

The Affordable Care Act (ACA): *The Health Insurance Marketplace and Medicaid*

**Presentation by:
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November 7, 2019

Welcome!

Goals of the Affordable Care Act (ACA)

- Expand health insurance coverage
- Improve coverage for those with health insurance
- Improve access to, and quality of, care
- Control rising health care costs

Health Reform Implementation Timeline

2010

- Adult dependent coverage until age 26
- No lifetime caps
- No rescinding of coverage
- Pre-existing condition insurance plan
- Children cannot be denied based on pre-existing conditions
- Small business tax credits
- Premium review

2011-2013

- No cost-sharing for preventive services in Medicare and Medicaid
- Increased payments for primary care
- New delivery system models in Medicare and Medicaid
- Navigators and IPC groups are funded

2014

- Medicaid expansion
- Health Insurance Marketplaces
- Premium subsidies
- Insurance market rules—prohibition on denying coverage or charging more to those who are sick, standardized benefits
- Individual mandate
- Employer requirements (2015)

Benefits & Protections as a Result of Health Reform

Benefits

- Allows adult children to remain on their parents' health insurance policy until age 26
- Certain preventive services are covered at no cost including well-care visits
- Contraceptive coverage and STI testing/counseling with no co-pays

Protections

- No lifetime caps or limits
- Insurance companies cannot drop coverage because of illness
- People with pre-existing conditions cannot be denied insurance or charged more (*2010 for children and 2014 for adults*)
- Medical loss ratio (80-85% of premium must go to pay medical claims)

Making Insurance Affordable

Insurance is made more affordable in 3 ways:

- Providing financial assistance in the form of “Advanced Premium Tax Credits” to those with incomes between 139% and 400% FPL;
- Providing out-of-pocket Cost-Sharing to those with incomes between 139% and 250% FPL, when purchasing Silver plans; and,
- Expanding Medicaid (public insurance) to those with incomes up to 138% Federal Poverty Level (FPL).

You can apply and qualify for all of these through the Marketplace.

The Health Insurance Marketplace

(Healthcare.gov)

What You Need to Know About the Marketplace

- ✓ There are new, affordable options available for people without insurance.
- ✓ All plans have to cover doctor visits, hospitalizations, maternity care, emergency room care, and prescriptions.
- ✓ Financial help is available so you can find a plan that fits your budget.
- ✓ All insurance plans have to show the costs in simple language with no fine print.

The Health Insurance Marketplace

- People can enroll through the Marketplace online at **healthcare.gov**, over the phone (800-318-2596), or using a paper version.
- Open enrollment in the Health Insurance Marketplace is from November 1, 2019, through December 15, 2019.
- For health insurance to start January 1, 2020, you must enroll by December 15, 2019.
- People will find out if they are eligible for Medicaid, premium subsidies (Advance Premium Tax Credits), and cost-sharing subsidies *through one application*.

Special Enrollment Periods

- People can enroll outside of the Open Enrollment Period within 60 days of certain circumstances:
 - Losing insurance from a job
 - Having a baby
 - Moving to a new zip code
 - Change in tax household
 - Turning 26 and losing dependent coverage
 - And more!

Who can shop in the Marketplace?

- Uninsured individuals
- People on individual health insurance plans
- People who purchase dependent coverage
- People with COBRA health insurance
- Self-employed people with no employees
- Families
- Small businesses
- People whose health insurance is unaffordable (more than 9.78% of their annual income-self only)
- Must be U.S. citizen, visa holder, or permanent resident (green card)

Who CANNOT shop in the Marketplace?

- People with Medicare
- People with Medicaid
- Individuals who are currently incarcerated and are serving a sentence
- Undocumented individuals

What Will Marketplace Plans Cover?

Plans through the Marketplace will be considered Qualified Health Plans (QHPs) and must include **10 Essential Health Benefits** at a minimum:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment (this includes counseling and psychotherapy)
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services

What Will Marketplace Plans Cover?

Cont'd.

About dental coverage in the Marketplace:

- Under the health care law, dental insurance is treated differently for adults and children 18 and under.
- Dental coverage for children is an essential health benefit. This means it must be available to you as part of a health plan or as a free-standing plan.
- This is not the case for adults. Insurers don't have to offer adult dental coverage.
- Some plans may offer dental coverage. You can also purchase stand-alone dental insurance, but only if you are also purchasing a health insurance plan through the Marketplace.

