Navigating the Health Insurance Marketplace

Presented by
South Dakota Community Action Partnership

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The Affordable Care Act became law in 2010. Much of the law has been implemented already.

- Eliminates exclusions for pre-existing health conditions.
- Allows children to remain on parents’ plans until age 26
- Increases efforts to eliminate health insurance fraud
- Increases services for preventive care
- Eliminates lifetime limits on essential medical benefits
- Increases care and prescription benefits for Medicare recipients
- Mandates that insurance companies spend 80% of revenue on health care, or they must refund to customers.
- Caps annual out of pocket medical & drug expense. ($6,350 Individual/$12,700 Family)
- No dropped coverage if you get sick.
The Next Phase...the Health Insurance Marketplace

- Provides qualified individuals and employers with access to affordable coverage options.
- Plans are offered by private health insurance companies.
- Allows apples-to-apples comparison. Plans are written in easy to understand language.
- Help may be available to pay a portion of premiums (advance premium tax credits and/or cost reductions).
- Consumers choose coverage to fit individual needs.
- Unbiased help and customer support provided (Navigators).

**Open Enrollment Ended on March 31, 2014**
No Wrong Door

A single application process determines eligibility for:

- Qualified Health Plans through the Marketplace
- New tax credits to lower premium
- Reduced Cost Sharing on out of pocket expenses
- Medicaid
- Children’s Health Insurance Program (CHIP)

*Learn More and Complete an Application at HealthCare.gov*
What is a Qualified Health Plan?

- A QHP is offered by an issuer licensed by the state and in good standing.
- Must cover ten essential health benefits.
- Must include at least one plan at the Silver level and one at the Gold level of cost sharing.
- Issuer must charge the same premium rate whether offered directly to the public or within the Marketplace.
### Essential Health Benefits

Qualified Health Plans cover Essential Health Benefits which include at least these 10 categories:

<table>
<thead>
<tr>
<th>Ambulatory patient services</th>
<th>Prescription drugs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency services</td>
<td>Rehabilitative and habilitative services and devices</td>
</tr>
<tr>
<td>Hospitalization</td>
<td>Laboratory services</td>
</tr>
<tr>
<td>Maternity and Newborn Care</td>
<td>Preventive and wellness services and chronic disease management</td>
</tr>
<tr>
<td>Mental health and substance use disorder services, including behavioral health treatment</td>
<td>Pediatric services, including oral and vision care (pediatric oral services may be provided by stand-alone plan).</td>
</tr>
</tbody>
</table>
## Plan Levels of Coverage

<table>
<thead>
<tr>
<th>Level of Coverage</th>
<th>Plan Pays On Average</th>
<th>Enrollees Pay on Average (In addition to the monthly premium)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronze</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Silver</td>
<td>70%</td>
<td>30%</td>
</tr>
<tr>
<td>Gold</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Platinum</td>
<td>90%</td>
<td>10%</td>
</tr>
</tbody>
</table>

- Plans with more generous cost-sharing tend to have higher premiums.

- Silver level plans are used for calculating the reductions in cost sharing and premium tax credits for eligible individuals.
Catastrophic Plans

Who is Eligible?
• Young adults under age 30
• Those who obtain a hardship waiver from the Marketplace

What is Catastrophic Coverage?
• Plans with high deductibles and lower premiums
• Includes coverage of 3 primary care visits and preventive services with no out-of-pocket costs.
• Protects consumers from high out-of-pocket costs

• Cannot use Premium Tax Credits to lower the monthly premiums of catastrophic plans.
Is Everyone Required to Have Health Insurance?

• Starting in 2014, most people must have health coverage or pay a fee for each uninsured person.
  • 2014 - $95 per adult/$47.50 per child. (or 1% Gross Income) Maximum $285 per family
  • 2015 - $325 per adult/$162.50 per child. (or 2% Gross Income) Maximum $975 per family
  • 2016 - $695 per adult/$347.50 per child (or 2.5% Gross Income) Maximum $2085 per family

• If you don’t have a certain level of health coverage (employer–based coverage, Medicare, Medicaid, CHIP, TRICARE, certain VA coverage, an individual policy, or a plan in the Marketplace), you may have to pay a fee with your tax return.

