

# ACA Implementation:

What does it mean for my family and my neighbors?

With thanks to FV Indiana

# The Patient Protection and Affordable Care Act (ACA)



March 23, 2010

Moving toward the triple aim...

- improving the individual experience of care;
- improving the health of populations; and
- reducing the per capita costs of care for populations

To read the law in full, or for section by section overviews, visit <http://www.healthcare.gov/law/full/>.

# Closing the coverage gap: Four interrelated ACA approaches

\*Medicaid  
expansion

Health insurance  
marketplaces  
and subsidies

Insurance  
reforms



Individual and  
employer  
“mandates”



# Pre-Existing Conditions

- Kids first!

Health plans won't be able to exclude coverage of pre-existing conditions from their policies. This means that health plans can't refuse to cover your child's treatment solely because s/he already had a health condition when s/he joined the plan.

- » Applied to children under age 19 for plan/policy years beginning September 23, 2010

- Insurers will have to accept everyone who wants to purchase a plan, regardless of their health status.

- » Applies to adults over 19 for plan/policy years beginning after January 1, 2014

- » Can buy on Marketplace

- » No need for high risk pools

# Mandates for whom?

This new protection will apply to everyone who gets coverage through work and to everyone who buys an individual or family plan after March 23, 2010. This new protection may not apply to those who stay in individual insurance plans that they bought before March 23, 2010, unless that plan has made major changes in its coverage or substantially increased cost-sharing or deductibles.



- Plans that existed on March 23, 2010
  - insurers and employers can make routine changes without losing grandfathered status. These routine changes include cost adjustments to keep pace with medical inflation, adding new benefits, making modest adjustments to existing benefits, voluntarily adopting new consumer protections under the new law, or making changes to comply with state or other federal laws.
    - \*has to state that it is Grandfathered

# Insurance reforms: protecting access, controlling costs

## Most insurers MAY NOT:

- Deny coverage due to pre-existing conditions
- Rescind coverage over simple paperwork mistakes
- Set lifetime caps on essential coverage
- Charge women more than men (gender rating)

## Most insurers MUST:

- Cover “essential health benefits”
- Cover preventive services with no co-pays or deductibles
- Cover young adults on their parents’ plan through age 26
- Spend more on services, less on profits (MLR)
- Justify double-digit rate increases (rate review)

# No-Cost Clinical Preventive Services

- No deductibles, co-payments, etc
- Coverage effective 2010 (examples):
  - Cancer screenings such as mammograms and colonoscopies
  - Vaccinations such as flu, mumps, and measles
  - Blood pressure and cholesterol screenings
  - Tobacco cessation counseling and interventions
- Coverage effective 2012-13: Add'l women's preventive health services such as pap smears and birth control\*



\*As of April 2013, certain religious organizations are exempted from providing this contraceptive coverage, and proposed accommodations for certain other eligible organizations are under consideration.

More information: [Healthcare.gov: Preventive Care](http://Healthcare.gov: Preventive Care); [HealthReformGPS: Update: Contraception Coverage within Required Preventive Services \(March 2013\)](http://HealthReformGPS: Update: Contraception Coverage within Required Preventive Services (March 2013))



# Essential Benefits

- The “essential health benefits” listed in the law are:
  - Outpatient services
  - Emergency services
  - Hospitalization
  - Maternity and newborn care
  - Mental health and substance use disorder services, including behavioral health treatment
  - Prescription drugs
  - Rehabilitative and habilitative services and devices, laboratory services
  - Preventive and wellness services and chronic disease management.

More details about these services will be set forth in regulations

# Lifetime and Annual Benefit Caps

- ACA removes annual and lifetime benefit caps for children and adults
- Cannot impose annual dollar limits exceeding specified amounts for “essential health benefits”
  - From September 23, 2012, until January 1, 2014, the annual limit can be no lower than \$2 million.
  - After January 1, 2014, no annual limits on essential benefits are permitted.
  - September 23, 2010 no lifetime cap on new individual plans and existing individual and group plans
    - » 2010 no restrictive annual benefit limits on new group plans

# Young Adult Coverage Through A Parent's Policy

- Young adults up to age 26 can remain on their parents' health insurance, even if they are not students, don't live at home, and don't live in the same state as their parents!
- The parent has to have coverage through their employer or buy family coverage in the individual market
- The plan must provide "dependent coverage" (but the young adult does NOT have to be dependent on their parent(s), and does not have to live with their parent(s))

# Preventive Care

Preventive care is covered without co-pays, or other cost sharing.

