

## Action Plan Checklist

Here are the essential tasks associated with shopping for and purchasing health insurance for your small business. [www.HealthCoverageGuide.org](http://www.HealthCoverageGuide.org) will walk you through these tasks. Use this checklist to keep track of where you are in the process.

### Step 1: Get organized.

- Organize information about your business.
  - Basic information such as the type of business, when the business started, etc.
  - Quarterly salary and wages for last two quarters.
  - Employee census information on all W2 salary employees and owners.
  - Use standard forms from agent/broker/insurer or visit [www.HealthCoverageGuide.org](http://www.HealthCoverageGuide.org) to download the Employee Census Data form.
- Choose a date at least 30 to 60 days from when you start the process for coverage to begin.
- Draft a budget.
  - Calculate the total amount you can spend.
  - Calculate per-employee cost you're willing to spend.
  - Consider cash flow issues.

### Step 2: Understand coverage, choice of providers, and cost-sharing options.

- Decide what type of coverage you want to provide, such as HMO, PPO, or HSA.
- Decide how important choice of providers is to you and your employees.
- Decide how costs will be shared. Here are some items to consider:
  - How much will employees contribute toward the premium?
  - How much will employees have to pay for copayments or co-insurance?
- Understand coverage rules and options.

### Step 3: Find a broker or agent.

- Learn about how brokers and agents work.
- Ask for referrals from sources you trust.
- Be sure to understand any fees you may be charged in addition to the health insurance premium.  
Note: California small business health insurance premiums already include broker or agent commissions. The cost does not change if you use an insurance company representative.

### Step 4: Understand other insurance arrangements.

- Purchasing alliances.
- Trade and professional associations.

### Step 5: Evaluate plans with your broker or agent.

- Weigh the benefits against the plan costs.
- Research the insurers:
  - Financial stability.
  - Ease of administration.
  - Overall quality of service.
- Consider cost-saving strategies.
- Review at least two or three health insurance carriers.
- Review at least two or three different health insurance plan options.

### Step 6: Close the deal and implement the plan.

- Sign the contract before the quote expires, usually in 30 days.
- Communicate plan choices to employees.
- Distribute and collect enrollment materials for those to be covered.
- Copy and return all original materials for enrollment before the requested effective date.