of employees
 - Can offer group coverage to others
 - No max contribution

Many Questions About These New HRAs

- Potential impact on individual and small group markets
- Incentives of brokers and health insurers
- Awareness and take-up among large and small employers
- Experience of employees
- Issues for state and federal policymakers

RWJF Activities

- National outreach and awareness campaign with Public Private Strategies
- Kick-off event October 11, 2022
- Small Employers' View on the Evolving Healthcare Landscape
- New Jersey Affordable Health Benefits Survey

Findings from the *New Jersey Affordable Health Benefits Survey*

Project Team

- Rutgers Center for State Health Policy
 - Joel C. Cantor, ScD, Distinguished Professor and Director
 - Jolene Chou, MPH, Senior Research Analyst
 - Margaret Koller, MS, Executive Director
- Wakely Consulting Group
 - Michael Cohen, PhD, Director and Senior Consultant
 - Michelle Anderson, FSA, MAAA, Senior Consulting Actuary

Acknowledgements

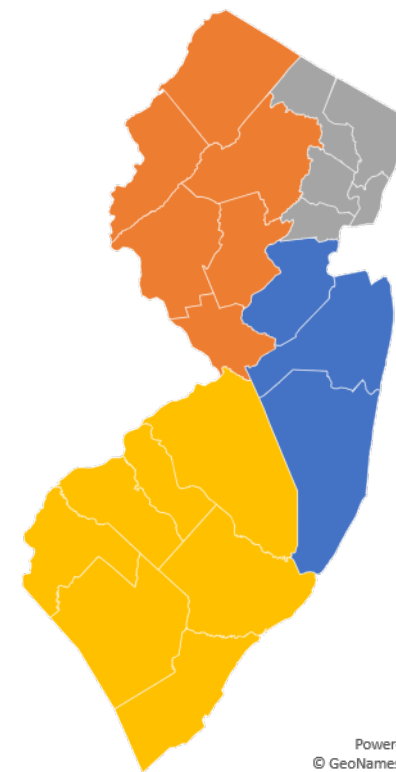
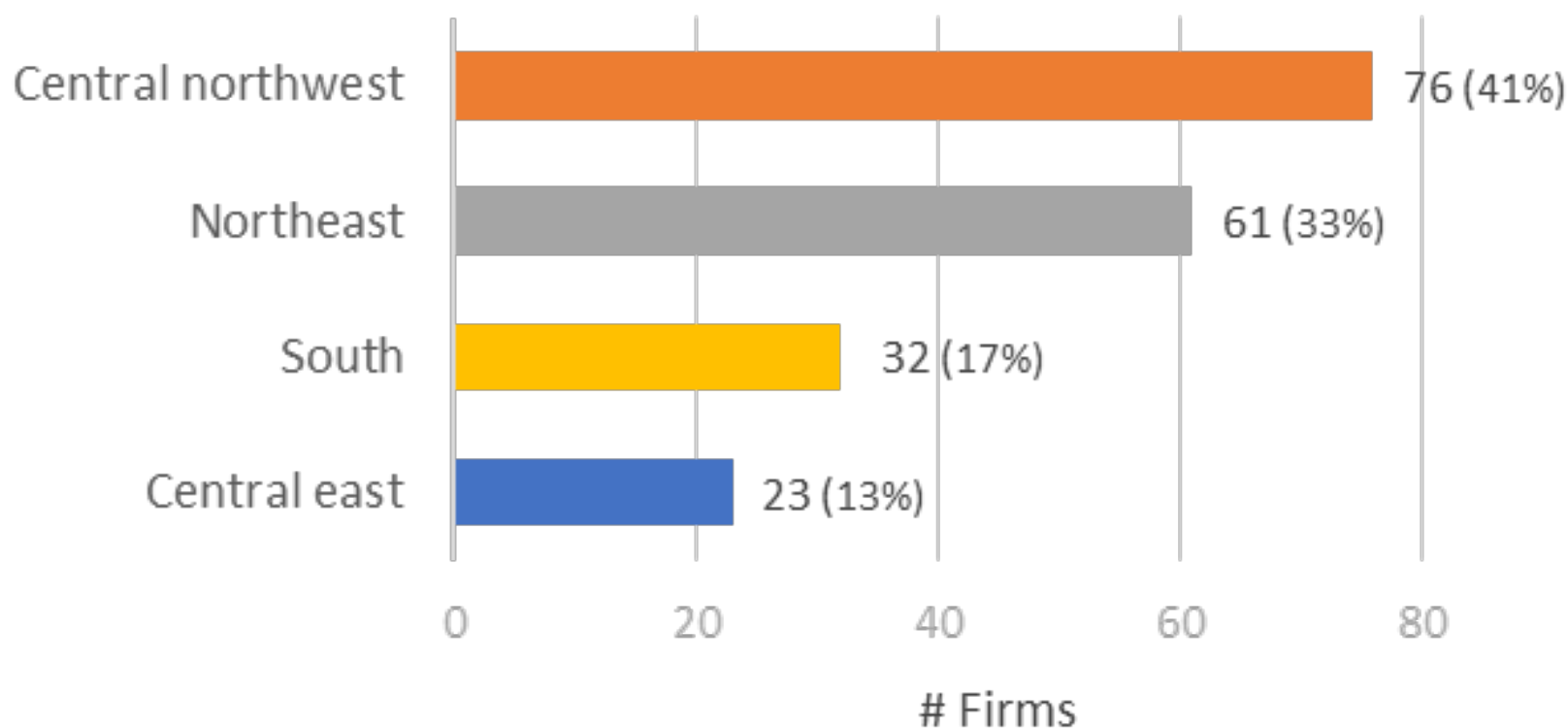
- Support for this project was provided by the Robert Wood Johnson Foundation through a contract with Wakely Consulting Group, an HMA Company
- Expert advice was provided by:
 - Katherine Hempstead, Senior Policy Advisor, the Robert Wood Johnson Foundation
 - Alan Monheit, Professor of Health Economics, Rutgers School of Public Health
 - David Kashihara, Patricia Keenan, and Edward Miller from the Agency for Healthcare Research and Quality's Center for Financing, Access and Cost Trends
- Assistance in the design and administration of the survey and co-hosting today:
 - Kyle Sullender and Chrissy Buteas, New Jersey Business & Industry Association
 - John Sarno, Employer Association of New Jersey
 - Robert Saphow, Broker on Demand, LLC

