



Understanding the Health Insurance Marketplace

August 2013



Objectives

This session will help you

- Explain the Health Insurance Marketplace
- Identify who will benefit
- Define who is eligible
- Explain the enrollment process
- Define options for those with limited income
- Locate resources

Session Topics

1. Health Insurance Marketplace
2. Eligibility and Enrollment
3. New way to lower costs
 - Monthly premiums, and
 - Out-of-pocket costs
4. Medicaid and the Children's Health Insurance Program (CHIP)
5. Personalized Assistance
6. Key Points

Introduction

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

Health Insurance Marketplace

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



1. Health Insurance Marketplace

- To provide qualified individuals and employers
 - Access to affordable coverage options
 - Ability to buy certain private health insurance
 - Access to health insurance information
- Allows apples-to-apples comparison of Qualified Health Plans



How the Marketplace Works

- Coverage to fit individual needs
- Marketplace affordability
 - May be able to get lower costs on premiums and out-of-pocket costs
- Unbiased help and customer support provided
- Quality health coverage
- Easy to use

How the Marketplace Works (Continued)

- One process to determine eligibility for
 - Qualified Health Plans 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
- Provide information on plan premiums, deductibles, and out-of-pocket costs before you decide to enroll
- Allow you to compare 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
 - Is offered by an issuer that offers at least one plan at the “silver” level and one at the “gold” level of cost sharing
 - Is offered by an issuer that agrees to charge the same premium rate whether offered directly through the 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 (pediatric oral services may be provided by stand-alone plan)

Plan Levels of Coverage

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

*Based on the aggregate cost under the plan when benefits are provided to a standard population. This may not be the same for every (or any specific) enrolled person.

Catastrophic Plans

- Who is eligible?
 - Young adults under 30 years of age
 - 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



Minimum Essential Benefits

- Starting in 2014, most people must have health coverage or pay a fee
 - If you don't have a certain level of health coverage (employer 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
 - Starting when you file your 2014 Federal tax return in 2015
 - Some people may qualify for an exemption

Small Business Health Options Program (SHOP)

- The Small Business Health Options Program is a Marketplace for small businesses and their employees
 - Beginning 2014, small businesses will have more choice and control over health insurance spending
 - Choices among Qualified Health Plans to meet every budget
 - Access to tax credits for eligible employers
 - New consumer protections

How SHOP Works

- Small employers with fewer than 100 FTE employees can qualify
 - Most states will keep upper limit of 50 FTEs for 2014/2015
 - Employer will access SHOP where its principal business office is located or through its employee's primary work sites
 - Employer must offer coverage to all full-time employees
- Sole proprietors
 - May buy through the individual Marketplace rather than through SHOP

Marketplace Establishment

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

State Establishing a Marketplace

- State-based Marketplace can be operated by
 - Non-profit entity
 - Independent governmental agency
 - Existing state agency
 - State Medicaid agency
 - Department of Insurance
 - Other

State Not Establishing a Marketplace

- If state does not establish a Marketplace
 - The Marketplace will be established by the Federal government
 - States can work in partnership with the Department of Health and Human Services (HHS) to perform activities in the
 - Plan management, and/or
 - Consumer assistance, education, and outreach
- A state may seek approval in subsequent years to establish and operate its own State Marketplace

Marketplace Establishment Funds

- Federal support for initial costs
 - Federal grants available to states to plan for and establish Marketplace
 - Grants must be awarded before January 1, 2015
 - After January 1, 2015
 - No grants awarded for operational costs
 - Marketplace will be financially self-sustaining

2. Eligibility and Enrollment

- Marketplace eligibility requires you to
 - 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/CHIP at any time

When You Can Enroll in the Individual Market

- 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 during the year

Initial Open Enrollment Period for the Individual Market

- October 1, 2013 – March 31, 2014

Enroll during the Initial Open Enrollment Period

Your coverage is effective

On or before
December 15, 2013

January 1, 2014

Between the 1st and 15th day
of January - March

First day of the following month

Between the 16th and the last
day of December - March

First day of second following
month

- Some exceptions may allow for earlier effective dates

Special Enrollment Period

- May enroll or change Qualified Health Plan
 - Within 60 days in individual market and 30 days in small group market from triggering event

