



The Health Insurance Marketplace 101



May 2013



The Problem

- Insurance companies could take advantage of you and turn away the 129 million Americans with pre-existing conditions
- Premiums had more than doubled over the last decade, while insurance company profits were soaring
- Tens of millions were underinsured, and many who had coverage were afraid of losing it
- 50 million Americans had no insurance at all



The Health Care Law

In March 2010, President Obama signed the Affordable Care Act into law



Affordable Care Act – Coverage Accomplishments

- 3.1 million young adults have gained insurance through their parents' plans
- 6.1 million people with Medicare through 2012 received \$5.7 billion in prescription drug discounts
- 34 million people with Medicare received a free preventive service
- 71 million privately insured people gained improved coverage for preventive services
- 105 million Americans have had lifetime limits removed from their insurance



Affordable Care Act – Cost Savings

- Slowest sustained national health spending growth in 50 years
 - Low growth continuing in 2012 for Medicare and Medicaid
- Rate increases fell from 75% in 2010 to 14% so far in 2013
- \$1 billion returned to consumers last summer
 - Plans now must spend 80% on healthcare
- \$4.2 billion recovered in 2012 from anti-fraud efforts – a record high – for a total of nearly \$15 billion over the last 4 years, double that of the previous 4 years

Introduction to the Marketplace

- The Marketplace (or Exchange)
 - Place for individuals and small employers to directly compare private health insurance options
 - Known as Qualified Health Plans (QHPs)
 - Can directly compare on the basis of price, benefits, quality, and other factors

3 Things to Know about the Marketplace...

1. It's an easier way to shop for health insurance
 - Simplifies the search for health insurance
 - All options in one place
 - One application, one time, and an individual or family can explore every qualified insurance plan in the area
2. Most people will be able to get a break on costs
 - 90% of people who are currently uninsured will qualify for discounted or free health insurance
3. Clear options with apples-to-apples comparisons
 - All health insurance plans in the Marketplace present their price and benefit information in plain language

The Health Insurance Marketplace

- A new way to get health insurance
 - Enrollment starts October 1, 2013
 - Coverage begins as early as January 2014
- About 25 million Americans will have access to quality health insurance
 - Up to 20 million may qualify for help to make it more affordable
 - Working families can get help through the Marketplace



Marketplace Establishment

- Each state can choose between:
 - **State Based Marketplace** – State creates and runs its own Marketplace
 - **State Partnership Marketplace** – State partners with Federal government to run some Marketplace functions
 - **Federally Facilitated Marketplace** – State has a Marketplace established and operated by the Federal government – known to consumers as The Health Insurance Marketplace

Advantages of the Marketplace

- **Helps enhance competition** in the health insurance market
- **Increases Affordability** through premium tax credits, cost sharing reductions, or public insurance programs
- **Ensures Quality** through QHPs that must meet basic standards, including quality standards, consumer protections, and access to an adequate range of clinicians
- **Makes Costs Clear** by providing information about prices and benefits in simple terms consumers can understand, so they don't have to guess about costs

All Qualified Health Plans Will Cover These Essential Health Benefits

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral* and vision care

*Not required in benefit package if a stand-alone dental plan is in the Marketplace in which the plan operates

How Qualified Health Plans Can Vary

- Some plans may cover additional benefits
- You may have to see certain providers or use certain hospitals
- The premiums, copays, and coinsurance will be different in different plans
- The quality of care can vary
- Some special types of plans will be structured differently
 - Like high-deductible plans

Catastrophic Plans

- Who is eligible?
 - Young adults under 30 years of age
 - Those who can not afford coverage and 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

Small Business Health Options Program (SHOP) - Employees

- SHOP is a Marketplace for small businesses and their employees (fewer than 100 employees)
 - States may limit participation to those with 50 or fewer employees for the first 2 years
 - Employer will access the SHOP where its principal business office is located
 - Employer must offer coverage to all full-time employees
 - Sole proprietors may buy through the Marketplace rather than the SHOP

Small Business Health Options Program (SHOP) - Employers

- Eligible employers can
 - Define how much they'll contribute toward their employees' coverage
 - Have exclusive access to a small business tax credit
 - Benefit from new protections that help them get real value for consumer's premium dollars

