

A Consumer's Guide

TO THE 2014 AFFORDABLE CARE ACT CHANGES

The Affordable Care Act, signed into law in 2010, has already made meaningful improvements to the U.S. health care system and has established a number of consumer benefits. The ACA's most significant feature begins on January 1, 2014, when many uninsured Americans will have access to health insurance, some for the first time. Here's a primer on how the law might affect you.

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WHAT PARTS OF THE LAW ARE NOW IN PLACE?

- » Individuals and families can apply for and purchase coverage on the health insurance exchanges (also called "marketplaces.")
- » Insurers cannot deny you coverage based on a pre-existing medical condition.
- » There are no annual or lifetime dollar limits on medical coverage.
- » Health plans must offer a comprehensive package of services, called "essential health benefits" (EHB). The EHB has ten categories, including prescription drugs, hospitalization, and mental health treatment.
- » In most cases, preventive services such as annual check-ups, mammograms, and cholesterol screenings will be available with no out-of-pocket costs.
- » Health plans can't cancel your coverage once you get sick – a practice known as "rescission" – unless you committed fraud when you applied for coverage.
- » Insurers have to provide rebates to consumers if the companies spend less than 80 to 85 percent of premium dollars on medical care.

I DON'T HAVE HEALTH INSURANCE BUT WANT TO SIGN UP. WHAT DO I NEED TO DO?

Visit healthcare.gov, the federal health care enrollment website. The website will provide you with information about health plans available in your state, as well federal subsidies you may qualify for. For best results, try to use healthcare.gov during morning, evening, and weekend hours. The middle of the day is the busiest time for the site, which can sometimes mean slowdowns or waiting times. You have until March 31, 2014 to enroll in a health insurance plan, after which, you may incur a penalty for not having health coverage. The next open enrollment period is November 15, 2014 - February 15, 2015.

HOW CAN I COMPARE HEALTH PLANS ON THE EXCHANGE?

The health insurance plans sold on the exchange are grouped together in four categories so you can compare them easily: Platinum, Gold, Silver, and Bronze. The different plans have different levels of monthly costs and out-of-pocket costs. The most expensive are the Platinum plans, which offer the most benefits and less out-of-pocket costs when you get care; while the Bronze plans have the lowest monthly costs but higher out-of-pocket expenses when you get your health care services.

I WANT HEALTH INSURANCE BUT I CAN'T AFFORD IT. WHAT CAN I DO?

Depending on your income, you might be eligible for Medicaid, the federal-state health insurance program for low-income people. Before the health law was passed, most states offered Medicaid coverage only to children under 18, pregnant women, the elderly and disabled individuals. But now, states have the option to offer Medicaid coverage to anyone with an income at or lower than 138 percent of the federal poverty level (about \$16,000 for an individual or \$32,500 for a family of four based on current guidelines). Currently, 25 states and the District of Columbia have chosen to expand Medicaid eligibility. The remaining states have the option to expand their Medicaid programs at any time.

2014 Affordable Care Act Changes



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WHAT IF I MAKE TOO MUCH MONEY FOR MEDICAID BUT STILL CAN'T AFFORD INSURANCE?

You might be eligible for government subsidies to help you pay for private insurance plans sold in the exchanges. These subsidies will be available for individuals and families with incomes between 100 percent and 400 percent of the poverty level, or about \$11,490 to \$45,960 for individuals and \$23,550 to \$94,200 for a family of four (based on current guidelines).

If you earn less than 100 percent of the poverty level and live in a state that does not expand its Medicaid program, you generally cannot qualify for a subsidy to purchase coverage.

I GET MY HEALTH COVERAGE AT WORK AND WANT TO KEEP MY CURRENT PLAN. WILL I BE ABLE TO DO THAT? HOW WILL MY PLAN BE AFFECTED BY THE HEALTH LAW?

If you get insurance through your job, it is likely to stay that way. But your employer is not obligated to keep your current plan and may change premiums, deductibles, co-pays and network coverage. The law has already made several changes to employer-sponsored insurance, including a guarantee that an adult child up to age 26 can stay on her parents' health plan.

Some existing plans, if they haven't changed significantly since passage of the law, do not have to abide by certain parts of the law. These are known as "grandfathered plans." If you're currently in one of these plans and your employer makes significant changes, such as raising your out-of-pocket costs, the plan would then lose its grandfathered status and have to abide by all aspects of the health law.

CAN I PURCHASE INSURANCE ON THE EXCHANGE IF I HAVE EMPLOYER-BASED INSURANCE?

You can purchase insurance on the exchange, but in most cases, you will not qualify for federal subsidies.

I'M OVER 65. HOW DOES THE LEGISLATION AFFECT SENIORS?

Medicare is not included in the new health insurance exchange system, so there is no need for you to enroll in an exchange health plan. But the law does make other changes to Medicare. It is narrowing a gap in the Medicare Part D prescription drug plan known as the "doughnut Hole." The law also expands Medicare's coverage of preventive services, such as screenings for colon, prostate and breast cancer, which are now free to beneficiaries. Medicare will also pay for an annual wellness visit.

WILL I HAVE TO PAY MORE FOR MY HEALTH CARE BECAUSE OF THE LAW?

It depends. Younger people who often paid less for health insurance before the health law may pay more for coverage. Older people may pay less because there are tighter rules governing how much more insurers can charge based on age. People who could not afford insurance before may now be eligible for subsidies to cover the cost of premiums – and possibly out-of-pocket costs as well. Individuals who purchased insurance before may pay more because the law's "essential health benefits" require that more services be covered.

For more information on the Affordable Care Act, please visit the following websites:

www.healthcare.gov/
<http://kff.org/health-reform/>
www.getcoveredamerica.org
www.enrollamerica.org/

Information provided by Kaiser Health News; Healthcare.gov