- Preventative care and screening based on Bright Futures
- Screening based on U.S. Preventive Services Task Force
- Immunizations based on CDC guidelines
  - » applies to plan/policy years beginning after September 23, 2010 (new employer based and individual plans)

# Shared responsibility requirements: to keep the markets balanced

- Most individuals and families must obtain minimum essential coverage or pay a penalty
  - ▣ Acceptable coverage includes employer-based, plans in the marketplaces, public insurance, and more
  - ▣ Numerous exemptions such as religious objections, financial hardship, undocumented immigrants
  
- Large employers (50+) must offer minimum essential coverage to full-time employees, or pay penalties
  - ▣ Penalties only apply if employees instead get coverage and subsidies in marketplaces

# Break

## Video Clips

- <http://www.youtube.com/watch?v=JZkk6ueZt-U>
- [http://www.youtube.com/watch?v=ioc6DrsJcCo&feature=player\\_embedded#t=6As](http://www.youtube.com/watch?v=ioc6DrsJcCo&feature=player_embedded#t=6As)
- <http://live.wsj.com/video/obamacare-made-easy-to-understand/BB46AACC-6A65-490C-854B-0B2AE7CD7F5C.html#!BB46AACC-6A65-490C-854B-0B2AE7CD7F5C>

# Medicaid Coverage Expansion

- Individuals up to 138% of Federal Poverty Level (FPL)
  - » Beginning in 2014
  - » Children whose family income is under 138% of FPL in separate CHIP programs move to Medicaid (and EPSDT!)
- All states will use the same income eligibility formula
  - Modified Adjusted Gross Income (MAGI)
    - MAGI will also be used for the exchange
- Young people aging out of foster care retain Medicaid coverage up until the age of 26
  - » beginning in 2014

# Medicaid Expansion

To apply online:

<https://apps.nd.gov/dhs/eligibility/earlyaccess/index.html#>

Expansion of Medicaid gives more individuals the opportunity to have affordable coverage, preventive services and greater economic security in the event of accidents or illness. We are building on the success of Medicaid to make health care coverage more accessible for North Dakotans.



# Medicaid Expansion

The expanded Medicaid program will be available to individuals under age 65 with household incomes up to 138% of the federal poverty level (FPL). If your household's annual income is equal to or lower than the figures below, you will probably qualify for Medicaid

1-person  
\$15,856  
2-people  
\$21,404  
3-people  
\$26,951  
4-people  
\$32,499  
5-people  
\$38,047  
6-people  
\$43,594  
7-people  
\$49,142  
8-people  
\$54,689

For households with more than 8 people,  
add \$5,548 for each additional person

# www.healthcare.gov

## How the Marketplace Works



### Create an account

First provide some basic information. Then choose a user name, password, and security questions for added protection.

### 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.



# Health insurance marketplaces (exchanges): new options for consumers

- Why they are important
  - A new and easier way to shop for health insurance
  - “Strength in numbers”
- How they’ll work
  - Three models: state-run; state-federal partnership; or federally-facilitated
    - North Dakota has Federally Facilitated ([healthcare.gov](http://healthcare.gov))
  - Websites for consumers to shop and apply, plus phone and in-person assistance
  - Single streamlined application
  - Affordability credits and subsidies
  - Open enrollment begins Oct. 1; first plans begins Jan. 1

# Plans sold in the marketplaces

- “Qualified Health Plans” (QHPs)
  - Private insurance plans
  - Must cover “**essential health benefits**”
  - Must offer certain levels of value (“metal levels”)
  - Bronze, Silver, Gold and Platinum
  - Must include “**essential community providers,**” where available, in their networks
  - Must comply with ACA insurance reforms

Source: [healthcare.gov](http://healthcare.gov)



# Metal Tiers



Platinum



Gold



Silver



Bronze

Monthly Cost

\$\$\$\$

\$\$\$

\$\$

\$

Cost When You Get Care

\$

\$\$

\$\$\$

\$\$\$\$

Good Option If You...