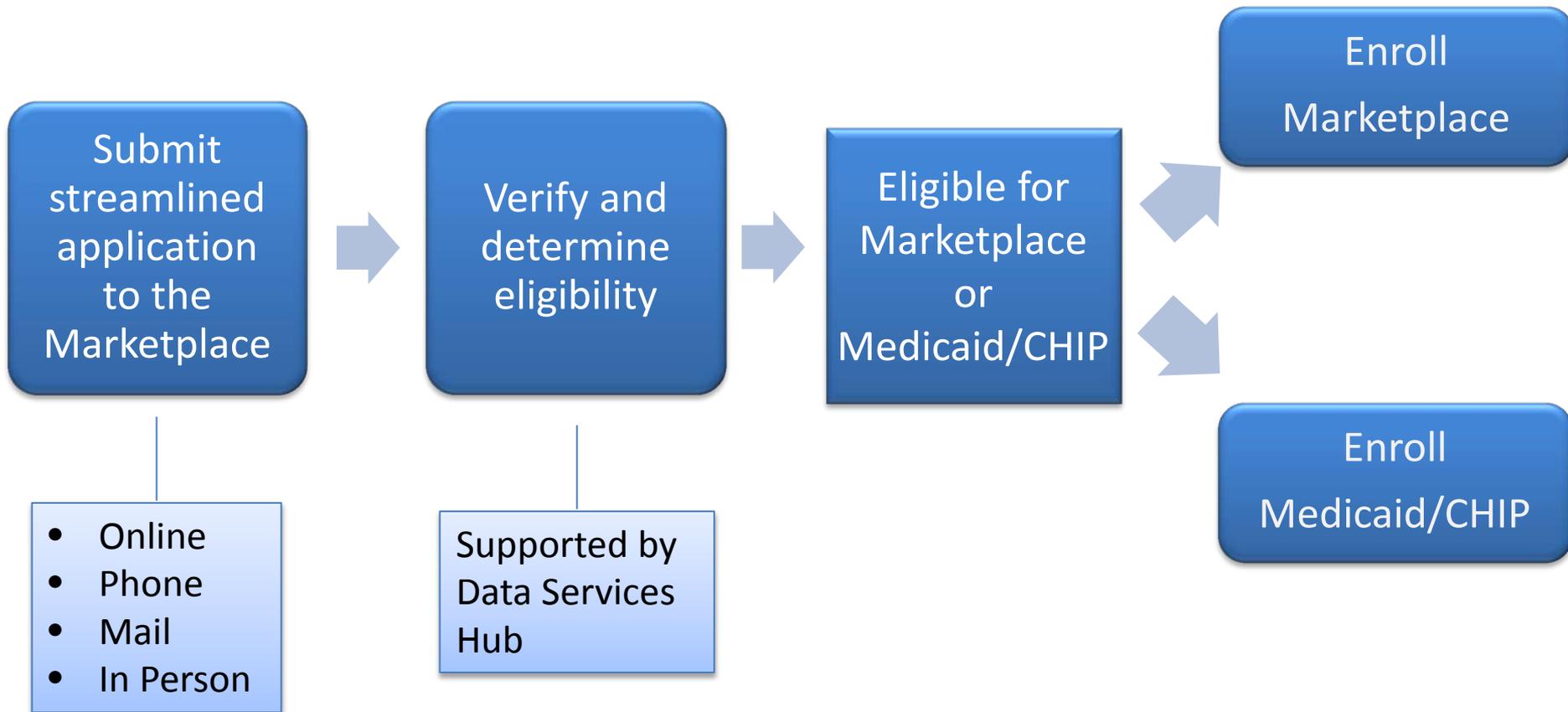
Medicaid Expansion

- States have the option 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)
 - 100% Federal funding for newly Medicaid eligible
 - States have no deadline to decide if they are going to expand
- One streamlined application for Medicaid or private health plans
- Shifts to simplified way of calculating income to determine Medicaid/CHIP eligibility
 - Known as Modified Adjusted Gross Income (MAGI)

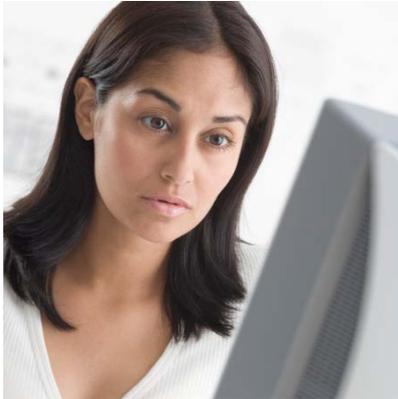
Eligibility and Enrollment

- Marketplace initial open enrollment period starts October 1, 2013 and ends March 31, 2014
- Marketplace eligibility requires consumers 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