• This penalty fee will be assessed when you file your 2014 federal income tax return in 2015.

• Some people may qualify for an exemption from this rule.
People who don’t have health coverage for the following reasons may be exempt from this law:

• Member of a recognized health care sharing ministry.
• Reasons of religious conscience.
• Member of a federally recognized Indian tribe.
• Incarceration
• Income below the tax filing threshold.
• Short coverage gap (less than 3 consecutive months during the year).
• Not lawfully present in the U.S.
• Coverage options are unaffordable (more than 8% of household income).
• Hardship Exemption (several situations qualify for this exemption).
Who is Eligible to Enroll in the Health Insurance Marketplace?

Marketplace eligibility requires that you

• Live in its service area, and...
• Be a U.S. citizen or national or...
• Be a non-citizen who is lawfully present in the U.S. for the entire period for which enrollment is sought
• Not be incarcerated

  can apply for Marketplace if pending disposition of charge
  can apply for Medicaid or CHIP at any time
When Can I Enroll in the Health Insurance Marketplace?

• The next Open Enrollment Period will run from November 15, 2014 through February 15, 2015.

• Special Enrollment Periods are available in certain circumstances throughout the year.

• Members of federally recognized Indian tribes can enroll throughout the year.

HealthCare.gov
You may enroll or change a Qualified Health Plan in response to a triggering event...

• Within 60 days on the Individual Market

• Within 30 days in Small Group Market.

Members of federally recognized Indian tribes may enroll in a QHP (or change from one QHP to another) one time per month.

## Special Enrollment Qualifying Events
(outside of regular enrollment season)

<table>
<thead>
<tr>
<th>Loss of minimum essential coverage</th>
<th>Material contract violations by Qualified Health Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaining or becoming a dependent</td>
<td>Gaining or losing eligibility for premium tax credits or cost sharing reductions</td>
</tr>
<tr>
<td>Gaining lawful presence</td>
<td>Relocation resulting in new or different Qualified Health Plan selection</td>
</tr>
<tr>
<td>Enrollment errors of the Marketplace</td>
<td>Exceptional circumstances</td>
</tr>
</tbody>
</table>
How the Marketplace Works

1. **Create an account**
   First provide some basic information. Then choose a username, password, and security questions for added protection.

2. **Apply**
   Starting October 1, 2013 you’ll enter information about you and your family, including your income, household size, and more. Visit HealthCare.gov to get a checklist to help you gather the information you’ll need.

3. **Pick a plan**
   Next you’ll see all the plans and programs you’re eligible for and compare them side-by-side. You’ll also find out if you can get lower costs on monthly premiums and out-of-pocket costs.

4. **Enroll**
   Choose a plan that meets your needs and enroll! Coverage starts as soon as January 1, 2014.

HealthCare.gov
1-800-318-2596

CMS Product No. 11671
June 2013
Does the Marketplace Tell Me if I Qualify for Medicaid or CHIP?

- Medicaid and the Children’s Health Insurance Program (CHIP) are coordinated with the new Qualified Health Plan coverage.

- A single streamlined application will determine your enrollment options in a QHP, Medicaid, or CHIP.

- There is no wrong door...one application is all that is needed.
What Happens When I Apply to the Marketplace?

Submit streamlined application to the Marketplace
- Online
- By Phone
- By Mail
- In Person

Verify and determine eligibility
- Verification is supported by Data Services Hub

Eligible for Qualified Health Plan, Medicaid, or CHIP
- Premium Tax Credit
- Cost Sharing Reduction

Enroll in Marketplace Qualified Health Plan
- Enroll in Medicaid/CHIP
## Marketplace Affordability

### Financial Help Is Available for Working Families

**Note:** Tax Credits and CSR are not available to consumers who have affordable employer-based insurance coverage available.

