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From Pinnacle Corporation



Health Care Reform: Health Insurance Marketplace FAQs

What is a Health Insurance Marketplace?

The Health Insurance Marketplace (Marketplace) is a way to find health coverage that fits your budget and meets your needs. With one application, you can see all your options and enroll. The Marketplace is sometimes known as a health insurance Exchange.

When you use the Marketplace, you'll fill out an application and find out whether you can get lower costs on your monthly premiums for private insurance plans. You'll also find out if you qualify for:

- Lower out-of-pocket costs; or
- Free or low-cost coverage available through Medicaid or the Children's Health Insurance Program (CHIP).

Open enrollment for 2017 is from Nov. 1, 2016, to Jan. 31, 2017. For 2017, coverage can start as early as Jan. 1.

Insurance plans in the Marketplace are offered by private companies, and they all cover the same core set of benefits, known as essential health benefits. No plan can turn you away or charge you more because you have an illness or medical condition, and plans can't charge women more than men.

The Marketplace simplifies your search for health coverage by gathering the options available for your area in one place. With one application, you can compare plans based on price, benefits, quality and other features important to you before you make a choice. You can also get help online, by phone or in person.

In the Marketplace, information about prices and benefits is written in simple language. You get a clear picture of what premiums you'd pay and what benefits and protections you'd get before you enroll. Compare plans based on what's important to you and choose the combination of price and coverage that fits your needs and budget.

The Marketplace simplifies your search for health coverage by gathering the options available for your area in one place.

What does Marketplace health insurance cover?

All private health insurance plans offered in the Marketplace offer the same set of essential health benefits. These benefits include at least the following items and services:

- Ambulatory patient services (outpatient care you get without being admitted to a hospital)
- Emergency services
- Hospitalization
- Maternity and newborn care (care before and after your baby is born)
- Mental health and substance use disorder services, including behavioral health treatment (this includes counseling and psychotherapy)
- Prescription drugs



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- Rehabilitative and habilitative services and devices (services and devices to help people with injuries, disabilities or chronic conditions gain or recover mental and physical skills)
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services

Am I eligible for coverage in the Marketplace?

Most people are eligible for health coverage through the Marketplace. To be eligible for health coverage through the Marketplace, you:

- Must live in the United States
- Must be a U.S. citizen or national (or be lawfully present)
- Can't be currently incarcerated

What if I am a U.S. citizen living outside the United States?

U.S. citizens living in a foreign country are not required to get health insurance coverage under the health care reform law. If you're uninsured and living abroad, you don't have to pay the fee that other uninsured U.S. citizens may have to pay.

Generally, health insurance coverage in the Marketplace covers health care provided by doctors, hospitals and medical services within the United States. If you're living

abroad, it's important to know this before you consider buying Marketplace insurance.

What if I am a resident of a U.S. territory?

U.S. territories decide whether to create their own Marketplaces or expand Medicaid coverage. Residents of a U.S. territory aren't eligible to apply for health insurance using the federal or state Marketplace.

Check with your territory's government offices to learn about these options.

What is the Marketplace in my state?

Some states run their own Marketplaces, some partner with the federal government to help run their Marketplaces and some let the federal government operate Marketplaces for them. A map highlighting states' decisions can be found [here](#).

Can I keep my own doctor?

That depends on the plan or network you are in. Most health insurance plans offered in the Marketplace have networks of hospitals, doctors, specialists, pharmacies and other health care providers. Networks include health care providers that the plan contracts with to take care of the plan's members. Depending on the type of policy you buy, care may be covered only when you get it from a network provider.

When comparing plans in the Marketplace, you will see a link to a list of providers in each plan's network. If staying with your current doctor is important to you, check to see whether he or she is included before choosing a plan.

What if I have a pre-existing health condition?

Being sick doesn't keep you from getting coverage. An insurance company can't turn you down or charge you more because of your condition.

How much does Marketplace health insurance cost?

All insurance plans available through the Marketplace are offered by private insurance companies. They decide which plans to offer and how much each costs.

All Marketplace plans must be approved by state insurance departments and certified by the Marketplace. Prices are approved by state insurance departments as required by state law.

When you use the Marketplace to compare plans, you'll see prices for all plans available to you. Prices show any cost savings you may be eligible for based on your income. These lower costs are available only in the Marketplace.

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What range of prices and plans are available?

Some Marketplace health plans have lower monthly premiums and may charge you more out-of-pocket costs when you need care. Some are higher-premium plans that cover more of your costs when you need care. Others fall in between. All plans cover the same essential health benefits.

How can I get lower costs on Marketplace coverage?

When you use the Marketplace you may be able to get lower costs on monthly premiums or out-of-pocket costs, or get free or low-cost coverage.

You can save money in the Marketplace in three ways. All of them depend on your income and family size.