Application and Eligibility



How to Apply



Online



By Phone

- **Easy**
- **Convenient**
- **Streamlined**



By Mail

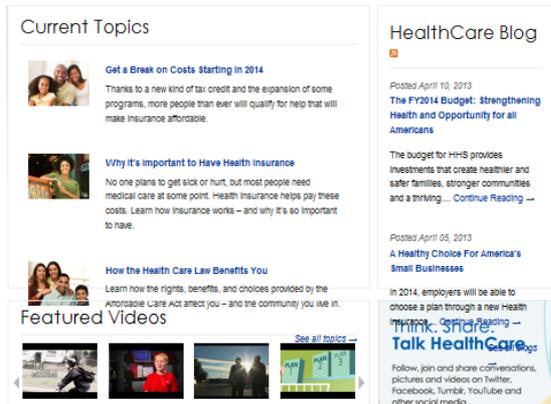


In Person

Marketplace Assistance – It's Available If You Need It

Toll-free call center - 24/7

- Language line - 150 languages
- Website chat 24/7 (English and Spanish)



HealthCare.gov consumer website

- www.cuidadodesalud.gov - Spanish
- Responsive design
- Accessible for those with visual disabilities

In Person Assistance

- In person help will be available to help prepare electronic and paper applications to establish eligibility and to enroll in coverage through the Marketplace
 - Navigators
 - Other trained enrollment assisters
 - Local Community Health Centers, libraries, hospitals and other locations in local communities
 - Agents and brokers



Lower Costs

- When you use the Marketplace, you may be able to get lower costs on your monthly premium and out-of-pocket costs
 - Lower monthly premium
 - Based on family income and size
 - Family of four with annual income \$23,550* – \$94,200* or less
 - And not eligible for certain other insurance coverage like Medicaid
 - Lower cost-sharing (like copays)
 - Family of 4 with annual income \$58,875* or less (some other restrictions)

*2013 amounts



You May Pay a Fee

- Starting in 2014, most people must enroll in a health insurance plan
 - 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

A Look Ahead

June 2013	July/August 2013	October 1, 2013
<ul style="list-style-type: none">Healthcare.gov re-launchesToll-free Call Center launches	Training for consumer assistance begins	Open enrollment in the Health Insurance Marketplace begins

January 1, 2014

- Coverage through Health Insurance Marketplace begins
- 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
- Access to Medicaid will expand

www.HealthCare.gov

Now - Sign up for
Email and Text Alerts
and Get Ready



The screenshot shows the top navigation bar of the HealthCare.gov website. It includes the date 'April 26, 2013', the logo 'HealthCare.gov', and the tagline 'Take health care into your own hands'. Navigation links include 'Home', 'Discuss & Share', 'Blog', 'Newsroom', 'Glossary', 'Email Updates', and 'En Español'. A search bar is located on the right. Below the navigation are five buttons: 'Find Insurance Options Now', 'Prepare for the Health Insurance Marketplace', 'Health Insurance Basics', 'The Health Care Law & You', and 'Prevention, Wellness & Comparing Providers'. The main banner features a woman's face and the text: 'Need health insurance? Email Address [input field] Get Email or Text Updates >'. To the right, it says 'A New Way to Get Coverage' and 'Coming soon: More control over your insurance choices.' A 'Privacy Policy' link is at the bottom left of the banner.

Starting October 1, 2013,
you will be able to apply
through this site

The screenshot shows the main content area of the HealthCare.gov website. It features a 'Current Topics' section with three articles: 'Get a Break on Costs Starting in 2014', 'Why it's important to Have Health Insurance', and 'How the Health Care Law Benefits You'. To the right is a 'HealthCare Blog' section with two articles: 'The FY2014 Budget: Strengthening Health and Opportunity for all Americans' and 'A Healthy Choice For America's Small Businesses'. At the bottom, there is a 'Featured Videos' section with four video thumbnails and a 'See all topics' link. A 'Think. Share. Talk HealthCare' banner is also visible at the bottom right.

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, featuring an image of a document and a pencil, with the text 'Get the Overview of the Health Insurance Marketplace presentation to help you teach others about health insurance and the Marketplace.' and a 'Get presentation >' button. 2. 'Looking for consumer information?' in the middle, with the text 'Visit HealthCare.gov, the official consumer site for the Marketplace.' and a 'Get consumer information >' button. 3. 'Have questions?' on the right, with the text 'Find the right answers to your questions about the Marketplace.' and 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.

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 and other people with limited income
- There is assistance available to help consumers get the best coverage for their needs

Want more information about the Marketplace?

- Stay Connected
 - Sign up to get email and text alerts at signup.healthcare.gov
 - Updates and resources for partner organizations are available at Marketplace.cms.gov
 - [Twitter@HealthCareGov](https://twitter.com/HealthCareGov)
 - facebook.com/Healthcare.gov