



# Understanding the Health Insurance Marketplace

*September 2013*



# Overview

1. The Health Insurance Marketplace
2. Qualified Health Plans
3. Eligibility and Enrollment
4. Lower Costs for Consumers
5. Assistance and Outreach

# 1. The Health Insurance Marketplace

- Coverage to fit individual needs, with apples to apples comparisons
- 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, with a choice of plans and levels of coverage – all providing basic consumer protections
- Easy to use and streamlined application process

# 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

## 2. 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 in one of four tiers of coverage – bronze, silver, gold, platinum
  - Is offered by an issuer that offers at least one plan at the “silver” level and one at the “gold” level of cost sharing

# 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.

# Consumer Protections

- Plans cannot charge more or deny coverage based on pre-existing conditions or gender
- Limits on premium variation based on age
- Annual and lifetime limits are banned
- All plans include an out-of-pocket maximum
  - \$6,350 for an individual
  - \$12,700 for a family



# 3. 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

# Open Enrollment

- 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

- 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

# 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](http://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.

# 4. Lower Costs for Consumers

- Financial help available for working families includes
  - Qualified health plans
    - Tax credits to lower the premiums qualified individuals pay
    - Reduced cost sharing to lower out-of-pocket spending for health care
  - Medicaid expansion

# Premium Tax Credits

- 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
- You can reduce your premium amount up front
  - You choose the amount (up to the maximum you qualify for) and payments are paid directly to the insurer on your behalf
- The amount is based on **projected** household income
  - Reconciled at tax time, so report income changes immediately to avoid an overpayment and balance due

# Cost-Sharing Reductions

- 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

# Medicaid

- Creates new opportunities for states to expand Medicaid eligibility to
  - Adults 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)
- 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

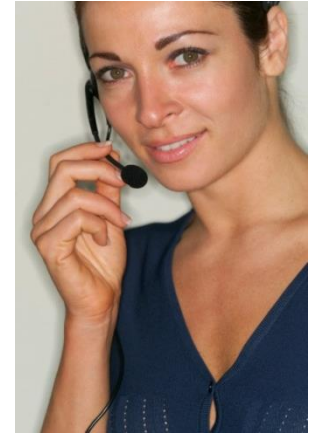


# 5. Assistance and Outreach

- Help available in Marketplaces
  - The Marketplace Toll-Free Call Center
  - Certified Assisters
    - Navigators program
    - Certified application counselors
  - Agents and brokers
  - Champions for Coverage

# Marketplace Call Center

- 1-800-318-2596
  - Customer service representatives - 24/7
  - Language line for 150 languages
  - Online chat support
- (TTY 1-855-889-4325)



# 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

# Certified Application Counselors

- Staff and volunteers will help people understand, apply, and enroll for health coverage through the Marketplace
- Organization must:
  - have processes in place to screen your staff to make sure that they protect consumer information
  - engage in services that position you to help those you serve with health coverage issues
  - have experience providing social services to the community
- Detailed training

# Agents and Brokers

- Agents and brokers may help
  - In helping people enroll
  - In providing information on QHPs
- Agent and broker training required
  - Must be appropriately registered to conduct business in the Marketplace

# Champions for Coverage

- Help make sure all Americans can get the care they need, when they need it, at a price they can afford
- Promote awareness of the Marketplace
  - Connect over social media
  - Host events
  - Enrollment sessions or fairs

# Resources

## HealthCare.gov

The screenshot shows the HealthCare.gov homepage. At the top, there is a navigation bar with 'Learn' and 'Get Insurance' tabs, and a search bar. Below the navigation bar, a large banner features a smiling woman and the text: 'The Health Insurance Marketplace is Coming Soon'. A green 'START NOW' button is prominent. Below the banner, there is a section for 'GET IMPORTANT NEWS & UPDATES' with an email sign-up form. A horizontal menu contains questions like 'What is the Health Insurance Marketplace?' and 'How do I find the Marketplace that serves me?'. The main content area includes a 'HEALTH INSURANCE BLOG' with three articles, 'TOP CONTENT' with three links, and 'CONNECT WITH US' with social media icons. There are also sections for 'QUICK INFORMATION', 'RESOURCES IN OTHER LANGUAGES', and 'GET EMAIL UPDATES' with another sign-up form. The footer contains a sitemap, glossary, and accessibility information.

## marketplace.cms.gov

The screenshot shows the marketplace.cms.gov homepage. At the top, there is a navigation bar with 'CMS.gov | About CMS | FAQs | Print | Share' and a search bar. Below the navigation bar, a large banner features the Health Insurance Marketplace logo and the text: '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 blue 'Get updates >' button is prominent. Below the banner, there are two main sections: 'Get official resources >' and 'Explore research >'. The 'Get official resources >' section includes a 'Resource spotlight' for 'PLANS COMPLETELY COVER OTHER HEALTH INSURANCE' with a 'Get presentation >' button. The 'Explore research >' section includes 'Looking for consumer information?' with a 'Get consumer information >' button and 'Have questions?' with a 'Get answers >' button. The footer contains 'Stay connected with the Marketplace' with social media icons and the CMS.gov logo.