

# “Hey, Doc”

## Answers to Questions You Never Thought to Ask About the New Health Insurance Marketplace

### FACT SHEET 3:

Dec. 2, 2014

## All About the Plans

### What Are the Subsidies?

The subsidies are provided by the federal government to help you pay for your insurance. They are available only when you buy insurance in the marketplace, and they mostly apply to people with lower incomes. This help comes in two ways: One is a tax credit that you can use right away to reduce your monthly premiums. The other is a break on the portion of costs you are responsible for when you use your insurance. The tax credit applies to any plan you might buy, but the out-of-pocket savings apply only if you buy a silver plan.

### Who Gets a Subsidy?

Subsidies are provided by the federal government to help you pay for your insurance. The subsidies mostly apply to people with low or middle incomes. Whether you qualify depends on how much money you make, how many people are in your family, and whether you can get coverage through your employer. In general, if you can get insurance through your work, you are probably not eligible for a subsidy. But if your income is below a certain amount, and you can't afford the insurance through your work, you might be able to get a subsidy to help pay for your insurance.

Here are the latest guides provided by the federal government. If this is how much you make in a year, you might be able to get help paying for your insurance. But keep in mind this is just a guide and could change each year. Also, if your income changes during the year, that could affect how much aid you get or possibly have to return to the federal government.

You might be able to get a break on the cost of your monthly health insurance premiums through the marketplace, if you make this much each year:

- \$11,670 to \$46,680 for individuals
- \$15,730 to \$62,920 for a family of two
- \$19,790 to \$79,160 for a family of three
- \$23,850 to \$95,400 for a family of four
- \$27,910 to \$111,640 for a family of five
- \$31,970 to \$127,880 for a family of six
- \$36,030 to \$144,120 for a family of seven
- \$40,090 to \$160,360 for a family of eight

You might be able to get a break on your out-of-pocket costs when you use the insurance you buy through the marketplace, if you make this much each year:

- \$11,670 to \$29,175 for individuals
- \$15,730 to \$39,325 for a family of two
- \$19,790 to \$49,475 for a family of three
- \$23,850 to \$59,625 for a family of four
- \$27,910 to \$69,775 for a family of five
- \$31,970 to \$79,925 for a family of six
- \$36,030 to \$90,075 for a family of seven
- \$40,090 to \$100,225 for a family of eight

If you find that you make less than the lowest number for your family size, your marketplace application will help you figure out if you can get free or low-cost insurance through a government health care program like Medicaid.

### How do I Apply for a Subsidy?

You apply for a subsidy when you fill out an application to buy insurance in the marketplace. And you'll have to be prepared to provide some pretty specific information. You'll have to estimate how much

money you and your family will make during the year, and you'll have to include information on any family members you want to include in your insurance plan. Once you apply, the federal government will figure out first whether you qualify for a subsidy, and second, how much help you can get toward your insurance costs.

That means you'll probably have to gather up things like pay stubs and past tax returns. [Healthcare.gov](http://Healthcare.gov) has a list of things you'll have to include on your application. You can also get in-person help from a marketplace navigator and community enrollment fairs throughout the state. And [BeCoveredTexas.org](http://BeCoveredTexas.org) has a hotline you can call: (866) 427-7492 (M-F, 8 am-5 pm CT).

### **How Do I Renew My Marketplace Plan?**

You should be getting notices from the marketplace and your insurance company about how to renew for 2015 the coverage you bought for 2014, and whether you still qualify for subsidies to help pay for it.

If you don't take any action by Dec. 15, the marketplace may automatically reenroll you in your 2014 plan, or a similar one if your insurance company no longer offers it. The marketplace notice should tell you how to renew, and the notice from your insurance company should tell you if it still offers the same plan or if your plan changed. Both notices will also give you information about renewing any subsidies you are receiving. (See "Will I Still Get My Subsidy From Last Year?")

If any of your personal information changed, like your income, address, or family size, be sure to update your marketplace account. If you don't do these updates, you could get enrolled in the wrong plan or for the wrong subsidies.

It's also possible that your insurance premiums, deductibles, and out-of-pocket costs can change even if you renew the same plan, so be sure to check. Plan networks also change, so check with your insurance company and your doctor to find out if your doctor and hospital are still included.

If you find out the plan you had is no longer good for you, you can always switch during open enrollment. You must switch by Dec. 15 for your coverage to take effect Jan. 1, 2015. But you can still change to a new plan even if you are automatically enrolled in the same one from 2014. In that case, you have until Feb. 15, 2015, to switch.

### **Will I Still Get My Subsidy From Last Year?**

That depends. Subsidies are provided by the federal government to help you pay for your insurance. Remember that your subsidy depends on how much

money you make. (See "Who gets a subsidy?") So if your income went up since last year, your subsidy will probably be less. You might even have to give back part of it to the government if you started making more money after you first signed up in 2014.

Also remember that you had to provide some specific information about your income when you first applied. (See "How Do I Apply for a Subsidy?") If you gave the marketplace permission to automatically recheck your income and tax returns, the marketplace can automatically renew the amount of financial assistance you received in 2014. If you did not give the marketplace permission to do this, you'll have to reapply. And keep in mind that if your income has changed, you should update your application to make sure you are getting the correct subsidy and you don't have to refund anything later if you receive too much.

