

Everything you need to know about the Affordable Care Act

There's no need to feel overwhelmed by the new healthcare laws. The goal of the Affordable Care Act is to provide access to affordable healthcare coverage and improve its quality. We will break down the most important aspects so you can understand what it means for you and your family.



Subsidies and Tax Credits

To make healthcare coverage more affordable, low- to middle-income Americans will be eligible for assistance in the form of federal premium tax credits or cost-sharing subsidies. To be eligible for these credits, an individual must meet the following criteria:

- ◆ Household income is between 138% - 400% of the federal poverty level
- ◆ Is not already eligible for Medicaid or Medicare
- ◆ Enrolled in an insurance plan via an exchange
- ◆ Is part of a tax-filing unit

The amount of this credit you can put toward your monthly premium will vary depending on household income and price of the plan, as well as other factors. You can find out how much assistance you qualify for when you shop an exchange.

Guaranteed Issue

Now health insurance policies will be sold on a guaranteed issue basis and the price you pay won't be affected by your pre-existing conditions. You won't be asked about your medical history and you won't have any lifetime caps on your benefits.

The Requirement

As of January 1, 2014, most adults over 18 are required to have health insurance. If an individual does not, he or she will be required to pay a financial penalty. In 2014 the penalty is 1% of the individual's annual income or \$95, whichever is greater.

Essential Plan Benefits

All health plans must now cover certain services:

- ◆ Ambulatory patient 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
- ◆ Preventative and wellness services and chronic disease management
- ◆ Pediatric services, including dental and vision care

Types of Plans

The plans available now provide five levels of coverage. These levels are based on the percentage of healthcare cost you pay versus how much your plan pays. They do not affect the amount or quality of your care.

- ◆ **Bronze:** the health plan pays an average of 60% of the costs and you pay about 40%.
- ◆ **Silver:** the health plan pays an average of 70% of the costs and you pay about 30%.
- ◆ **Gold:** the health plan pays an average of 80% of the costs and you pay about 20%.
- ◆ **Platinum:** the health plan pays an average of 90% of the costs and you pay about 10%.
- ◆ **Catastrophic:** these plans pay less than 60% of the total average cost of care. They are only available to people under 30 or those who have a hardship exemption.

Simply put, platinum plans cost the most in premium, but you'll have the lowest out-of-pocket expenses. On the other end of the spectrum, bronze plans have the lowest monthly cost but have very high deductibles and copays. This means you'll be paying a lot out of your own pocket anytime you use your insurance.

Three Key Questions to Deciding which Level is Right for You

The most important thing you should consider when making this choice is your level of health. If you live healthily and don't need very much medical attention, a bronze plan may be the best choice for you. But if you're often sick or take a lot of prescription drugs, a platinum or gold plan may be worth the price.

There are three key questions you should ask yourself:

- 1. What do you think your total health spending will be this year?** Do you need any procedures done soon? Are you planning on a pregnancy?
- 2. Do you want to take advantage of tax credits and cost-sharing subsidies?** While all levels of plans are eligible for tax credits, if you qualify for cost-sharing subsidies and want to take advantage of those, you need to purchase a silver plan.
- 3. What is your tolerance for risk?** If you're going to be constantly worried that an accident could set you back several thousand dollars before your insurance kicks in, you may be happier on a plan that will give you more peace of mind.

Your Next Step in Getting Health Insurance

Although the first open enrollment period ended March 31, 2014, you may be able to get coverage before the next open enrollment period if you:

- ◆ Lost coverage
- ◆ Got married
- ◆ Had a divorce or separation
- ◆ Had a baby or adopted a child
- ◆ Moved to another county or zip code
- ◆ Lost dependent status
- ◆ Changed your household income
- ◆ Had errors with your enrollment
- ◆ Had a change in immigration status

For more information, please visit our trusted partner GetInsured via the "Healthcare Coverage Options" tab at www.crawfordadvisors.selectquotebenefits.com and select "GetAnswers" in the upper right-hand menu.

To get started, call **1-877-557-7589** to speak with a licensed agent who can answer any questions you have regarding health insurance coverage.