

# SelfInformed

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BACK TO SCHOOL

COLLEGE ... 2018

NASE DEPENDENT SCHOLARSHIP PROGRAM WINNERS





# A RUNDOWN ON



# INSURANCE

Being self-employed and running your own small business is one of the biggest roller coasters you'll ever ride. Right when you think your finances are in check, you are invoiced for an amount that even your accountant had forgotten. Or when you think things are finally going right, they quickly go far left.



One of those lows may be trying to figure out health insurance. Finding the right health insurance policies for yourself and employees can seem like a nightmare. Whether you have one employee or seventy, it can put a damper on your month trying to figure out what the best plan will be and how you'll be able to afford it.

You may even be asking yourself the question; why should I get health insurance for my employees? Also, if I decide to, what are the steps? What are my options? Today we will be discussing just that.

## Why You Should Provide Health Insurance to Your Employees

### Group Coverage

There is a significant advantage that comes with having group coverage, which can be used for small businesses. Unlike an Individual plan, where they penalize or even deny you for your pre-existing conditions, group coverage allows everyone on board.

No medical history is needed. Instead, the insurance company needs some demographic information from your group to see what risks may lie ahead. If you or any of your employees have any conditions that have prevented them in the past from getting health insurance at a lower price, this may be heaven sent for them.

Other good news is that a "group" can be made up of just two people. So if you run a small business and have 1 or 2 employees, then you can apply and reap the benefits. Depending on what area or state you live in, you may even be able to be a group of one. Sounds a bit out there, but ask your insurance agent what your possibilities may be.

### Recruiting

Even though anyone can apply for health insurance on his or her own, you are more likely to find someone to work for you and retain them if you offer health insurance. It's a massive deal for a person trying to find a job. Without "benefits" you may not attract potential hires.

Some studies show you'll reduce turnover at your company and increase loyalty, which is what all small business owners need and want.

### Tax Credits

When tax time rolls around, we're all biting our nails. How much will we owe this year? How will we afford to pay? However, if offering health insurance to your employees could help, wouldn't you take it?

To be able to qualify for tax credits, you'll need:

- Less than 25 full-time employees or the equivalent in working hours

- Pay less than \$50,000 full-time a year to each employee
- Pay at least 50% of the premium for your business health insurance

The tax credit will depend on what you qualify for, but you'll get up to 50% OFF your contributions toward employee premiums. That could end up being a lot for your business.

We recommend you consult your accountant as tax credits are not permanent.

### It's the Law

I'm not sure if you've heard over the past few years (of course you have!), but having health insurance is the law. So if you have more than 50 employees, you must have affordable coverage available.

How much will you be penalized for not providing health insurance? According to Cigna.com, you will be fined approximately \$2320 per employee. If you have 100 employees, then you'll be fined about \$232,000.00 that year. Undoubtedly a number that'll hurt any small business owner.

### Healthy = Productive

If you only have a few employees, then you know how much more difficult it is when they aren't able to come to work because of an illness. So if they are healthy, then they are productive. If one of your employees does not have health insurance, and they fall ill, then their performance will drop dramatically. You are the one who, in the end, loses.

### What Are The Steps to Getting My Employees Enrolled?

Enrolling your employees into health insurance not only sounds difficult, it is difficult. With so much information on the internet and given to you by your friends and family, you'll feel exhausted, and it may take weeks before you find the right one for you.

Your best bet is to leave it to an expert. Find a broker and let them deal with the headache. Yes, they get paid a commission, but your time is worth money as well. They'll help you find the best deals and the most efficient plan for your business. Also, you won't have to go through all the pain of researching and wasted hours of confusion.

Here is some information you'll need to provide your broker:

- Business/ Employer name
- Business physical address
- List of employees to be covered (you can't pick and choose whom you cover; if you cover one, you'll need to cover all employees)
- Each employee's Tax ID / Employer Identification Number
- Business start date
- Payroll Records
- Industry code (SIC)

An "Employee Census" must be provided that will break down these employee demographics (since they're not asking for health history.):

- Names
- Ages
- Number of dependents
- Zip codes



If using a broker is not in your interest, then know that finding health insurance can be done alone. However, there are many different insurance companies out there and they are not all equal. If you misjudge your company's needs or the services provided, you may in the end not be complying with the law. It can cost you a lot in the long run.