The marketplace and your insurer should each send you a notice around the time of open enrollment explaining how to renew your subsidy.

### **When Does My Coverage Start?**

During open enrollment for 2015, if you enroll:

- Between the first and 15th day of the month, your coverage starts the first day of the next month. So if you enroll on Jan. 5, 2015, your coverage starts on Feb. 1, 2015. And remember, Dec. 15, 2014, is the last day to sign up for your coverage to take effect on Jan. 1, 2015.
- Between the 16th and the last day of the month, your coverage starts the first day of the second following month. So if you enroll on Jan. 16, your coverage starts on March 1.
- Between Feb. 1, 2015, and the deadline of Feb. 15, 2015, your 2015 coverage begins March 1, 2015.

### **What Will It Cost Me to Buy This Insurance?**

Your insurance costs depend on a lot of things like where you live, your age, how many people are in your family, the services you need, and whether you smoke. And your income determines whether the federal government will help you pay for your insurance.

What you pay also depends on which category of insurance you choose in the marketplace: bronze, silver, gold, or platinum. In bronze and silver plans, you might pay a lower monthly charge, called a "premium," but you might have to pay a higher cost later when you use the insurance. The opposite happens when you buy gold and platinum plans; they tend to have higher premiums and lower out-of-pocket costs.

Here's an idea of what those costs might look like, on average:

- In a bronze plan, insurers pay for 60 percent of the charge for medical services; patients, 40 percent.
- In a silver plan, insurers pay for 70 percent; patients, 30 percent.
- In a gold plan, insurers pay for 80 percent; patients, 20 percent.
- In a platinum plan, insurers pay for 90 percent; patients, 10 percent.

You won't know your costs for sure until you fill out a marketplace application. But until then, you can get a rough idea using [this calculator tool created by the Kaiser Family Foundation](#).

And remember, regardless of whether a plan is bronze, silver, gold, or platinum, don't forget to check out the other details besides costs, like the kind of insurance and the doctor and hospital networks. Those things are important to keep in mind when comparing your options and choosing a plan that works for you and your family.

### What Different Kinds of Insurance Can I Buy?

There are different kinds of insurance plans you can buy depending on how much you want to spend, the medical services you need for you and your family, and how many doctors and hospitals you want to choose from. Some plans, for example, only let you use the doctors that are in their networks; otherwise, you pay more.

Others might require you to get a referral from your regular doctor before you get other specialized treatments. You can read up on [Healthcare.gov](#) and [BeCoveredTexas.org](#) about the different kinds of insurance plans out there.

The marketplace also puts these different kinds of insurance plans into four categories: bronze, silver, gold, and platinum. The categories are based on the amount of coverage the insurance company provides for your health care, and your portion of the costs. But again, any plan in any of those categories still has to offer essential benefits. The difference is how you and your insurance company share the costs of that care.

There is a fifth option, too, called "catastrophic insurance." But it's only for certain people, and it doesn't cover everything.

### What Is Catastrophic Insurance?

Catastrophic insurance is meant to be a sort of safety net that covers you when something like a major accident or serious illness comes up.

It only covers three regular doctor visits a year and certain preventive care. So your monthly charge, or premium, might be lower for catastrophic insurance, but you will likely have to pay higher costs out of your own pocket before full coverage kicks in for things like

essential benefits. And if you buy one of these plans, you won't be eligible for any financial assistance to help pay for it.

In the marketplace, catastrophic plans are mostly available to people under 30 years old, people who don't earn much, and people who experience certain hardships, like homelessness, bankruptcy, or unexpectedly high medical bills.

If you are older than 30, you might also qualify temporarily to buy catastrophic insurance if you have an old policy that was canceled for not meeting the new Affordable Care Act (ACA) standards and you can't afford anything else.

### What Is Covered by This Insurance?

All plans in the marketplace have to offer what's called "essential health benefits." This is a basic package covering 10 different categories:

- Doctor visits;
- Hospital visits;
- Prescription drugs;
- Lab tests;
- Emergency room visits;
- Care when you are pregnant and when you have your baby;
- Care for children;
- Preventive services that help you stay healthy, like shots and screenings;
- Mental health care like counseling; and
- Treatments that help you recover from injuries.

Some plans might cover more than that, but that's the minimum. You can also find dental coverage in the marketplace, either included in a plan you buy, or separately.

Marketplace plans also must cover what are called "preexisting health conditions." This means even if you are already sick or pregnant.

### Who Can Sell Me Insurance in the Marketplace?

In Texas, you can get to the health insurance marketplace through [Healthcare.gov](#), and that's where you can find out if you can get help paying for your insurance. To sell insurance in the marketplace, insurance companies must first get the government's seal of approval on their plans to become what's called a "qualified health plan."