Levels of Coverage in Health Plans

- There will be 5 different levels of coverage:
 - Catastrophic (limited)
 - Bronze (60%)
 - Silver (70%)
 - Gold (80%)
 - Platinum (90%)

CATASTROPHIC	less than 60%	of the total average costs of care
BRONZE	60%	of the total average costs of care
SILVER	70%	of the total average costs of care
GOLD	80%	of the total average costs of care
PLATINUM	90%	of the total average costs of care

The % refers to how much of the total cost of medical services that the plan is designed to pay for, on average (also known as the actuarial value).

Levels of Coverage in Health Plans, *continued*

- The benefits between levels will be the same but the cost-sharing (deductibles, copays, coinsurance) will vary.
- The lower the level of the plan, the lower the monthly premiums, but the higher your out-of-pocket costs might be.
- All plans will have a maximum out-of-pocket limit for your protection. If you reach that limit, the health plan has to cover all your costs for the rest of the year.
- All levels will have to cover all 10 Essential Health Benefits.

Catastrophic Health Plans

- These plans are available to individuals under the age of 30.
- Individuals age 30 and over, who have received a hardship exemption, may be able to buy a catastrophic plan.
- In the Marketplace, catastrophic policies will have a deductible of \$8,150. They also cover free preventive benefits.
- If you buy a catastrophic plan in the Marketplace, you cannot get financial assistance based on income.

Plans Offered in Champaign County

- In 2020, plans will be offered by 2 companies:
 - Health Alliance Medical Plans
 - Blue Cross Blue Shield of Illinois
- For most individuals and families, who did not qualify for Medicaid, there will be 17 plans in the Marketplace offered locally.
- The average rate change for the cheapest bronze plan in our area has decreased between 0%-5%.

Making Insurance Affordable

Insurance is made more affordable in 3 ways:

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- Providing out-of-pocket Cost-Sharing to those with incomes between 139% and 250% FPL, when purchasing Silver plans; and,
- Expanding Medicaid (public insurance) to those with incomes up to 138% Federal Poverty Level (FPL).

You can apply and qualify for all of these through the Marketplace.

Advanced Premium Tax Credit (subsidies)

- A **Premium Tax Credit** is a refundable credit that helps reduce premiums for health insurance purchased through the Health Insurance Marketplace (about 80% of those buying Marketplace plans qualify for Premium Tax Credit).
- The tax credit can be taken in advance and paid to the health insurance company to reduce your premium or at the end of the year in a lump sum.
- Changes every year with the Federal Poverty Level
- Can only be received through [Healthcare.gov](https://www.healthcare.gov)

Cost Sharing Reduction (CSR)

- Cost sharing is consumer's portion of healthcare costs (deductibles, copay, coinsurance).
- Cost sharing reduction is a discount on deductibles, copays, and coinsurance on Silver plans and it is still available.

Income Guidelines

Annual Income Guidelines for Affordable Health Insurance

Based on the 2019 Federal Poverty Level (FPL)

Household Size	Below 138% FPL	Between 138%-400% FPL
1 person	\$0 - \$17,236	\$17,236 - \$49,960
2 people	\$0 - \$23,336	\$23,336 - \$67,640
3 people	\$0 - \$29,435	\$29,435 - \$85,320
4 people	\$0 - \$35,535	\$35,535 - \$103,000

Affordable Insurance Options Available	Expanded Medicaid	Marketplace Plans with Premium Subsidies (Advanced Premium Tax Credits)
Where To Apply	abe.illinois.gov	healthcare.gov 1 (800) 318-2596

What Counts as Income?

What Counts

- Wages, salaries and tips
- **Net** income from any self-employment or business
(generally the amount of money you take in minus your business expenses)
- Unemployment compensation
- Social Security payments, including disability payments
- Alimony
- Retirement income, investment income, pension income, rental income, and other taxable income

What Doesn't Count:

- Child support
- Gifts
- Supplemental Security Income (SSI)
- Veterans' disability payments
- Workers' compensation
- Proceeds from loans

About Expanded Medicaid

- As mentioned earlier, one way insurance has been made more affordable is by expanding Medicaid.
- It is often called the medical card or public aid.
- Medicaid is health insurance that is offered by the government and it will cover the 10 Essential Health Benefits *just like the private plans* offered in the Marketplace.
- Expanded Medicaid for adults has no monthly premiums.