Special Enrollment Period Qualifying Events

Loss of minimum essential coverage	Material contract violations by Qualified Health Plans
Gaining or becoming a dependent	Gaining or losing eligibility for premium tax credits or cost-sharing reductions
Gaining lawful presence	Relocation resulting in new or different Qualified Health Plan selection
Enrollment errors of the Marketplace	Exceptional circumstances

Special Enrollment Period for Members of Federally-Recognized Indian Tribes

- May enroll in a Qualified Health Plan (QHP)
 - One time per month
- May change from one QHP to another
 - One time per month

How the Marketplace Works



Create an account

First you'll provide some basic information. Sign up for Marketplace emails now and we'll let you know as soon as you can create an account.

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.

Pick a plan

Next you'll see all the plans and programs you're eligible for and compare them side-by-side.

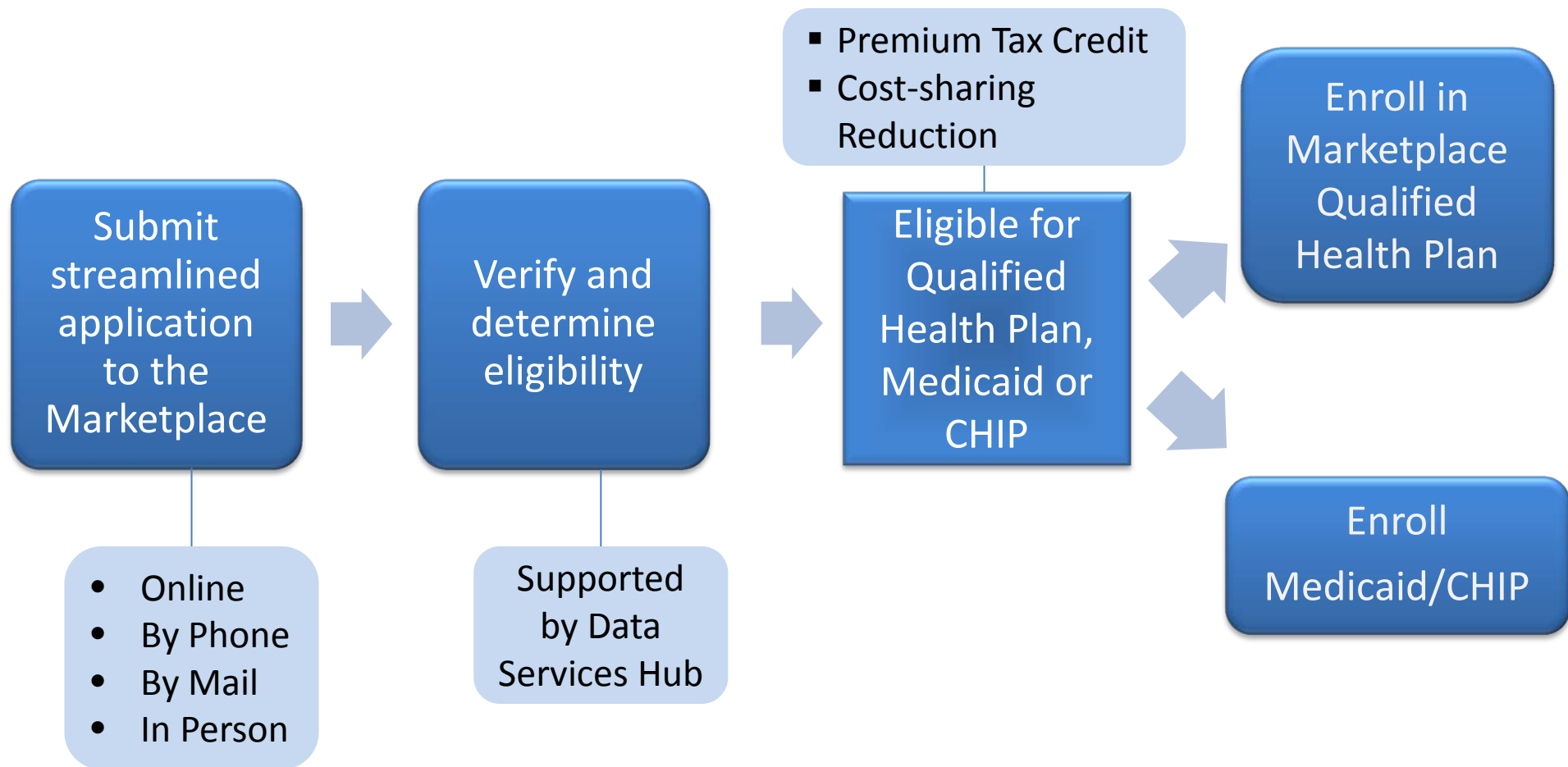
You'll also find out if you can get lower costs on monthly premiums and out-of-pocket costs.