About the *New Jersey Affordable Health Benefit Survey*

- Designed to explore New Jersey employers' familiarity with, adoption of, and opinions about QSEHRAs and ICHRAs
- On-line survey distributed by NJBIA & EANJ
- Conducted April-May 2022
- 184 respondents with at least one location in New Jersey
 - 35% HR officials, 21% owners, 12% CEO or other senior exec., 12% other role

Who Responded?

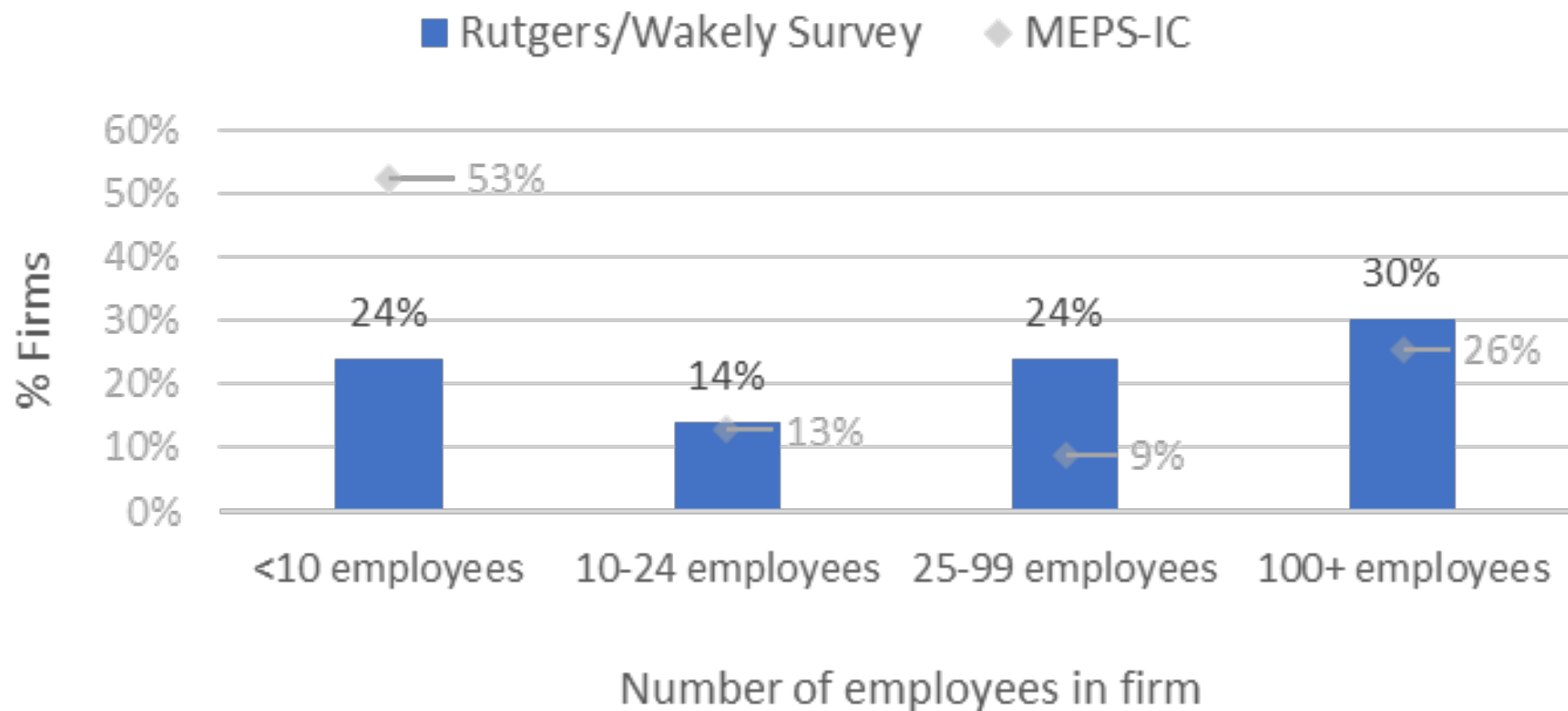
Responses Received from Every County



Powered by Bing
© GeoNames, TomTom

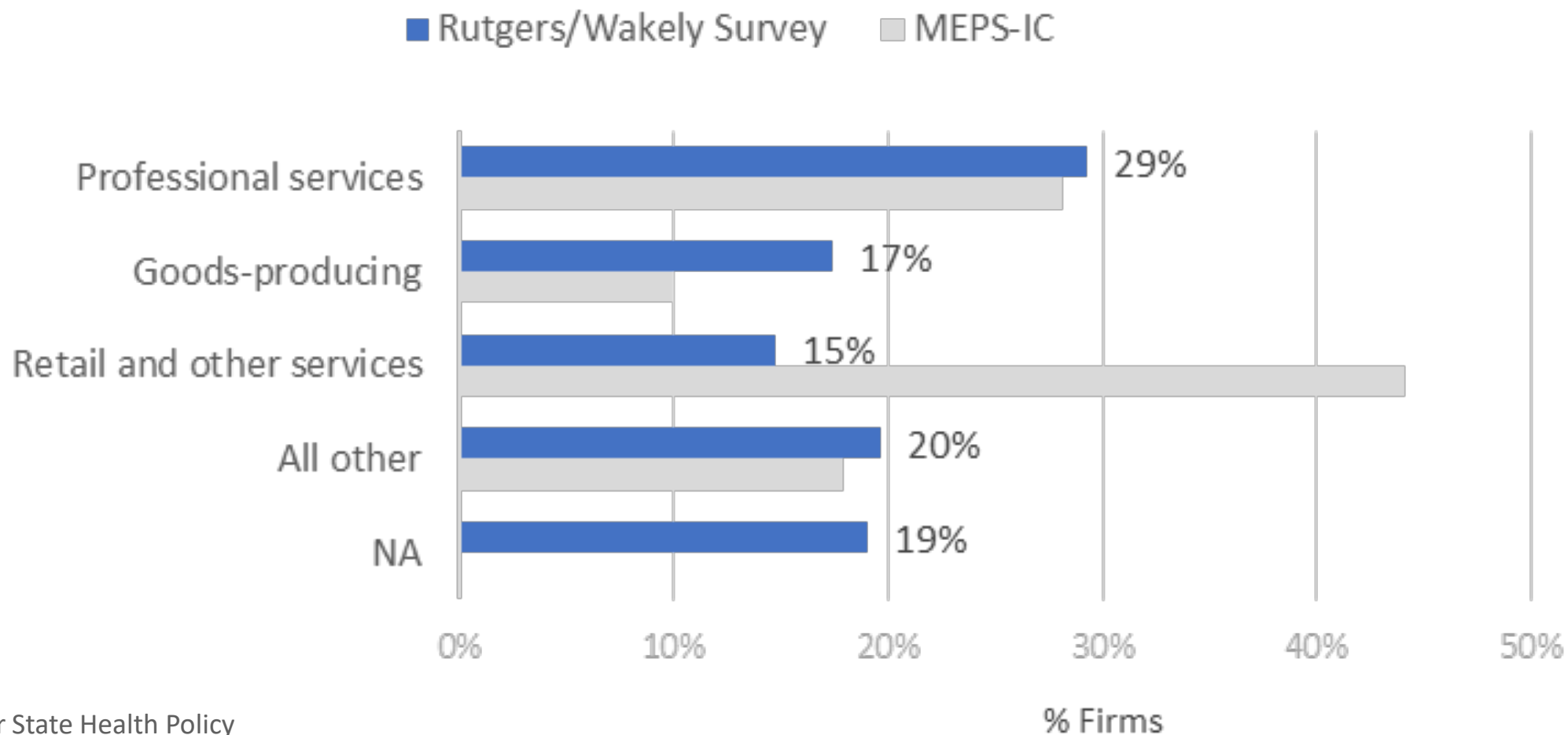
Who Responded?