- You may be able to lower costs on your monthly premiums when you enroll in a private health insurance plan.
- You may qualify for lower out-of-pocket costs for copayments, coinsurance and deductibles.
- You or your child may get free or low-cost coverage through Medicaid or CHIP.

When you fill out your Marketplace application, you'll find out how much you can save.

Will I qualify for lower costs on monthly premiums?

When you get health insurance coverage in the Marketplace, you may be able to get a premium tax credit that lowers what you pay

in monthly premiums. This will depend on your household size and income. When you fill out a Marketplace application, you'll report your household size and income. If your income falls between a certain amount, you'll qualify for a premium tax credit that you can apply directly to your monthly premiums. This means you'll pay less money to your health insurance company each month.

Visit healthcare.gov to see you qualify for savings in your state.

How do I report my income and household size?

The Marketplace application includes detailed instructions about how to report your income and household size. It makes calculations using the information you provide to determine whether you're eligible for lower costs.

When filling out your application, include:

- Yourself
- Your spouse
- Your children who live with you, even if they make enough money to file a tax return themselves
- Your unmarried partner who needs health coverage
- Anyone you include on your tax return as a dependent, even if he or she doesn't live with you
- Anyone else under 21 who you take care of and lives with you

When filling out your application, don't include:

- Your unmarried partner who doesn't need health coverage and is not your dependent
- Your unmarried partner's children, if they are not your dependents
- Your parents who live with you, but file their own tax return and are not your dependents
- Other relatives who file their own tax return and are not your dependents

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When you apply for lower costs in the Marketplace, you'll need to estimate your household income. You can start by adding up the following items for (1) yourself and your spouse, if you are married and will file a joint tax return and (2) any dependents who make enough money to be required to file a tax return:

- Wages
- Salaries
- Tips
- Net income from any self-employment or business (generally the amount of money you take in from your business minus your business expenses)
- Unemployment compensation
- Social Security payments, including disability payments—but not Supplemental Security Income (SSI)
- Alimony

Other kinds of income to include when estimating your income are retirement income, investment income, pension income, rental income and other taxable income such as prizes, awards and gambling winnings.

You should not include the following when estimating your income: child support, gifts, Social Security insurance, veterans' disability payments, workers' compensation and proceeds from loans (such as student loans, home equity loans or bank loans).

What is modified adjusted gross income?

When you fill out the Marketplace application, a number called "modified adjusted gross income" (MAGI) will be used.

MAGI is generally your household's adjusted gross income plus any tax-exempt Social Security, interest and foreign income you have. It's used to determine your eligibility for lower costs on Marketplace coverage, and for Medicaid and CHIP.

You don't have to figure out this income yourself. The math will be done for you when you apply through the Marketplace or your state agency.

For Medicaid, it also matters if you've had a change in household income since your last tax return. When you apply you'll need to give your household income now and estimate the amount for the next year, taking into account changes that you know about.

What's the difference between Marketplace plans and other private plans?

No matter how you buy your health insurance—through the Marketplace, directly from an insurance company or with the help of an agent or broker—all plans for individuals and small groups must cover the same set of essential health benefits.

Plans will not be able to charge you more or refuse to cover you if you have a pre-existing condition. Most plans must also offer the consumer rights and protections provided under the health care law.

Only Marketplace plans offer lower costs based on income. When you apply for Marketplace coverage, you'll find out whether you qualify for lower costs on your premiums or out-of-pocket costs.

What if I don't have health coverage?

If you don't have health coverage, you are not only responsible for paying all of your health care expenses out of pocket, but you may also be subject to a fee.

The penalty is calculated one of two ways. If you or your dependents don't have insurance that qualifies as minimum essential coverage, you'll pay whichever of these amounts is higher:

- For 2016, 2.5 percent of your yearly household income or \$695 per person (\$347.40 for each child under age 18).
- For 2017 and beyond, the fee will be adjusted for inflation.

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If you're uninsured for part of the year, 1/12 of the yearly penalty applies to each month you're uninsured. If you're uninsured for less than three months, you don't have to pay the penalty.

Who doesn't have to pay the individual mandate penalty?

Under certain circumstances, even if you don't have health coverage, you won't have to pay the individual mandate penalty. This is called an exemption. You may qualify for an exemption if:

- You are uninsured for less than three months of the year
- The lowest-priced coverage available to you would cost more than 8 percent of your household income (note that the 8 percent threshold is adjusted for inflation each year after 2014)
- You don't have to file a tax return because your income is too low
- You are a member of a federally recognized American Indian tribe or are eligible for services through an Indian Health Services provider
- You're a member of a recognized health care sharing ministry
- You're a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare

- You're incarcerated (either detained or jailed), and not being held pending disposition of charged
- You're not lawfully present in the United States

In addition, certain circumstances that affect your ability to purchase health insurance coverage, such as being homeless, may qualify you for a hardship exemption.