### What Type of Plans are Available?

Let's have a small crash-course on the type of plans available and what the insurance lingo means.

There are four kinds of plans available for small businesses:

- HMO
- PPO
- POS
- EPO

Although they make no sense with just their acronyms provided, the difference in coverage is unquestionably notable.

HMO means Health Management Organizations and this plan asks that you pick a general practitioner and covers simple checkup and

immunizations. It also asks for a low deductible. It sounds great if you're on a tight budget and are just overall healthy. If you're in need of a specialist at any point, then you'll end up paying a lot out of pocket. So it is not recommended for anyone with current or foreseeable issues.

PPO means Preferred Provider Organizations and this plan is the opposite of HMO. PPO will have options of lower monthly rate and higher deductibles, or higher monthly rate and lower deductibles. PPO is also specialist friendly, but you'll have to co-pay for regular doctor visits. This plan is excellent for someone who is happy to shop around for doctors, in need of a specialist and someone who is comfortable paying more.

POS means Point of Service, which combines HMO and PPO. The price is also in between the two. This plan is excellent for someone who likes their current General Practitioner but who may need specialists for other conditions.

EPO means Exclusive Provider Organizations which is the exact opposite of POS. You don't need to see a General Practitioner to be referred over to a specialist, as long as you stay in your network.

There are four kinds of plans available for small businesses:

**1 HMO**  
Health Management Organization

**2 PPO**  
Preferred Provider Organizations

**3 POS**  
Point of Service

**4 EPO**  
Exclusive Provider Organizations





## Health Insurance Terms:

Premium

Out-of-Pocket

Deductibles

Copays

Coinsurance Payments

### What Do Some Of These Terms Mean?

These plan explanations may not make complete sense to you if we don't break down some relevant terms. So what do the terms premium, out-of-pocket, deductibles, copays, and coinsurance payments mean?

**Premium** – A premium is your monthly cost of having insurance. The higher your monthly fee, the lower your out-of-pocket costs will be when you visit your doctor.

**Out-of-Pocket** – Exactly what it says; it is the cost you'll have to take "out of your pocket" to pay in addition to your premium.

**Deductibles** – This is the amount of money you need to pay before your insurance kicks in. So if you have a \$500 deductible, then any medical costs you are making, you'll need to pay out of pocket until you've spent \$500. After that, your insurance will take care of the rest.

**Copays** – Copays are a flat rate you may need to pay when visiting your doctor. For example, if you're visiting your General Practitioner, then you could be asked to pay a \$25 copay, and the insurance will cover the rest.

**Coinsurance Payments** – This is similar to copay, but instead of an exact number, you'll pay a percentage. For instance, your plan may require you to pay 10% of the total cost, while your insurance company will pay 90%.

Knowing these terms will better assist you in making a much more educated decision regarding health insurance plans.

So now that you know the benefits of health insurance for your small business and a quick rundown on what types of plans are available, get out there and begin your health insurance search.

Whether you have less than 50 full-time employees and decide whether or not to provide health insurance, or if you have more than 50 full-time employees and are required to provide insurance by law, you are now better informed about your options and reasons.

Being a small business is going to continue to be a roller coaster, but we didn't decide to hop onboard because we wanted a smooth ride. Hopefully this article has made something that is very complicated just a little bit easier.



# Member Benefits

Visit [NASE.org](http://NASE.org) to learn more about the following benefits!

## TERM LIFE – METLIFE – 10K

**\$10,000 included Term Life Insurance for annual & monthly NASE Membership**

**\$20,000 included Term Life Insurance for Gold Members**

Your NASE Membership provides you and your family with Principle Member Group Term Life Insurance Coverage from MetLife for no additional cost. No additional contribution is required from the member in order for this insurance protection to be provided.

[Click Here to fill out and sign your Beneficiary Designation form](#)

## GET HELP ACCESSING HEALTH INSURANCE

The 2019 Open Enrollment Period runs from November 1, 2018, to December 15, 2018. Plans sold during Open Enrollment start January 1, 2019.

### Request a Health Insurance Quote Today!

The ACA penalty for being uninsured still applies in 2018. There won't be a penalty for people who are uninsured in 2019 and beyond, but penalties for people who are uninsured in 2018 will be assessed on tax returns filed in 2019.