Respondents Were from Small and Mid/Large Firms

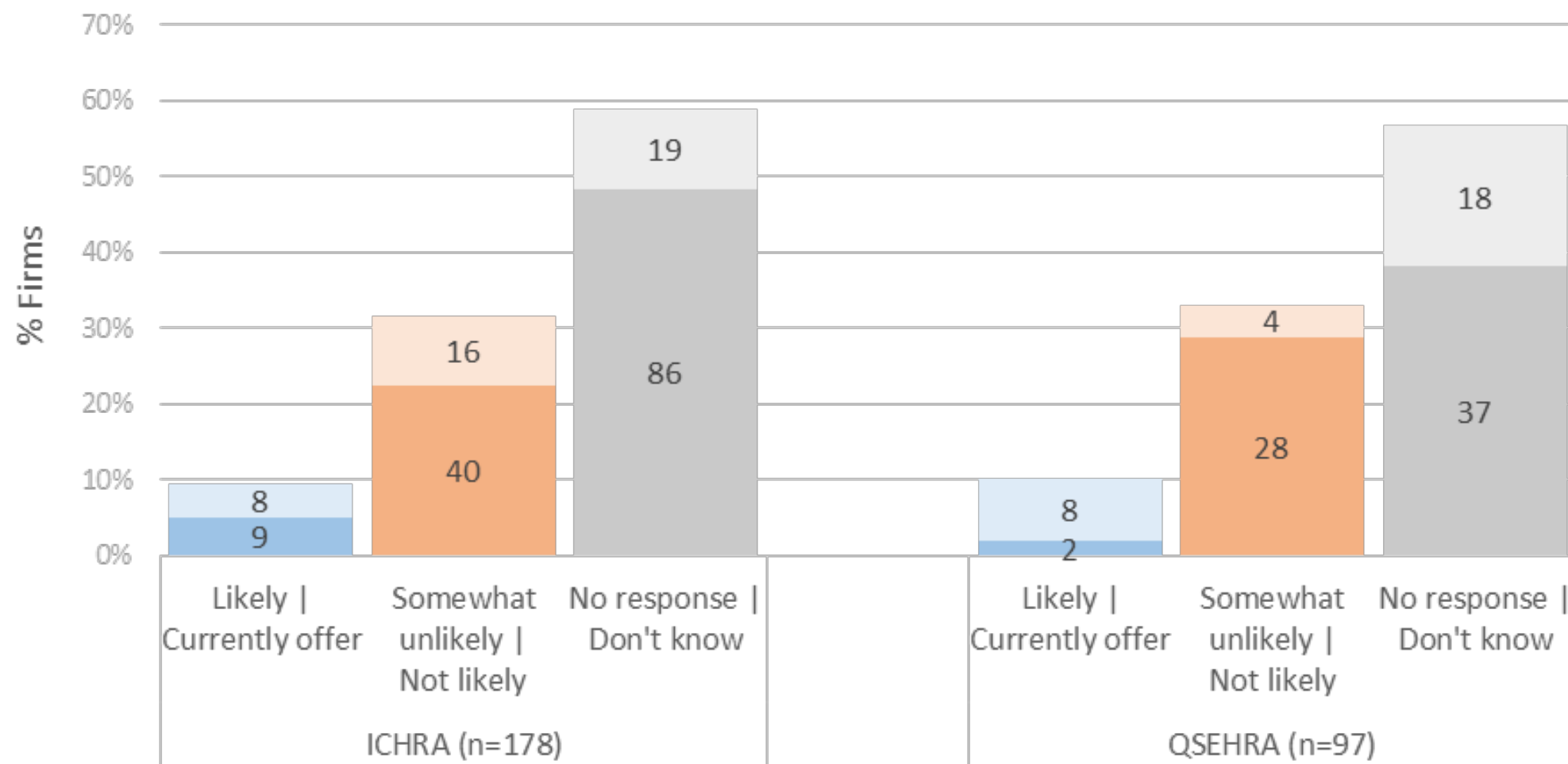


Who Responded?