What kinds of health insurance don't qualify as coverage?

Health plans that don't meet minimum essential coverage don't qualify as coverage for purposes of the individual mandate penalty. If you have only these types of coverage, you may have to pay the fee. Examples include:

- Coverage only for vision care or dental care
- Workers' compensation
- Coverage only for a specific disease or condition
- Plans that offer only discounts on medical services

What kinds of health insurance have minimum essential coverage?

To avoid the penalty, you need insurance that qualifies as minimum essential coverage. If you're covered by any of the following, you're considered covered and don't have to pay a penalty:

- Any Marketplace plan, or any individual insurance plan you have
- Any employer plan (including COBRA), with or without grandfathered status; this includes retiree plans
- Medicare
- Medicaid
- CHIP
- TRICARE (for current service members and military retirees, their families and survivors)
- Veterans health care programs

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- Peace Corps Volunteer plans
- Self-funded health coverage offered to students by universities for plan or policy years that begin on or before Dec. 31, 2014
- Monthly special enrollment periods
- No copayments or other cost-sharing if your yearly income is below a certain level—around \$72,750 for a family of four (\$90,960 for the same family in Alaska). When you fill out a Marketplace application, you'll find out whether you qualify for these lower costs.

Other plans may also qualify. Ask your health coverage provider.

Can I buy a catastrophic plan?

People under 30 and some people with limited incomes may buy what is called a "catastrophic" health plan. It protects you from very high medical costs.

A catastrophic plan generally requires you to pay all of your medical costs up to a certain amount, usually several thousand dollars. Costs for essential health benefits over that are generally paid by the insurance company.

These policies usually have lower premiums than a comprehensive plan, but cover you only if you need a lot of care. They basically protect you from worst-case scenarios.

When you fill out a Marketplace application you'll see catastrophic plans listed as options if you qualify for them. If you don't qualify for a catastrophic plan, you won't see it as an option.

What do American Indians and Alaska Natives need to know about the Marketplace?

If you're a member of a federally recognized tribe and qualify for a health insurance plan in the Marketplace, you have certain protections, such as:

Also, if you're an American Indian or Alaska Native or are otherwise eligible for services from the Indian Health Service, tribal program or urban Indian health program, you have the following protections:

- Special cost and eligibility rules for Medicaid and CHIP that make it easier for you to qualify for these programs
- If you don't have health insurance, you won't have to pay the penalty that most other people without health insurance must pay

If you enroll in a private health insurance plan through the Marketplace, you can get (or keep getting) services from the Indian Health Service, tribal health programs or urban Indian health programs. You can also get services from any providers on the Marketplace plan.

How do I apply for health coverage?

Use healthcare.gov to apply for health coverage, compare plans and enroll online. You can also apply over the phone or get in-person help with your application.

- **Apply online.** Before you begin, preview plans and prices available in your area. Price quotes shown reflect any lower costs you may qualify for based on your income and household size. Follow these steps to apply for individual or family coverage: Create an account. Go to the Marketplace and select your state. Provide basic information as prompted, then choose a username, password and security questions.
 1. Create an account. Go to the Marketplace and select your state. Provide basic information as prompted, then choose a username, password and security questions.
 2. Complete your application. Provide information about yourself and your family, such as income, household members and current health coverage.

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3. Pick a plan. View all the options you qualify for, including Medicaid and the Children's Health Insurance Program (CHIP). The Marketplace will let you know if you qualify for lower costs on private health coverage.
 4. Enroll. After you choose a plan, don't forget to enroll online and contact your insurance company to pay your first premium by the due date.
- Enroll directly through an insurance company. If your income is too high to qualify for lower costs on coverage, you can buy health coverage outside the Marketplace, directly through an insurance company. You can also use an agent or broker, or an online insurance seller. To preview plans available outside the Marketplace, you can use the Plan Finder website.
 - Apply by mail: Fill out a paper application and mail it in. Once you get your eligibility notice, go online or contact the call center to pick a plan and enroll. Download the application form and instructions to begin.
 - Local resources: You may be able to apply online at a local library or at a community health center in your area.

For the best online experience, visit healthcare.gov on a desktop or laptop computer and use these tips to help you enroll in Marketplace coverage. Help is available 24 hours a day, seven days a week.

For more information about the Marketplace or for help selecting an individual insurance plan, contact Pinnacle PEO today.

Source: Healthcare.gov

- **Apply by phone:** Call 1-800-318-2596, 24 hours a day, seven days a week (TTY: 1-855-889-4325). A customer service representative will work with you to complete the application and enrollment process.
- **Find in-person help:** You can apply with the help of an assister who can sit with you and help you fill out an online or paper application. In all states, there are people and organizations in your community who can help you apply, enroll and answer your questions. You can visit localhelp.healthcare.gov to find help in your area.

There are several other ways you can apply for coverage.

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