

# The Health Insurance Marketplace

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# Objectives

This session will help you

- Understand the Health Insurance Marketplace
  - Who will benefit
  - Who is eligible
  - Explain the enrollment process

# The Health Insurance Marketplace

New way to buy health insurance when key parts of the health care law take effect

- Enrollment starts October 1, 2013
- Coverage begins January 2014



# How the Marketplace Works

- Coverage to fit individual needs
- May get a break on costs through a new premium tax credit
  - Advance payment of the premium tax credit to the health plan to help lower your monthly premium
- Unbiased help and customer support provided
- Quality health coverage that meets minimum standards
- Easy to use

# How the Marketplace Works

- One process to determine eligibility for
  - Qualified Health Plan through the Marketplace
  - New tax credits to lower premiums
  - Reduced cost sharing
  - Medicaid
  - Children's Health Insurance Program (CHIP)
- Offers choice of plans and levels of coverage
- Insurance companies compete for business

# Marketplace Basic Rules

- Offer Qualified Health Plans that provide basic consumer protections
- Ensure high quality and choice of plans
- Provides information on plan premiums, deductibles, and out-of-pocket costs before you decide to enroll
- Allows you to make apples-to-apples comparison of costs and coverage between health insurance plans

# Qualified Health Plans

- A Qualified Health Plan
  - Is offered by an issuer that is licensed by the state and in good standing
  - Covers Essential Health Benefits
  - Offers at least one plan at the “silver” level and one at the “gold” level of cost sharing
  - Agrees to charge the same premium rate whether offered directly through Marketplace or outside the Marketplace

# Essential Health Benefits

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

Ambulatory patient services

Prescription drugs

Emergency services

Rehabilitative and habilitative services and devices

Hospitalization

Laboratory services

Maternity and newborn care

Preventive and wellness services and chronic disease management

Mental health and substance use disorder services, including behavioral health treatment

Pediatric services, including oral and vision care



# Plan Levels of Coverage

| Levels of Coverage | Plan Pays On Average | Enrollees Pay On Average*<br><i>(In addition to the monthly plan premium)</i> |
|--------------------|----------------------|---|
| Bronze             | 60 percent           | 40 percent  |
| Silver             | 70 percent           | 30 percent  |
| Gold               | 80 percent           | 20 percent  |
| Platinum           | 90 percent           | 10 percent  |

\*Based on average cost of an individual under the plan and may not be the same for every enrolled person.

# Marketplace Establishment

- Each state can choose to
  - Create and run its own Marketplace
  - Partner with Federal government to run some Marketplace functions
  - Have a Marketplace established and operated by the Federal government

# Eligibility and Enrollment

- Marketplace eligibility requires 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

# When You Can Enroll

- Marketplace Initial Open Enrollment Period starts October 1, 2013 and ends March 31, 2014
- Annual Open Enrollment Periods after that start on October 15 and end on December 7
- Special Enrollment Periods available in certain circumstances

# Enrollment Process

- Complete one streamlined application for
  - Qualified Health Plan through the Marketplace
    - Eligibility determination for premium tax credit and reduced cost sharing
  - Medicaid
  - Children's Health Insurance Program (CHIP)
- Applications may be submitted online, by phone, by mail, or in person

# Same Application – Different Results



**Ben applied and bought insurance from the Marketplace.**



**Alice applied and got Medicaid coverage for herself and her daughter.**



**James applied and bought insurance from the Marketplace and qualified for the new tax credit that lowers his monthly premium right away.**

# Marketplace Affordability

- Financial help available for working families includes
  - Tax credits to health plans to lower the monthly premiums qualified individuals pay
  - Reduced cost sharing to lower out-of-pocket spending for health care

# Who is Eligible for the New Premium Tax Credits?

- Eligibility for the new tax credit is based on
  - Household income and family size for the year
  - Income between 100% to 400% of the Federal Poverty Level (FPL) (\$23,550 – \$94,200 for a family of four in 2013)
  - Ineligibility for other health benefits coverage, other than the individual insurance market
- Tax credit amount depends on income as percentage of the FPL
  - Based on a sliding scale
  - Based on the cost of the second lowest silver Qualified Health Plan, adjusted for the age and rating area of the covered person
  - Limits premium payments as a percent of income



# Who is Eligible for a Cost-Sharing Reduction?

- Eligibility for reduced cost sharing is based on
  - Incomes at or below 250% of the FPL (\$58,875 annually for a family of four in 2013)
  - Receiving the new tax credit
  - Meeting enrollment requirements
  - Enrolling in a Marketplace silver-level plan
- Members of Federally-recognized Indian Tribes
  - No cost sharing if income is <300% FPL

# Medicaid Eligibility in 2014

- Option for states to expand Medicaid eligibility to
  - Adults ages 19 – 65 with incomes up to 133% of the FPL (\$15,282/year for an individual, \$31,322/year for a family of 4 (2013 amounts))
- Medicaid coverage for all children
  - With incomes up to 133% of the FPL
- Simplified way of calculating income to determine Medicaid/CHIP eligibility
  - Known as Modified Adjusted Gross Income (MAGI)

# Enrollment Assistance

- Help available in each Marketplace
  - Toll-free call center
  - Website
  - Navigator program
  - Enrollment counselors
  - In-Person Assistors
  - Community-based organizations
  - Agents and brokers (state's decision)

# Assistance

- Agents, brokers **and** navigators can help
  - Find plans
  - Choose the plan that best meets your needs

# Resources Available Now

- <http://www.HealthCare.gov>

## Insurance Finder

- Tool to identify private and public health coverage options
- Sorts through a catalog of options
- Identifies ones that may be right for you

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### Current Topics



#### Get a Break on Costs Starting in 2014

Thanks to a new kind of tax credit and the expansion of some programs, more people than ever will qualify for help that will make insurance affordable.



#### Why It's Important to Have Health Insurance

No one plans to get sick or hurt, but most people need medical care at some point. Health insurance helps pay these costs. Learn how

### HealthCare Blog

Posted January 16, 2013

#### Countdown to Affordable Health Insurance

January is the perfect month for looking forward to new and great things around the corner. I'm feeling that way about the new Health Insurance Marketplace. Anticipation is building, and this... [Continue Reading](#) —

# Key Points to Remember

- ✓ The Marketplace is a new way to find and buy health insurance
- ✓ Individuals and small businesses can shop for health insurance that fits their budget
- ✓ States have flexibility to establish their own Marketplace
- ✓ There is financial help for working families as well as other people with limited income
- ✓ There is assistance available to help you get the best coverage for your needs

# Key Points to Remember

- ✓ You have choices
- ✓ Employer-based coverage will continue
- ✓ Insurance will continue to be sold outside of the Marketplace
  - Purchase from Marketplace not required
- ✓ The Marketplace is the only place to get the
  - New premium tax credits
  - Cost-sharing reductions

# Need more information about the Health Insurance Marketplace?

- Sign up to get email and text alerts at [signup.healthcare.gov](http://signup.healthcare.gov)
- Updates and resources for partner organizations are available at [Marketplace.cms.gov](http://Marketplace.cms.gov)