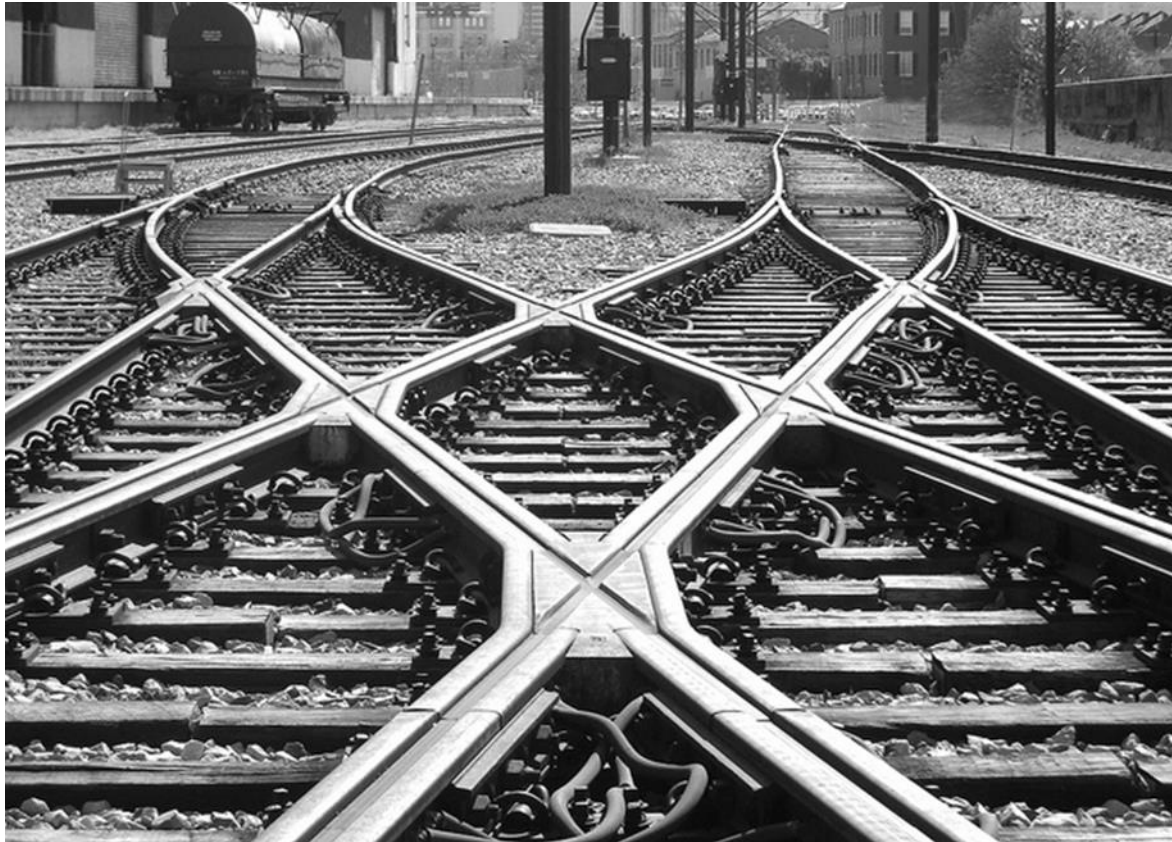
plan to use a lot of health care services

want to save on monthly premiums while keeping your out-of-pocket costs low

need to balance your monthly premium with your out-of-pocket costs

don't plan to need a lot of health care services

# Who Can Help?



# Can Help People Apply

- Navigators
  - An individual or organization that's trained and able to help consumers, small businesses, and their employees as they look for health coverage options through the Marketplace, including completing eligibility and enrollment forms. These individuals and organizations are required to be unbiased. Their services are free to consumers.
- Certified application counselor organization
  - Community health center, health care provider, hospital, or local government or non-profit organization with experience providing social services trained by CMS to assist people applying for coverage through the Marketplace

# Marketplace Applications

- Apply online  
[www.healthcare.gov](http://www.healthcare.gov)
- Paper applications
- Apply by Phone
- 1-800-318-2596

<b>STEP 1</b>			<b>Tell us about yourself.</b>		
1. First name, Middle name, Last name, & Suffix					
2. Home address (Leave blank if you don't have one.)					
4. City				5. State	6. ZIP
8. Mailing address (if different from home address)					
10. City				11. State	12. ZIP
14. Phone number (   )   -   -				15. Other phone number (   )   -   -	
16. Do you want to get information about this application by email? <input type="checkbox"/> Yes <input type="checkbox"/> No					
Email address: _____					
17. Preferred spoken or written language (if not English)					
18. Date of birth (mm/dd/yyyy)					19. Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
20. Social Security number (SSN)   _ _ _ - _ _ - _ _ _ <b>We need this if you want health coverage and have an SSN.</b> We use SSNs eligible for help with health coverage costs. If you need help getting an SSN should call 1-800-325-0778.					
21. Are you a U.S. citizen or U.S. national? <input type="checkbox"/> Yes <input type="checkbox"/> No					



