



Affordable Care Act (ACA)

(AKA - Health Care Reform or “Obamacare”)

8 Things You Should Know about ACA

1. All U.S. taxpayers and their dependents will be required to have health insurance or be subject to a penalty

The 2014 penalties for not having coverage will be \$95 per individual, \$285 per family, or 1% of your taxable income (whichever is greater). This penalty increases each year and will be assessed when you file your tax return.

2. To avoid penalties, you must enroll in a qualifying plan, known as Minimum Essential Coverage (MEC)

Qualified Plans, or MECs, are:

- a. **Employer sponsored plan** – If you are enrolled in the medical plan your employer offers, you can continue that coverage.
- b. **Private individual market** – You have the option of purchasing individual coverage on the private market.
- c. **Public Marketplace** – You also have the option of purchasing coverage through the Federal Marketplace, where you may qualify for premium assistance.
- d. **Government-Sponsored Program** – Some individuals are eligible for government-sponsored programs such as Medicaid and Medicare. Medicare eligibility remains unchanged; however, effective January 1, qualifying for Medicaid in Wisconsin will require a household income below 100% of the federal poverty level.

3. Medical Plans must cover 10 essential benefits to meet Minimum Essential Coverage

- “ 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
- “ Preventive and wellness services and chronic disease management
- “ Pediatric services, including oral and vision care



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ACA – 8 things you should to know

4. All medical plans offered must meet certain criteria

- “ Pre-existing conditions will not be a factor. Insurance companies cannot deny coverage due to a medical condition, and certain plans, including plans offered on the Federal Marketplace, cannot charge a higher premium due to a medical condition.
- “ Plans must cover preventive and routine care at 100%. Examples of preventive care include: gynecology, cancer screenings, immunizations, annual physicals, and women’s health services.
- “ Plans that offer coverage to dependents must cover adult children to age 26.
- “ All plans must limit in-network out-of-pocket expenses (the maximum you pay each year for health services) to \$6,350 for singles and \$12,700 for families.

5. Plans offered in the Federal Marketplace must meet certain value requirements (based on the average person)

Plans will be categorized in 5 tiers:

- “ **Bronze** (Plan pays 60% of the services covered by the plan)
- “ **Silver** (Plan pays 70% of the services covered by the plan)
- “ **Gold** (Plan pays 80% of the services covered by the plan)
- “ **Platinum** (Plan pays 90% of the services covered by the plan)
- “ **Catastrophic** (High deductible coverage offered to people *under age 35*)



6. Premium Assistance (subsidy) may be available to purchase coverage on the public Marketplace

If your income falls between 100% and 400% of the federal poverty level (in Wisconsin), you may qualify for premium assistance; however, if you are eligible for affordable coverage through your employer, you cannot qualify for this assistance. **Affordable coverage means your portion of the single premium is not greater than 9.5% of your income.** Also, anyone who is eligible for government-sponsored coverage, such as Medicare, cannot qualify for premium assistance.

7. Open enrollment for the Marketplace plans begins October 1, 2013 and continues until March 31, 2014

You can apply for plans in the public Marketplace as early as October 1, 2013. The earliest effective date for coverage is January 1, 2014. You will not be able to purchase coverage outside of the open enrollment period without a qualifying event.

8. There will be three ways to apply for coverage

You can apply for Marketplace coverage three ways: **online, by mail or in-person** with the help of an insurance agent or other qualified Navigators. Telephone help and online chat will be available to help you complete your application.

McClone is here to help! If you want to work with a licensed agent to review all your options, please contact us at 920-725-3232.

Additional Information

You can find out through the Marketplace if you qualify for free or low-cost coverage through [Medicaid](#) or the [Children's Health Insurance Program \(CHIP\)](#).

Link to FAQ issued by the State of Wisconsin: http://oci.wi.gov/healthcare_ref/healthcarereform_consumerfaq.pdf

Link to Health Care updates: <https://www.healthcare.gov/>

Link for help at McClone: <http://www.mcclone.com/>