Source: <https://www.healthinsurance.org/obamacare/obamacare-penalty-calculator/>

## GET HELP ACCESSING DENTAL INSURANCE

Get exclusive access to dental plans that are designed to help you save money while maintaining a healthy lifestyle. PPO High and Low options are available.

[Request a Dental Insurance Quote Today](#)



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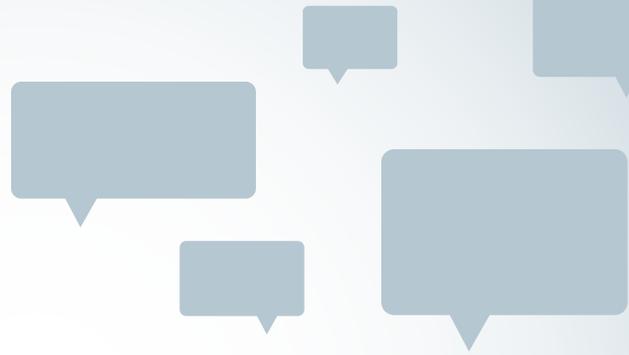
The following benefits are available to NASE Members at no additional cost when traveling 100 or more miles from home.

- Medical Consultation
- Hospital Admission Guarantee
- Emergency Evacuation
- Medical Repatriation
- Prescription Assistance
- Compassionate Visit
- Care of Minor Children
- Call Assist America in the event of an emergency.

Many other services are available, including emergency trauma counseling, legal referrals, return of mortal remains and much more. Free apps for iPhone and Android give you instant access to a wide range of assistance including one-touch call to the 24/7 Emergency Operations Center, travel alerts, pre-trip information, and more.

For more information, contact Assist America at 800-304-4585 or 609-921-0868, or via e-mail at [services@assistamerica.com](mailto:services@assistamerica.com).

# Let's Get Social!



## Connect with NASE on our social platforms

As an NASE member, you are the driving force for what we do. Promoting self-employment and providing as many self-employed people as possible with our wide variety of benefits is something we do every day. But is it something you do? A great way for you to show your support for the NASE is to Like, Join and Follow us on our social media channels to help spread awareness. If you haven't taken the time already, we invite you to do so now with the links to our social media below:



Facebook



Twitter



NASE Minute



LinkedIn



Instagram



Pinterest



Google Plus



NASE Blog

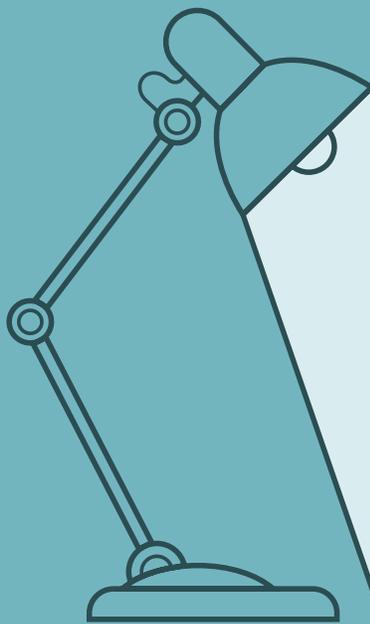


HuffPost



YouTube

# WANT TO BE FEATURED?



We are always looking for NASE Members to feature in our monthly spotlights. If you want free publicity for your business and you are an NASE Member, we can help you promote your business! Simply fill out our "Get Publicity!" form here, and you and your business could be featured in an NASE publication, like our monthly member e-newsletter, SelfInformed.

Fill out the information in our Publicity form so an NASE representative can reach out to discuss featuring you and your business next!

[Get Publicity](#)

## Member Spotlight



# We Awarded \$12,000 in Scholarships to Four College Students!

Check out our press release:

**Dallas, TX** – With back-to-school season upon us, the **National Association for the Self-Employed (NASE)**, the nation’s leading advocate and resource for the self-employed and micro-business community, today announced the awarding of \$12,000 in educational scholarships to four dependents of current NASE members.

“We understand that everything effects the bottom-line of small business owners and the self-employed, including finding a way to pay for your child’s college education,” said John Hearrell, NASE’s Vice President of Membership and Affiliate Programs. “Oftentimes our members are faced with real-life dilemmas such as investing in a new piece of equipment or opening an additional location for their business or paying the steep cost of tuition for their kids’ education.”

