



changes to

Health Insurance

in 2014

What **YOU** should know,
and why you should care

Changes are on the way...

In March 2010, Congress passed and President Obama signed the Patient Protection and Affordable Care Act, known commonly as ObamaCare or the ACA. The legislation is designed to expand the availability and quality of health insurance in all 50 states. Although some provisions of the act have already been implemented, the major provisions affecting how Americans obtain health insurance and how much they pay for it are just taking effect beginning October 1, 2013.

States have some influence over how the act will be implemented within their boundaries. For this reason, Utah policymakers have been carefully evaluating the ACA's potential impacts so that federal regulations are implemented in ways that will be most beneficial to Utah consumers. Still under consideration is whether Utah should expand coverage by Medicaid, a publically funded insurance program, beyond the expansion already required by the act. You may track these and other ACA-related issues at <http://health.utah.gov/medicaid/provhtml/options.html> and <http://le.utah.gov/asp/interim/Commit.asp?Year=2013&Com=TSKHSR>.

Read on to learn how **YOU** might be affected by the ACA and where to go for more answers to your questions.

Will everyone be required to have health insurance?

Yes, beginning January 1, 2014, the ACA requires nearly everyone to have either private or public health insurance or pay a penalty. To learn more about this requirement and whether you qualify for an exemption, go to <https://www.healthcare.gov/what-if-someone-doesnt-have-health-coverage-in-2014/>.

Either my employer doesn't offer health insurance or I can't afford what's offered. What should I do?

In addition to options you already have for purchasing health insurance, beginning October 1, 2013, you'll be able to purchase coverage in the federal government's new online Health Insurance Marketplace. You may also be eligible for federal subsidies to offset the cost of your premiums, copays, and other medical costs if any of the following apply:

- your employer does not offer health insurance;
- the insurance offered by your employer does not cover at least 60% of a typical enrollee's costs;
- annual premium payments for an employee-only plan offered by your employer total more than 9.5% of your annual household income; or
- you are self-employed.

Subsidies will depend on income and family size and will be available to individuals with household incomes between 100% and 400% of the federal poverty level. You may also be eligible for Medicaid, a publicly funded health insurance program.

	Subsidy Eligibility Limits*		
	Premium Subsidies		Other Subsidies
	Lower	Upper	Upper
Individual	\$11,490	\$45,960	\$28,725
Family of four	\$23,550	\$94,200	\$58,875

*Based on 2013 federal poverty guidelines

To learn whether you are eligible for either Medicaid or subsidized coverage in the federal Health Insurance Marketplace, speak with your insurance agent or go to <https://www.healthcare.gov/how-can-i-save-money-on-marketplace-coverage/>. For other in-person and online assistance, go to <https://www.healthcare.gov/how-do-i-get-help-enrolling-in-the-marketplace/>.

In the past, I haven't been able to purchase health insurance at reasonable rates due to a health condition. What will happen now?

Beginning in 2014, insurers must cover pre-existing health conditions and may not use them as a basis for charging higher rates to certain individuals. However, if you wish to enroll in coverage not sponsored by your employer, you will need to do so during the open enrollment period beginning October 1, 2013, and ending March 31, 2014, to benefit from these changes.

I already have health insurance. Does the Affordable Care Act affect me?

If you purchase your health insurance through an employer and your employer has more than 50 employees, your employer will probably continue offering the same coverage, with annual rate increases roughly equivalent to the past.

If you purchase your health insurance through an employer with 2 to 50 employees, the way you purchase health insurance, the services covered, and the amount you pay may change. If your employer continues to offer coverage, your rates could go either up or down. You may also notice that services for some conditions not previously covered are now covered (for example, mental health and substance abuse services) and that annual and lifetime limits on amounts paid by your insurer have been eliminated. Whether or not you experience these benefit changes will depend on what your existing plan already covers.

I'm an employer. Will I be able to participate in the federal Health Insurance Marketplace?

If you don't offer coverage to your employees, they

will be eligible to purchase health insurance in the federal Health Insurance Marketplace. However, if an employee purchases coverage there and receives a subsidy, you could be subject to a “shared responsibility” employer payment if you have at least 50 full-time equivalent employees. To learn more, go to <https://www.healthcare.gov/what-is-the-employer-shared-responsibility-payment/>.

If you wish to offer coverage, you may use an insurance agent to help you select a plan and, if you have 50 or fewer employees, you may enroll your employees in Avenue H, a health insurance marketplace created by the state of Utah several years ago. In Avenue H, your employees will not be eligible for federal premium subsidies, but you may be eligible as an employer for federal tax credits to help offset premiums you pay on their behalf. To learn more about your options, go to <http://www.avenuelh.com> and <https://www.healthcare.gov/small-businesses/>.

Compared with citizens of other states, how will Utahns fare under the Affordable Care Act?

The ACA’s health insurance provisions will apply to all Americans. However, the effects of those provisions will vary from state to state depending on the nature of each state’s insurance market. In Utah, where policymakers have traditionally allowed insurers to offer plans at more affordable rates, rates for new plans are likely to increase more than rates for plans in states where rates have been more uniform.

For additional information:

<https://www.healthcare.gov/>
<http://kff.org/interactive/subsidy-calculator/>
<http://kff.org/health-reform/video/youtoons-obamacare-video/>