That means they agree to follow the marketplace rules, like providing a specific level of benefits, limiting the amount you have to spend out of your own pocket, and having networks with enough doctors, hospitals,

and other health care providers. You can see a list of approved health plans in Texas at [Healthcare.gov](http://Healthcare.gov), where you can buy your insurance directly. You can also get help with enrollment from a certified navigator or counselor, or a licensed insurance agent or broker approved by the government.

Remember, there is no charge to use [Healthcare.gov](http://Healthcare.gov) or enroll in health plans through the marketplace. Federal and state authorities have warned about scams using phony websites, charges, and emails or phone calls, so know what you are buying and from whom you are buying it.

### How Do I Pick a Plan? How Many Plans Can Pick From?

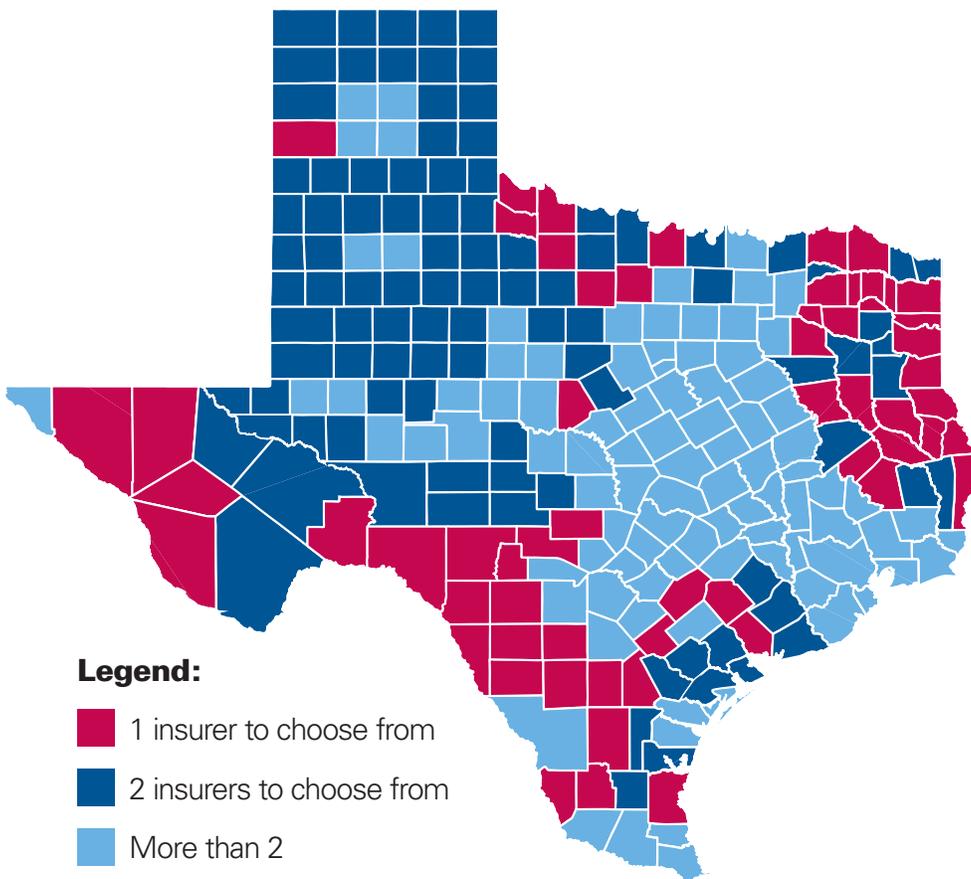
To pick a plan, visit [Healthcare.gov](http://Healthcare.gov), where you'll fill out an application to see a list of insurance companies and plans participating in your area.

Your choices will depend mostly on where you live and the type of plan you want. Keep in mind that one insurance company might sell a bunch of different plans with different levels of coverage and prices. Once you enter a few pieces of information, like your family size and where you live, you can see and compare different plans and price estimates in your area. You won't get a final quote until you actually fill out an application.

So far in Texas, 15 different insurance companies are participating in the marketplace, selling more than 100 different plans across the state. Again, your choices will depend mostly on where you live. Some areas of the state, especially rural areas, might have fewer insurance options than others (see map).

That might seem like a lot of information to go through. But there are some things you can do ahead of time to figure out what kind of insurance you need. (See "[How Can I Get Ready to Sign Up?](#)") [Healthcare.gov](http://Healthcare.gov) and [BeCoveredTexas.org](http://BeCoveredTexas.org) also have some helpful checklists.

## Marketplace Plans Available by County



Source: [Healthcare.gov](http://Healthcare.gov). Information current as of November 2014.

### Can I Keep the Plan I Have Now?

Most likely, yes. You can keep the plan you have now as long as it meets the rules of the ACA.

If you have a plan that you bought through the marketplace for 2014, you can renew it, or enroll in a different one, during open enrollment. (See "[How Do I Renew My Marketplace Plan?](#)" and "[When Can I Sign Up?](#)")

If you have your own insurance or a job-based plan that existed before the health reform law was passed in 2010 — a so-called "grandfathered" plan — it is possible that nothing needs to change. Check with your insurance company or employer to find out. (See "[What If I Have Insurance Through My Work or Family?](#)")



Physicians Caring for Texans