Health Care Reform & The Health Insurance Marketplace
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Goals of Health Care Reform

- Increase number of Americans with health coverage
- Reform Insurance Industry Practices
- Slow Health Care Cost Increases

Many different names:

Affordable Care Act

Obamacare

PPACA
Help Individuals Obtain Coverage

- Guaranteeing coverage, eliminating health questions, & removing pre-existing condition exclusions

- Purchasing through a new, virtual store – “The Exchange”

- Encouraging employers to provide coverage
  - Mandate for Employers begins 2015

- Individual mandate begins 2014
  - Tax for not purchasing health insurance
Penalties – Play or Pay
- Paid via tax return filing
- Apply to each adult in household who does not have coverage
How Will Employees Purchase Health Insurance?

<table>
<thead>
<tr>
<th>Employer</th>
<th>Most coverage will meet requirements of Health Care Reform</th>
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</thead>
<tbody>
<tr>
<td>Marketplace</td>
<td>Some employees may be eligible for subsidies</td>
</tr>
<tr>
<td>Individual Coverage</td>
<td>Traditional individual coverage is still available</td>
</tr>
<tr>
<td>Pay a Penalty</td>
<td>Some may go without coverage and pay the penalty</td>
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What’s a Health Insurance Market Place?

Definition: A public virtual marketplace run by the government that provides a new place to shop for and buy health insurance (online).

- Set up in each state to make it simpler for people & small businesses to compare and purchase health insurance options
- Provides a shopping venue for individuals to purchase qualified insurance plans through insurance companies
- Provides services to help individuals choose a plan, verify eligibility for a subsidy, enroll and purchase a health insurance plan.
What happens if states decide not to set up a Marketplace?

The federal government, through the Department of Health and Human Services (HHS) will perform the services on behalf of the state.

NOTE: While it is still a Market place, its official name is a Federally Facilitated Health Insurance Marketplace or exchange (FFE).
Who can buy coverage through a Health Insurance Marketplace?

- Anyone can buy coverage through the Health Insurance Marketplace.

- Although most people who can buy insurance through their employer or Medicare are expected to keep that coverage, you and your family members will be able to buy coverage through the Health Insurance Marketplace if you prefer.
Plans will be offered in four different levels:

- Bronze
- Silver
- Gold
- Platinum

Each level will have several plans to choose from:

- Each will cover essential health benefits.
- Each level is based on an estimate of the overall costs the plan will pay for providing essential health benefits to the member (ranging from 60% - 90%)

**Examples:**

**Bronze** plans will have lowest premiums, but have highest out-of-pocket plan design.

**Platinum** plans will have the highest premiums but lowest out-of-pocket plan design.
FIRST: In order to be eligible for a premium subsidy, you **cannot** have access to an *affordable, minimum essential plan* through your employer.

- **Affordable:** A plan where your contribution to an employee-only plan does not exceed 9.5% of your income.
- **Minimum essential plan:** Plans that have a 60% minimum value or are similar to a bronze plan offering in the marketplace.

SECOND: Your income levels must be between 100% - 400% of the federal poverty level (in some states the level is 133% - 400%)

- For an individual that is $11,490 to $45,960 per year
- For a family of 4 that is $23,550 to $94,200 per year in 2013 (sliding scale based on family size).
Premium subsidies will be provided as an advance tax credit.

- Level will be calculated based on eligibility & then used to reduce monthly premium.
- Subsidy reported with annual tax filing with the government
- Subsidy compared to actual income received**

**If amount of the advance tax credit is less than the tax credit due, you will get the difference as a refundable credit when you file your tax return.

**If the amount of the advance tax credit is more than the tax credit due, you must repay the excess advance payments through your tax return.
People may only enroll in a Health Insurance Marketplace during open enrollment or if they have a special enrollment event.

Open enrollment will be from October 1, 2013 – March 31, 2014.

Generally, coverage begins on January 1, 2014 for those enrolling by late December 2013.

Coverage begins on the first of the following month for those that enroll after fall of 2013.

There will be no retro-active or mid-month effective dates
What do I need & how I enroll?

**What**
- Social Security Number (SSN)
- Employer income information for all members of household,
- Policy numbers of current health insurance plans
- Completed Employer Coverage Tool* if offered insurance at work
  *found on healthcare.gov

**How**
- Online: healthcare.gov
  - Available in English and Spanish
  - For help call 800-318-2596 (TTY: 1 885-889-4325) or use the online chat feature on the website. Both are available 24/7.
- Mail
- In person with a certified navigator
### Advantages of Employer Insurance

<table>
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<tr>
<th>Premium paid with PRE tax dollars</th>
<th>Premium paid with POST tax dollars</th>
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<tbody>
<tr>
<td>Employer contributions to premium</td>
<td>Subsidies (if eligible)</td>
</tr>
<tr>
<td>Robust benefit plans</td>
<td>Multiple plan choices</td>
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QUESTIONS?