The **NASE Dependent Scholarship Program** is an educational scholarship awarded to the dependents of NASE members to help ease the financial burden of tuition and other costs associated with attending

college. This year, four winners were chosen and each will receive \$3,000 scholarships from the National Association for the Self-Employed.

This year’s *NASE Dependent Scholarship Program* winners are:

- **Aaron Cail**, Lisle, Illinois. Aaron will be attending Eastern Kentucky University where he will pursue a Bachelor of Science degree in Fire, Arson & Explosion Investigation.
- **Jennifer Cail**, Lisle, Illinois. Jennifer will be attending Wilson College where she is currently studying to obtain a Bachelor of Science degree in Veterinary Medical Technology.
- **Norelia Ordonez Castillo**, Garden City, Kansas. Norelia will use the scholarship to attend The University of Kansas Medical School of Medicine.
- **Jordan Hayes**, Saint Johns, Florida. Jordan will use the scholarship to attend the Florida State University where she will pursue a Bachelor of Science in Nursing.



**Aaron Cail**



**Jen Cail**



**Norelia Ordenez  
Castillo**



**Jordan Hayes**

Hearrell continued, "For the last twenty-five years, we have awarded more than \$1.9 million to our members through programs such as the NASE Dependent Scholarship. Our NASE Dependent Scholarship continues to help defray the costs and ease the burden for many of our self-employed members. Rising higher education costs continue to affect the bottom lines of all Americans, and for the self-employed and micro-business owner committed to operating a successful business, it can further strain both their family and business' budgets."

This award-winning program is open to legal dependents of NASE Members, ages 16-24. To apply, students need to be high school students or college undergraduates planning to enroll in college for the upcoming fall semester. Consideration is based upon:

- Leadership abilities
- Academic performance
- Teacher recommendations
- Career and educational background
- School and community participation
- Financial need

To become a member of NASE, apply online [here](#).

Further information about the *NASE Dependent Scholarship Program* can be viewed, [here](#). For more

Since 1989, NASE Dependent  
Scholarship has Awarded  
**\$1.9+ Million**  
in Tuition Assistance

information on additional scholarships and grants available from NASE, please click [here](#).

NASE members also enjoy a comprehensive list of benefits designed to help small business owners and sole proprietors start and grow their business. A complete listing of benefits available to NASE members is available, [here](#). NASE members are offered a **host of resources** designed to help support entrepreneurs and small employers including access to **professional "Ask the Experts"** services in tax, health care and marketing, a **navigational assistant health care portal**, scholarships and grants, **discounts on shipping rates** and affordable email marketing systems and webhosting services. NASE's newest member benefits continue the tradition of providing real-world, bottom-line assistance to small business owners.



# President Issues Executive Order on Retirement

On August 31, President Trump, directed the Departments of Labor and Treasury to explore ways in which they can advance several changes to retirement programs to expand their impact and use by millions of Americans. As note in this [Forbes.com](#) article, the EO focuses on three initiatives:

1. Recommend adjustment to Required Minimum Distribution (RMD) rules; propose starting them later than age 70 ½ and/or reducing them once they start;
2. Evaluate the formation of pooled Multiple Employer Plans, which would allow companies to offer financial institutions' 401(k) plans with participants pooled from multiple unaffiliated employers, rather than asking employers to create their own independent 401(k) plan which is cost prohibitive for small businesses;
3. Review paperwork and administrative requirements for administering a 401(k) plan; with an eye towards making it easier for small and medium size employers to offer plans to their employees.

Following the announcement, NASE CEO & President, Keith Hall, stated:

“Small businesses and the self-employed community deserve greater access to critically needed retirement savings options,” said Keith Hall, president and CEO of the National Association for the Self-Employed (NASE). “For decades, one-half of private sector workers have lacked access to an employer-sponsored retirement savings plan. With limited retirement savings options, small businesses and the self-employed have consistently been hamstrung while seeking long-term financial planning opportunities.”

Hall continued, “Multiple employer plans are one option in helping pave the way for America’s small business community to enjoy the same retirement security available to the rest of our nation’s great workforce.”

You can learn more about the President’s executive order [here](#). ■

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