<table>
<thead>
<tr>
<th><strong>Tax Credits</strong></th>
<th><strong>Cost Sharing Reduction</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Lower the cost of monthly premiums</em></td>
<td><em>Lowers out-of-pocket spending for health care</em></td>
</tr>
<tr>
<td>• <em>Advance</em> Premium Tax Credits can be taken right away and paid directly to insurer on your behalf.</td>
<td>• Must have income at or below 250% of Federal Poverty Level (FPL).</td>
</tr>
<tr>
<td>• Premium Tax Credits Reconciled at tax time.</td>
<td>• Must also receive premium tax credit.</td>
</tr>
<tr>
<td>• Only available on QHP obtained through the Marketplace.</td>
<td>• Enroll in Marketplace Silver Plan.</td>
</tr>
<tr>
<td>• Amount of tax credit is based on actual household income. 100% - 400% of FPL may be eligible for tax credit.</td>
<td>• Members of federally recognized Indian tribes – no cost sharing if income is less than 300% FPL.</td>
</tr>
<tr>
<td>• $11,670 to $46,680 for an individual</td>
<td></td>
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<tr>
<td>• $23,850 to $95,400 for a family of four</td>
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<tr>
<td>• Report changes in income as soon as possible to avoid an overpayment and balance due at the end of the year.</td>
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</tbody>
</table>
Health plans for one individual, age 27, living in Lake County, SD.

Based on a household size of one and income of $14,700, you may qualify for a **$192/month tax credit** you can choose to apply to your premium for these plans. This tax credit has been applied to the premiums below.

You may also qualify for the **reduced out-of-pocket expenses** shown in the plans below.

### Simplicity $5,000

**HMO | Bronze**  
Sanford Health Plan

- **Monthly premium**  
  *$5/mo*  
  One enrollee Premium before tax credit $197/mo

- **Deductible**  
  *$5,000/yr*  
  Per individual

- **Out-of-pocket Maximum**  
  *$6,350/yr*  
  Per individual

- **Copayments/Coinsurance**:
  - Primary Doctor: 40%
  - Coinsurance after deductible
  - Specialist Doctor: 40%
  - Coinsurance after deductible
  - Generic Prescription: 40%
  - Coinsurance after deductible
  - ER Visit: 40% Coinsurance after deductible
<table>
<thead>
<tr>
<th>Plan Name</th>
<th>Premium Before Tax Credit</th>
<th>Per Individual Before Deductible</th>
<th>Deductible</th>
<th>Out-of-Pocket Maximum</th>
<th>Copayments/Coinsurance:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avera MyPlan $6,000 / 30%</td>
<td>$208/mo</td>
<td>$17/mo</td>
<td>$6,000/yr</td>
<td>$6,350/yr</td>
<td>Primary Doctor: $50</td>
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<td></td>
<td>Specialist Doctor: 30%</td>
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<td>Generic Prescription: $10</td>
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<td>ER Visit: No Charge</td>
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<td>after Deductible</td>
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<td></td>
<td></td>
<td></td>
<td>Coinsurance after deductible: 30%</td>
</tr>
<tr>
<td>Avera MyPlan $2,500 / $6,350 Out-of-Pocket</td>
<td>$209/mo</td>
<td>$25/mo</td>
<td>$350/yr</td>
<td>$700/yr</td>
<td>Primary Doctor: $5</td>
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<td>ER Visit: 20% Coinsurance after deductible</td>
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People with Medicare

- Medicare is not part of the Marketplace.
- If you have Medicare, you’re already covered and don’t have to make any changes.
Support for Small Businesses

• The small business health care tax credit is available to those employers:
  • With fewer than 25 “full time” employees
  • Whose employees’ wages average less than $50,000 per year
  • Who contribute at least 50% of the employees’ premium costs.
  • Who buy health insurance through the SHOP only, starting in 2014

• Available to nonprofit organizations, too.
Where Can I Get Help if I Need It?

- **Website:** HealthCare.gov
- **Toll-Free Call Center:** 1-800-318-2596
  - Customer Representatives 24/7
  - English and Spanish
  - Language Line for 150 additional Languages
- **Trained Navigator:** Kim Jones
  - 692-6391
- **Navigator Locator:** 1-800-371-4987
Other Helpful Resources

http://kff.org/interactive/subsidy-calculator/

www.interlakescap.com

www.navigator.gptchb.org

www.communityhealthcare.net