Enroll

Choose a plan that meets your needs and enroll!

Coverage starts as soon as January 1, 2014.

Application and Eligibility



The Application

- Available electronically and on paper
 - English and Spanish
- Federal form
 - Dynamic online version (asks only relevant questions based on your prior responses)
 - Streamlined paper version
- State-run Marketplace may have own version
- Help will be available to complete application

3. Marketplace Affordability

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

A New Way to Lower Premium Costs

- A new refundable or Advanced Premium Tax Credit (APTC) that lowers the cost of Qualified Health Plans
- Eligibility is based on
 - Household income, and family size (at end of year)
 - Income between 100% to 400% of the Federal Poverty Level (FPL) (\$23,550 – \$94,200 for a family of four in 2013)
 - Obtaining qualified health insurance through the Marketplace
 - Ineligibility for government-sponsored coverage, affordable employer-sponsored insurance, or certain other minimum essential coverage

How much is the Premium Tax Credit?

- The amount of the Premium Tax Credit (PTC) depends on
 - **Actual** household income as a percentage of the Federal Poverty Level (FPL) and family size
 - The premium for the second lowest cost silver level Qualified Health Plan, referred to as the benchmark plan, adjusted for the age of the covered person
 - A sliding scale that increases the taxpayer's own contribution towards the premium cost as household income as a percentage of the FPL increases

Do I have to wait until I file my taxes to get the tax credit?

- You can reduce your premium amount up front
 - You can choose an Advance Premium Tax Credit (APTC)
 - You choose the amount (up to the maximum)
 - Advance payments are paid directly to the insurer on your behalf
- The amount is based on **projected** household income
 - Reconciled at tax time against the actual Premium Tax Credit amount you are eligible for
 - Report income changes immediately to avoid an overpayment and balance due

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 Premium Tax Credit
 - Enrolling in a Marketplace silver-level plan
- Members of Federally-recognized Indian Tribes
 - No cost sharing if income is <300% FPL

4. Medicaid and CHIP

- Medicaid and the Children's Health Insurance Program (CHIP)
 - Eligibility for health coverage extended under the new law
- Simplifies eligibility
- Coordinated with new Qualified Health Plan coverage
 - No wrong door if you apply through the Marketplace
 - Streamlined application for affordability programs
 - New website with program information and option to enroll

Medicaid Eligibility in 2014

- Creates new opportunities for states to expand Medicaid eligibility to
 - Adults ages 19 – 64 with incomes up to 133% of the Federal Poverty Level (FPL) (\$15,282/year for an individual, \$31,322/year for a family of 4 (2013 amounts))
- Ensures Medicaid coverage for all children
 - With incomes up to 133% of the FPL
- Shifts to simplified way of calculating income to determine Medicaid/CHIP eligibility
 - Known as Modified Adjusted Gross Income (MAGI)-based method

Simplifying Medicaid and CHIP

- Eligibility process to rely primarily on electronic data
 - Reduce need for paper documentation
- Apply on-line, by phone, by mail, or in person
- 12-month eligibility period for
 - Adults
 - Parents
 - Children
- Simplified process for renewing coverage



