

## **For Immediate Release**

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# Health Care Reform 'Obamacare' is Law

## **Just the facts**

On October 1, 2013 the Affordable Care Act (ACA) Marketplace begins open enrollment which lasts through March 31, 2014. The Marketplace allows individuals and families the option to purchase insurance and potentially receive discounts. Those who qualify can receive tax credits and cost-sharing subsidies to reduce out-of-pocket costs. Individuals who don't shop on the marketplace will not be eligible for these tax credits or subsidies. Low income families and individuals with household incomes below 100 percent of the federal poverty level (FPL) will receive a waiver and will not have to purchase insurance. Individuals and families at or above 100 percent FPL who don't purchase insurance may be penalized. The Marketplace will not affect Medicare and Medicaid beneficiaries.

Missouri offers a federally-run Marketplace. Those who opt to purchase on the Marketplace are able to compare—apples-to-apples—qualified health plans from nationally known insurance providers and can select a plan that suits their budget. Insurers must offer the same plans and prices whether inside or outside of the Marketplace. However, tax credits and subsidies are provided only to those who purchase through the Marketplace.

## **What's in a name?**

Like it or not, health care reform is law. Is it perfect? Probably not. But what it provides is a more affordable means to purchase insurance. Next year, it eliminates barriers for individuals with pre-existing conditions and gives women a break, as they will no longer pay higher premiums than men their same age.

I heard a story about a man who purchased insurance through Kentucky's state-ran Marketplace. His premiums were reduced significantly than what he was paying through his employer-sponsored health plan. His comment was, "I am paying a lot less than what I was paying....And it has nothing to do with 'Obamacare.'"

Misinformation about the Marketplace runs rampant. And what's worse is that many people who vehemently oppose "Obamacare" really don't understand what the Marketplace is, how it works, and who benefits.

The Marketplace, or what some like to call, Obamacare works like this: It is a federally-run or state-run insurance co-op often referred to as the "Marketplace" or "Exchange" that can be accessed at **HealthCare.gov**. This web site will ask you to set-up an account. You can go online and do that now. Beginning October 1, you can access your account and begin the enrollment process which starts with a series of questions. Based on your answers and reported household income, you will be guided to enroll in a government-sponsored insurance like Medicaid or CHIP if eligible, or guided to private insurance where you compare qualified health plans offered by national brands. Then, you select a plan based on your budget. Tax credits and cost-sharing will be calculated and transparently displayed so that you can see how much the plan costs, the amount of your subsidy and how much your monthly premium will be.

You will also be given the option to receive immediate month-to-month cost savings on premiums by leveraging the Marketplace's Advanced Premium Tax Credit (APTC) that is paid to the insurer, or you can choose to have the tax credit refunded to you at tax time.

For people without access to the Internet, they can enroll by phone, with the help of a navigator, certified application counselor, insurance agent/broker or by completing a paper application.

### **Call it what you like**

Regardless of what you call the Marketplace, it offers Americans an opportunity to purchase health insurance at a discount. It also motivates insurance companies to compete for our business.

Small businesses with fewer than 50 full time equivalent employees, for the first time, will have the same purchasing power as large businesses coupled with tax credits up to 50 percent. These tax credits won't last forever, but it gives small businesses the option to offer health insurance, while increasing their competitive edge to attract skilled workers.

## Looking the elephant in the face

No one likes to be told what to do. But the fact is, individuals will pay a penalty in 2014 if they can afford to purchase insurance and choose not to. In 2015, businesses with 50 or more full time equivalent employees will also pay a penalty if they don't purchase insurance for their full time staff.

Here are the positives: As more Americans purchase insurance, the risk pool spreads broadly. What this means is we pay less for insurance. Additionally, more lives will be saved and more bankruptcies will be avoided because lifetime limits on what an insurer pays will be lifted, and people with preexisting conditions will no longer be denied coverage. Ask any family with a sick child, husband or parent what this means to them personally. I believe most people can empathize with the fear of losing one's livelihood, credit worthiness and much worse, a beloved family member. Health care reform will buffer these blows for millions of families dealing with chronic illnesses who have been tossed aside by their insurer (or who had no insurance at all).

When it comes to mandated health care, the Medicare revolution caused the same shock and awe. Now traditional Medicare, a government-sponsored insurance, is a normal part of America's health care infrastructure. I believe that one day the Marketplace will be viewed in the same manner.

The Health Care Collaborative (HCC) of Rural Missouri and partners are here to help you gather the facts and make informed decisions. To find an informational, non-biased Marketplace workshop near you, visit **[HCCNetwork.org/marketplace](http://HCCNetwork.org/marketplace)**. If you would like assistance enrolling in the Marketplace, we can help with that too. Visit us online for a list of enrollment dates and locations or call **1.877.344.3572**. We are also available to talk with you one-on-one or to your group or organization about the Marketplace and answer any questions. We do not sell insurance, nor do we benefit financially in any way.

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