# Where to Learn More

- [www.healthcare.gov](http://www.healthcare.gov)
- Family Voices: [www.familyvoices.org](http://www.familyvoices.org)
- Families USA: [www.familiesusa.org](http://www.familiesusa.org) or [www.standupforhealthcare.org](http://www.standupforhealthcare.org)
- Catalyst Center: [www.catalystctr.org](http://www.catalystctr.org)
- Community Catalyst: [www.communitycatalyst.org](http://www.communitycatalyst.org)
- Kaiser Family Foundation: <http://healthreform.kff.org>
- Commonwealth Fund:  
<http://www.commonwealthfund.org/Health-Reform/Health-Reform-Resource.aspx>

# North Dakota Navigator Project

Funded through the North Dakota  
Center for Persons with Disabilities  
Neil Scharpe, Project Director

# Understanding the Health Insurance Marketplace

- State Facilitated Exchanges
  - 14 states
- Federally Facilitated Exchanges
  - North Dakota and 36 other states

# ND Insurance Providers

- Medica
- Sanford
- Blue Cross Blue Shield

# Plan Levels of Coverage

Level of Coverage	Plan Pays on Average	Enrollee Pays (In addition to monthly premium)
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%
Platinum	90%	10%

# Essential Health Benefits

Ambulatory patient services	Prescription drugs
Emergency services	Rehabilitative & habilitative services & devices
Hospitalization	Lab services
Maternity & newborn care	Preventative & wellness services & chronic disease management
Mental Health & Substance use disorder services, including behavioral health treatment	Pediatric services, including oral & vision care

# Who Does the ACA Affect?

- Starting in 2014, most people must have health coverage or pay a fee
  - If you do not have a certain level of 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 when filing your taxes
  - Starting when you file your 2014 Federal tax return in 2015
  - Some people may qualify for an exemption

# Eligibility & Enrollment

- Open Enrollment October 1, 2013-March 31, 2014
- Following the current open enrollment in 2014 will begin November 15, 2014
- Live in the service area
- Be a US citizen or national or be in the US lawfully for the entire enrollment period
- Not be incarcerated