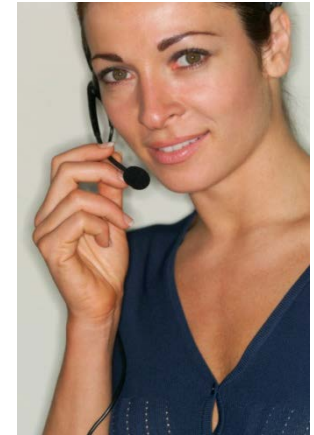
5. Enrollment Assistance

- Help available in Marketplaces
 - The Marketplace Toll-Free Call Center
 - Certified Assisters
 - Navigators program
 - Non-Navigator in-person assisters
 - Agents and brokers
 - HealthCare.gov and state Marketplace websites

National Marketplace Toll-Free Call Center

for Federally Facilitated and State-Partnership Marketplaces

- 1-800-318-2596 (TTY 1-855-889-4325)
 - Customer service representatives - 24/7
 - English and Spanish
 - Language line for 150 additional languages
- June – September
 - Provide general information to individuals in the Marketplace and **employees** of SHOP employers
 - SHOP call center for **Employers** – opens in August
- Starting October
 - Eligibility, enrollment and referral assistance



Navigator Program

- Grant program administered by each Marketplace
 - Navigators will
 - Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities
 - Distribute fair, accurate, and impartial information about enrollment in Qualified Health Plans (QHP) and other health programs such as Medicaid and CHIP
 - Facilitate selection of a QHP
 - Refer consumers to other programs
 - Provide information in a manner that is culturally and linguistically appropriate and accessible for people with disabilities

Navigator Program – Continued

for Federally Facilitated and State-Partnership Marketplaces

- Navigators must
 - Be certified
 - Must take initial web-based training
 - Must take required on-going training
 - Be recertified annually
 - Not accept direct or indirect compensation from issuers related to enrollment in QHPs or non-QHPs
 - Meet reporting requirements – progress, financial, and performance
- Mid-August – Notification of grant approval
- Starting in September, find Navigators and other assisters through the Call Center or on HealthCare.gov

Agents and Brokers

- Agents or brokers may be a Navigator if all Navigator standards are met
 - Can't be receive direct or indirect compensation by issuer related to enrollment in QHPs and non-QHPs
- Agents and brokers may help
 - In providing information on QHPs
 - In helping people enroll
- Agent and broker training will be available in August
 - Must be appropriately registered to conduct business in the Marketplace

People with Medicare

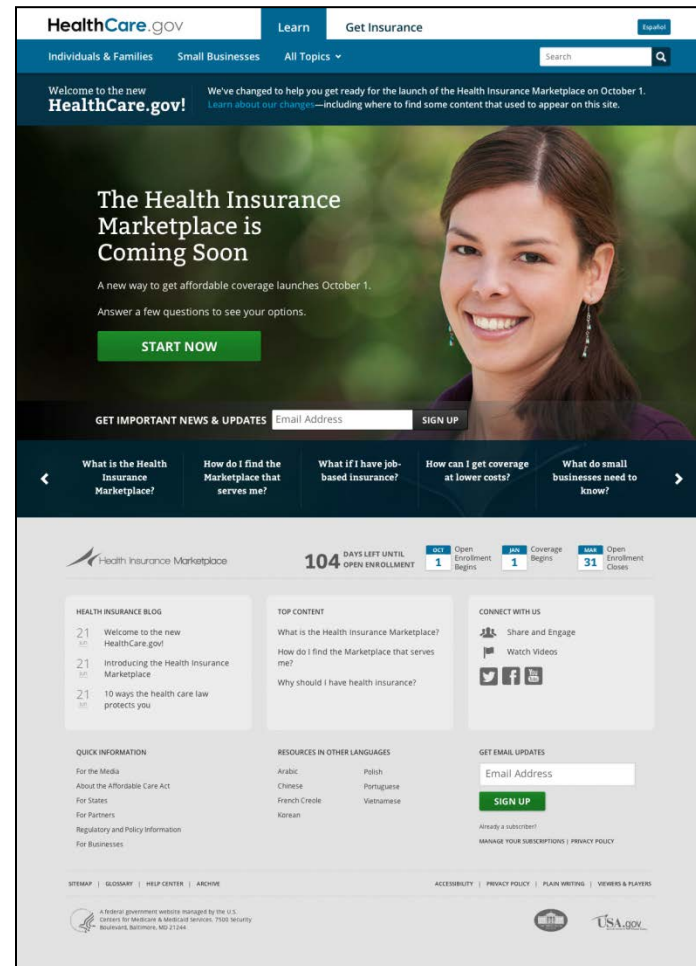
- Medicare isn't part of the Marketplace
- If you have Medicare you're already covered and don't have to make any changes

