

PPACA in CA



How it affects those with Individual and Family plans

Can I keep my current plan?

- If your plan isn't grandfathered (had before 03/23/2010 or carrier isn't supporting gf'd plans) then your plan will go away at the renewal of your plan and you will need to make a new plan selection for 2014 at your plan renewal. For individual coverage your insurer will determine your plan renewal. For most it will be 12/31/13. Health Net-2/28/2014; Cigna-12/31/14.
- Most likely your present insurer will "map" you or automatically move you to a new "PPACA qualified" plan unless you tell them not to.



The Good

- Preventive care covered 100%
- Dependents covered to age 26 (college attendance NOT required)
- Expanded benefits-”Essential Benefits”
- Guarantee Issue-no questions regarding health
- Standardized benefits-easier to compare
- (3 to 1 rating ratio versus 5 to 1) helps our older population
- Medi-cal expanded to 138% of fpl and able bodied without children
- Premiums Assistance aka Advanced Premium Tax Credits (138-400% of fpl)
- Subsidies (138-250% of fpl) to offset some copays, coinsurance and deductibles

Essential Health Benefits



- 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.



The Bad



- More questions to answer re: income
- Perhaps less doctor choices
- Perhaps harder to find doctors taking new patients
- For those not qualifying for premium assistance and subsidies, higher rates most likely. For some, MUCH higher rates.



When do I make that plan selection?

- Initial Open Enrollment will be from 10/1/13 to 3/31/14

Apply between 10/1 to 12/15=1/1/2014 effective date

Apply between 12/16 to 1/15=2/1/14

Apply between 1/16 to 2/15=3/1/14

Apply between 2/16 to 3/15=4/1/14

Apply between 3/16 to 3/30=5/1/14

- Annual Election Period will be the enrollment period each year following this Initial Open Enrollment and will be from 10/15-12/7 every year

Can I apply outside of those timelines?



- Special Election Period will be the 2 month period following a qualified event such as losing group coverage, moving out of your current plans service area or a change in family status (marriage, divorce, have a baby or adopt a baby)
- Otherwise, no.



How much will the premiums be?

That will depend on how much money you make

- 0%-100%=0
- 100%-138% of FPL-Contribution=2% of MAGI
- 138.01%-149.99=4% of MAGI
- 150%-199.99%=6.3% of MAGI
- 200%-249.99%=8.05% of MAGI
- 250%-299.99%=9.5% of MAGI
- 300%-400%=9.5% of MAGI
- (2nd Lowest Cost Silver Plan)
- If your income is above that, expect to pay more, probably much more than you pay now. Sorry!

Income Guidelines



Income Guidelines								
Family Size								
% FPL	1	2	3	4	5	6	7	8
100%	\$11,490	\$15,510	\$19,530	\$23,550	\$27,570	\$31,590	\$35,610	\$39,630
138%	\$15,856	\$21,404	\$26,951	\$32,499	\$38,047	\$43,594	\$49,142	\$54,689
150%	\$17,235	\$23,265	\$29,295	\$35,325	\$41,355	\$47,385	\$53,415	\$59,445
200%	\$22,980	\$31,020	\$39,060	\$47,100	\$55,140	\$63,180	\$71,220	\$79,260
250%	\$28,725	\$38,775	\$48,825	\$58,875	\$68,925	\$78,975	\$89,025	\$99,075
300%	\$34,470	\$46,530	\$58,590	\$70,650	\$82,710	\$94,770	\$106,830	\$118,890
400%	\$45,960	\$62,040	\$78,120	\$94,200	\$110,280	\$126,360	\$142,440	\$158,520



How will I be rated?



- Age: 3 to 1 rating
- County
- Family Size – Each individual (21 and older) will be rated based on his/her age up to 3 children.
- In CA, smokers will NOT be rated
- That's it-no medical questions



What if I go without coverage?

You will pay a tax

- 2014: Greater of \$95 per adult and \$47.50 per child under age 18 (maximum of \$285 per family) or 1% of income over the tax-filing threshold
- 2015: Greater of \$325 per adult and \$162.50 per child under age 18 (maximum of \$975 per family) or 2% over the tax-filing threshold
- 2016 & Beyond: Greater of \$695 per adult and \$347.50 per child under age 18 (maximum of \$2,085 per family) or 2.5% over the tax-filing threshold
- If the penalty applies for less than a full calendar year, the penalty will be 1/12 of the annual amount per month without coverage.



What is considered income?

Fully Included in MAGI

- Wages/Salary
- Interest & Dividends
- Alimony & Separate Maintenance Payments
- Life Insurance and Endowment Contracts
- Estate or Trust Interest Income
- Interest on State and Local Bonds (tax-exempt interest)
- Prizes or Awards
- Reimbursement of Moving Expenses
- Unemployment Compensation
- Social Security
- IRA and HSA contributions



Partially Included in MAGI

- Tier I Railroad Retirement Benefits
- Annuities
- Pension Benefits
- Partnership Gross Income
- Earned Income of U.S. Citizens Living Abroad
- Retirement contributions
- Business (including Property, Rental, or Royalties) Income.

Fully Excluded from MAGI



- Income from Discharge of Indebtedness
- Gifts and Inheritance
- Death Benefits
- Cafeteria Plans
- Certain Fringe Benefits
- Contributions to Defined Contribution Plans





Exchanges

Some states will have their own exchange. If they don't, residents of those states will have access to the federal exchange.

California's Exchange is called Covered CA. Companies offered in Sacramento County are Blue Shield, Anthem Blue Cross, Health Net, Kaiser and Western Health Advantage.

IMPORTANT: Check provider lists! The providers offered with Anthem and Blue Shield through the exchange WILL be less than outside of the exchange.



Do you have to buy your coverage through Covered CA?

- No, not unless you qualify for and want medical, advanced premium tax credits (APTC's) and subsidies.

Advantage of going outside exchange

- More carriers available such as Cigna and Assurant
- More plans available from all carriers (more choice)
- More providers on some networks (Anthem and Blue Shield)





Get involved

- <http://www.usa.gov/Contact/Elected.shtml>



Questions?

- Please don't hesitate to contact me if you have any questions. Dina D. Collins – 916-353-4882