

MEMORANDUM

To: Municipalities <2 Eligible Employees

From: Jarrod Limbach, Business Development and Client Relations Director

Date: April 21, 2022

RE: Single Policy Options (Healthcare Plan)

The Aim Medical Trust's policy is the same as any other group insurance carrier: you must have two (2) eligible employees to qualify as a group; fewer does not qualify. If only one (1) employee is eligible for the benefit, individual coverage is the only option.

Following the Affordable Care Act (ACA), insurance brokers no longer provide individual policies; therefore, the only place to buy an individual policy is through the ACA Marketplace (the Exchange).

While insurance coverage cannot be provided by the Town, there are other options to help the employee receive the benefit. The first would be to give the employee a stipend (through payroll via taxable income) for health care. The stipend would enable them to use the funds to purchase a plan on their own but gives the Town the opportunity to provide the "benefit" through the stipend.

There are two options for purchasing a policy:

1. Employee can buy a policy directly through the marketplace at [healthcare.gov](https://www.healthcare.gov).
2. Employee can buy a policy alternately through the marketplace at [stridehealth.com](https://www.stridehealth.com).
 - a. Allows employee to enroll in the same marketplace plans, but in my opinion, it is easier to use and navigate.
 - b. Offers Dental and Vision coverage options as well.

There's another option to help an employee with health care: a Health Reimbursement Account (HRA). Small groups can technically set up an HRA for an employee to receive reimbursement for the purchase of coverage. This option can be more of a hassle to set up and administer than a stipend run through payroll and taxed. For an HRA, it is encouraged to add up by 25% above the cost of the plan if you want to cover the taxes (25% isn't exact, but it's a good proxy to use to make it easy).