Pre-existing Condition Insurance Plan (PCIP) Transition

- Temporary program covering those with pre-existing conditions
 - PCIP program ends December 31, 2013
- Marketplace coverage can begin January 1, 2014
- PCIP enrollees who want coverage in the Marketplace
 - Need to apply by December 7, 2013, for no break in coverage
 - No automatic transition

HealthCare.gov

- Cuidadodesalud.gov for Spanish
- The consumer site for info now, application and plan comparison in Oct
- Social media connections
- Responsive design
- Accessible for those with visual disabilities



Marketplace.cms.gov

Get the latest resources to help people apply, enroll, and get coverage in 2014

The screenshot shows the homepage of the Health Insurance Marketplace. At the top, there is a navigation bar with links for 'CMS.gov', 'About CMS', 'FAQs', 'Print', and 'Share'. A search bar is located on the right side of the header. Below the header, the main content area features the 'Health Insurance Marketplace' logo and a message: 'Starting this fall, there'll be a new way for people to buy health insurance - the Health Insurance Marketplace. Get the latest resources to help people apply, enroll, and get coverage in 2014.' A prominent blue button labeled 'Get updates >' is centered below this message. Below the main content, there are two dark navigation buttons: 'Get official resources >' and 'Explore research >'. The page is divided into three main sections: 1. 'Resource spotlight' on the left, which includes an image of a document and a 'Get presentation >' button. 2. 'Looking for consumer information?' in the middle, which includes a 'Get consumer information >' button. 3. 'Have questions?' on the right, which includes a 'Get answers >' button. At the bottom, there is a footer with the CMS.gov logo and the text 'Stay connected with the Marketplace' followed by social media icons for Twitter and Facebook.

A Look Ahead

August 2013

- Expect training to begin for consumer assisters like Navigators as well as for agents and brokers
- SHOP (Employer) Call Center live

October 1, 2013

Open enrollment in the Health Insurance Marketplace begins

January 1, 2014

- Coverage through Health Insurance Marketplace begins (as early as)
- Discrimination due to pre-existing conditions or gender is prohibited
- Annual Limits on Insurance Coverage will be eliminated
- Advanced Premium Tax Credits will be available
- The Small Business Tax Credit will increase
- More people will be eligible for Medicaid (in some states)

6. Key Points to Remember

- ✓ The Marketplace is a new way to find and buy health insurance
- ✓ Qualified individuals and employers can shop for health insurance that fits their budget
- ✓ States have flexibility to establish their own Marketplace
- ✓ Individuals and families may be eligible for lower costs on their monthly premiums and out-of-pocket costs
- ✓ 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

5 Ways to Connect With the Marketplace

1. Sign up for email or text updates:
HealthCare.gov/subscribe
2. [Twitter.com/HealthCareGov](https://twitter.com/HealthCareGov) - Follow @HealthCareGov
3. [Facebook.com/HealthCareGov](https://facebook.com/HealthCareGov)
4. [Youtube.com/HealthCareGov](https://youtube.com/HealthCareGov)
5. The Health Insurance Blog:
<http://www.healthcare.gov/blog/>