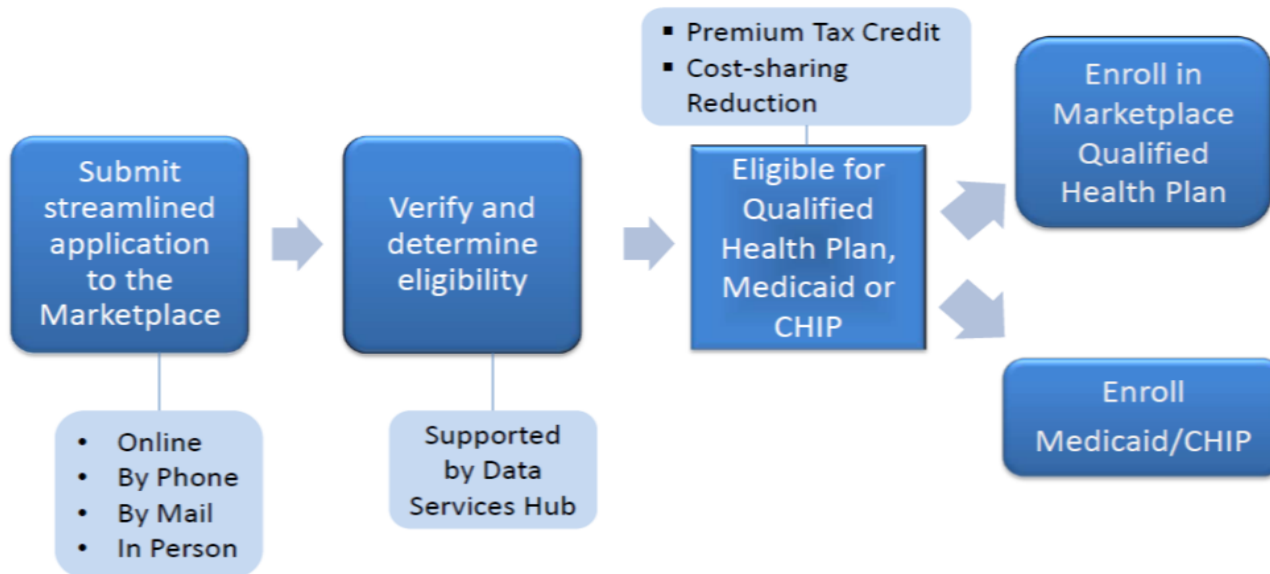
# Health Insurance Start Dates

Enroll during the initial open enrollment period	Coverage is effective
On or before December 15, 2013	January 1, 2014
Between the 1 <sup>st</sup> and the 15 <sup>th</sup> of January-March	First day of the following month
Between the 16 <sup>th</sup> and the last day of the month (December-March)	First day of the second following month
There may be some exceptions that allow for earlier effective dates.	

# Special Enrollment Period

- May enroll or change QHP within 60 days (individual) and 30 days (small group market) from a qualifying event
- These events can be:
  - Gaining or becoming a dependent
  - Gaining or losing eligibility for tax credits or cost sharing reductions
  - Gaining lawful presence in the USA
  - Relocation resulting in new/different QHP selection
  - Enrollment errors of the Marketplace

# Application and Eligibility



# You May Have Lower Premium Costs

- A new refundable or Advanced Premium Tax Credit that lowers the cost of Qualified Health Plans
- Eligibility is based on
  - Household income and family size (at the end of the year)
  - Income between 100% to 400% of the Federal Poverty Level (FPL) or (\$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 Tax Credit

- That depends on
  - Actual household income as a percentage of the FPL and family size
  - The premium for the silver plan adjusted for your age
  - A sliding scale that increases the taxpayer's own contribution towards the premium cost as household income as a percentage of FPL increases

# Modified Adjusted Gross Income (MAGI)

- For most individuals MAGI will be equal to Adjusted Gross Income
  - Line 4 on 1040EZ
  - Line 21 on 1040A
  - Line 37 on 1040

<b>Number of people in your household</b>	<b>Income range to qualify for lower costs</b>
1	\$11,490 to \$45,960
2	\$15,510 to \$62,040
3	\$19,530 to \$78,120
4	\$23,550 to \$94,200
5	\$27,570 to \$110,280
6	\$31,590 to \$126,360
7	\$35,610 to \$142,440
8	\$39,630 to \$158,520

# How Can the Tax Credit Be Used?

- Reduce your premium up front
  - You can chose an Advanced Premium Tax Credit
    - 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
    - Remember to report income changes immediately to avoid over or under payment



# Cost-Sharing Reduction

- Eligibility is based on
  - Income at or below 250% FPL (\$58,875 annually for a family of four in 2013)
  - Receiving Premium Tax Credit
  - Enrolling in a Marketplace silver plan
- Special consideration for members of Federally-recognized Indian Tribes
  - No cost sharing if income is less than 300% FPL

# Subsidy Calculator

- Henry J. Kaiser Family Foundation  
<http://kff.org/interactive/subsidy-calculator/>

# Things You Will Need to Apply

- SS#s or document numbers for legal immigrants
- Birth Dates
- Pay stubs, W-2 forms, or Wage and Tax Statements
- Policy numbers for any current health insurance
- Information about any health insurance you or your family could get from your jobs

# 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

# North Dakota Navigation to ACA

- Currently 8 Certified Navigators covering 7 of 8 HSC regions
- Partners; Family Voices and Federation for Families of Children's Mental Health
- Minot region Navigator, Stephanie Burt, NDCPD 701-858-4472
- Williston region Navigator, Heather Wheeler, 701-580-7333

# A Walk Through the Marketplace

- [http://www.youtube.com/watch?feature=player\\_embedded&v=b6cAXH1b2Gw](http://www.youtube.com/watch?feature=player_embedded&v=b6cAXH1b2Gw)

# How to Enroll

- Healthcare.gov
- 1-800-318-2596 (Individuals)
- TTY 1-855-889-4325
- Small Business (SHOP) 1-800-706-7893
- Call a Navigator
- Go to NDCPD website  
<http://www.ndcpd.org/navigator>
- FVND staff can assist you

# Questions