About Expanded Medicaid, *continued*

- Medicaid expanded in 2014. The income limit went up slightly and categorical requirements were removed to allow more individuals to qualify.
- Also, Medicaid will not be looking at assets (just the types of income we mentioned earlier) for individuals under age 65.
- Illinois Medicaid application: abe.illinois.gov

HealthChoice Illinois or Managed Care

<u>Blue Cross</u> <ul style="list-style-type: none"> • OSF Heart of Mary (formerly Presence) • <u>Rosecrance</u> 	<u>Illinicare</u> <ul style="list-style-type: none"> • OSF Heart of Mary (formerly Presence) • Promise Healthcare (Frances Nelson & <u>SmileHealthy</u>) • <u>Rosecrance</u> 	<u>Meridian</u> <ul style="list-style-type: none"> • Carle • Promise Healthcare (Frances Nelson & <u>SmileHealthy</u>) • OSF Heart of Mary (formerly Presence) • <u>Rosecrance</u> 	<u>Molina</u> <ul style="list-style-type: none"> • Carle • Christie Clinic • Promise Healthcare (Frances Nelson & <u>SmileHealthy</u>) • OSF Heart of Mary (formerly Presence) • <u>Rosecrance</u>
<ul style="list-style-type: none"> - \$0 copays for doctor/ER visits and prescriptions - Extra dental care for adults - A car seat, portable crib, or diapers - Members with developmental disabilities can go for practice visits with dentist - Transportation to a pharmacy after a doctor visit - A \$40 credit towards upgraded glasses frames every 2 years - In-home diabetes testing kits 	<ul style="list-style-type: none"> - \$0 copays for doctor/ER visits and prescriptions - In home health tools as well as in home testing kits for diabetes and heart disease 	<ul style="list-style-type: none"> - \$0 copays for doctor/ER visits and prescriptions - Transportation to pharmacies, medical equipment providers, and WIC food assistance sites - No limit on eyeglasses for members 21 and younger - Nutrition services, counseling, and programs as well as a free weight watchers membership - Smoking cessation - \$10 worth of OTC items delivered to your home monthly 	<ul style="list-style-type: none"> - \$0 copays for doctor/ER visits and prescriptions - Extra dental care for adults - Gift cards for keeping prenatal, postpartum, and well-baby appointments - Transportation to pharmacies, medical equipment providers, and WIC food assistance sites - A \$40 credit towards a pair of upgraded eyeglasses every year - Programs to help manage diseases, weight, as well as smoking cessation services

Getting Ready to Enroll!

Getting Ready & Tips

- **Gather information** for you and your family, like birthdates, Social Security Numbers, and household income.
- The applications may need **documentation** such as birth certificates, state ID/driver's license, Social Security cards, immigration documents, and paystubs.
- If you have a preference on **where you get your care**, or you already established doctors, or need certain prescriptions, research what insurances companies are accepted by those providers and meet your prescription needs.
- If you believe you may qualify for **Medicaid**, go directly to the Medicaid application at abe.illinois.gov.
- If you need help, **set up an appointment** for in-person assistance.
- Be patient!

Getting Ready & Tips: Glossary

- **Premium:** The amount paid, often on a monthly basis, for health insurance.
- **Cost-Sharing:** A feature of health plans where beneficiaries are required to pay a portion of the costs of their care. Examples of costs include co-payments, coinsurance and annual deductibles.
- **Advanced Premium Tax Credits:** A tax credit you can take in advance to lower your monthly health insurance payment.
- **Deductible:** A feature of health plans in which consumers are responsible for health care costs up to a specified dollar amount.
- **Out-of-pocket Maximum:** A yearly cap on the amount of money individuals are required to pay for health care costs, excluding the premium cost.

How To Apply

1. Online

- **Healthcare.gov** for the Marketplace
- **Abe.illinois.gov** for the Medicaid application
- If you are unsure what you qualify for, you can use the lower costs tool on Healthcare.gov
<https://www.healthcare.gov/lower-costs/>

2. By phone

- National Call Center: 1
(800) 318-2596

3. By paper

4. In person at Enrollment Locations

Where Can You Get Help To Enroll?

- People will need help applying for private insurance and Medicaid through the Illinois Health Insurance Marketplace.
- There are local agencies that have received state and federal funding to provide In-Person assistance, enrollment and outreach as well as volunteer Certified Application Counselor (CAC) organizations like CCHCC.
- Open enrollment: November 1, 2019 – December 15, 2019, for insurance to start as early as January 1, 2020.

5 Steps to Renew Your Coverage

Do you already have health insurance through the Marketplace?

To stay covered through the Marketplace for 2020, you'll need to follow 5 Steps during Open Enrollment:

1. Review your current plan's 2019 health coverage and costs.

- *You should have received two notices about your coverage -- one from your health insurance company about 2020 rates, and one from the Health Insurance Marketplace about your tax credit for 2020.*

5 Steps to Renew Your Coverage

continued

- 2. Update** your Marketplace application, starting November 1.
 - *You may be eligible for more tax credits!*
- 3. Compare** the health plans available to you in 2020.
 - *There will be different plan options!*
- 4. Choose** the plan that best meets your needs.
- 2. Enroll** in the health plan you want for 2020 coverage, by December 15, 2019.