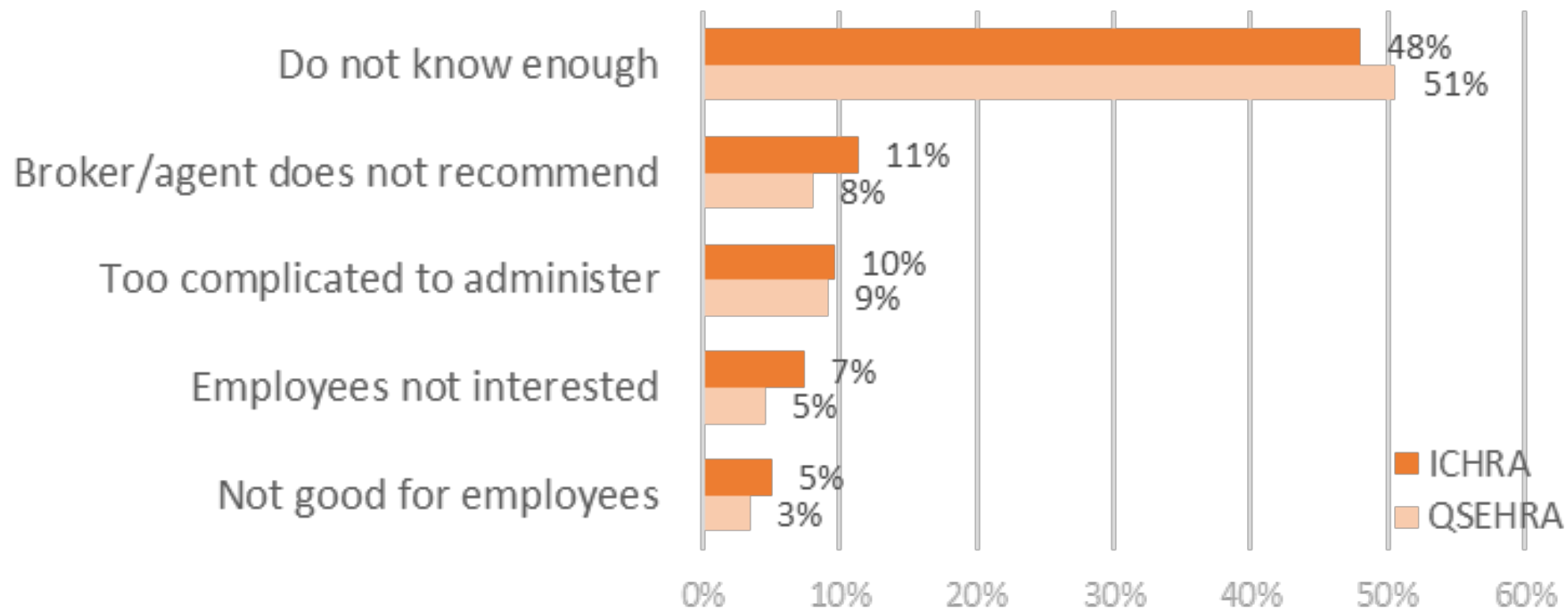
Respondents Were from a Diversity of Industries



Offering of ICHRAs or QSEHRAs



Reasons for Not Offering



Summary and Conclusion

- Rising premiums and declining enrollment for traditional employer-sponsored health plans
- The survey found very few employers currently or plan to offer ICHRAs or QSHRAs
- Lack of familiarity is the most common reason for not offering
- Clear need to educate employers about these options

- Panel discussion & Q&A
 - **Doreen Anthony**, Director of Human Resources, Laurel Circle
 - **Robert Saphow**, Partner, Broker on Demand, LLC
 - **John Sarno**, President, Employers Association of New Jersey
 - **Kyle Sullender**, Director of Economic Policy Research, NJ Business & Industry Association
 - *Moderator:* **Margaret Koller**, Executive Director, Rutgers Center for State Health Policy

THANK YOU!

- The webinar recording will be posted at cshp.rutgers.edu.
- Please fill out the post-webinar survey upon exiting the webinar.