Appealing a Decision

- If you disagree with the eligibility determination made by the Health Insurance Marketplace, you CAN appeal.
- Appeals are made by mail:
 - Health Insurance Marketplace
 - 465 Industrial Blvd.
 - London, KY 40750-0061
- You can download the Appeal Request Form online at healthcare.gov or write your own letter.
- Be sure to include your application ID number and any supporting documents to make your case.

Exemptions from the Individual Responsibility Payment

Individual Responsibility Payment

- Although still a part of the ACA law the Individual Responsibility Payment has been reduced to \$0 therefore in 2019 it will **NOT** be enforced.
- **Exemptions:** You can apply if you are part of a religion that opposes having an insurance policy, incarcerated persons, if your income is below the threshold for filing a tax return, or if you have to pay more than 9.78% of your income towards health insurance.

Hardship Exemption

Examples for Hardship Exemptions include:

- Facing eviction or being evicted within the past 6 months
- Being Homeless
- Received shut-off notice from utility company
- Experienced Domestic Violence
- Filed for bankruptcy within the past 6 months
- Had medical expenses in the past 12 months resulting in substantial debt

These exemptions are applied to the remaining months of the coverage year and should be done as soon as possible if you are needing a Special Enrollment.

Applying for an Exemption

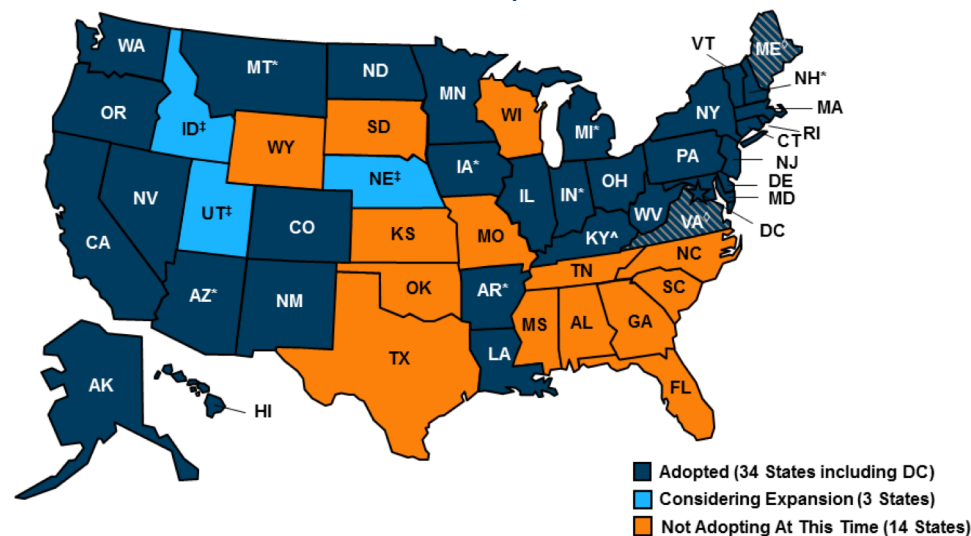
- There are more options for exemptions based on individual needs and situations.
- The list of exemptions is available online at [Healthcare.gov](https://www.healthcare.gov) and CCHCC will be able to assist in the process.

The Affordable Care Act Going Forward

Going Forward

- Threats to Medicaid
 - Work requirements
 - This has resulted in people losing medical coverage.
 - Issues expanding
 - Several states have still not expanded Medicaid.
 - Public Charge
 - Creating fear among immigrants about using programs for which they are eligible.

Status of State Medicaid Expansion Decisions



Going Forward, *continued*

- Threats to the ACA
 - Healthcare.gov shutdown for maintenance
 - Sunday mornings 12am-12pm, except on Dec. 15th.
 - *Texas vs. Azar*
 - Will determine if ACA is constitutional
 - Waiting on decision from 5th Circuit soon, but would still be a long time before anything changed.
 - Short Term Ins. Plans
 - Lack essential benefits like mental health, prescription coverage, and do not cover pre-existing conditions.
 - Only meant as a stop gap measure, not to replace comprehensive health insurance coverage.

What You Can Do to Help!

Resources

Illinois Health Insurance Marketplace – “Get Covered Illinois”
www.GetCoveredIllinois.gov

Marketplace Application Website: <http://healthcare.gov/>

Illinois Medicaid Website: <http://abe.illinois.gov/>

Premium and Tax Credit Estimates:
<http://www.healthcare.gov/see-plans/>

CCHCC website: <http://www.healthcareconsumers.org>

Champaign County Health Care Consumers

(217) 352-6533 | cchcc@cchcc-il.org

Thank You!

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