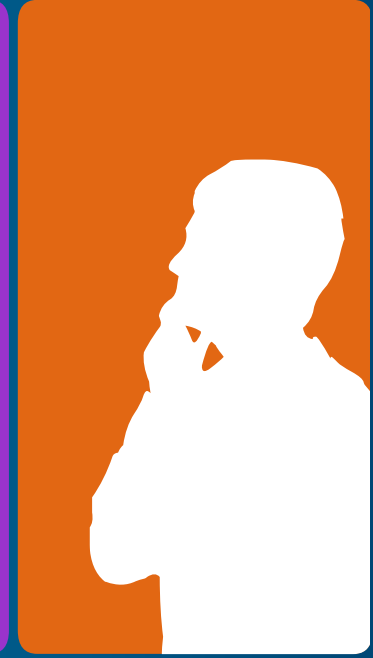
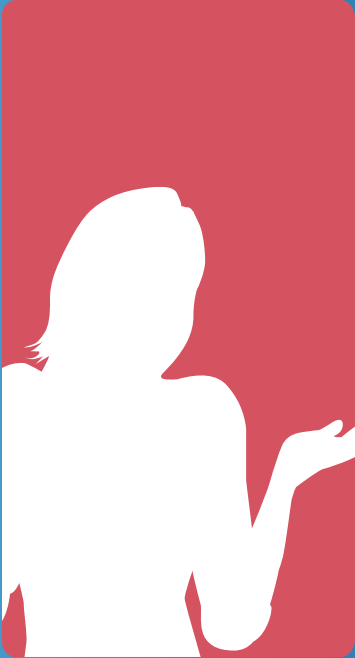


Health Care Reform Basics



Blue Cross
Blue Shield
Blue Care Network
of Michigan

You may be asking yourself what the health care reform law is all about. Don't worry, you're not alone — many people are asking the same question! This booklet will give you the basics to help you make sense of it all.

For more information, go to

HealthCareReformBasics.com/Now



**Why should I
learn about health
care reform?**

This section will help explain why learning about health care reform is important to you.

Why Should I Learn About Health Care Reform?

Because there is a
NEW LAW
that will impact you.



There are a lot of questions and opinions out there and you may feel very confused.

It may give you new options for health care.



It may change how you pay for health care.

This pamphlet will help you learn the basics so that you can feel confident and find your way.



What is the new health care reform law?

In this section we'll look at the new health care law and some of its key components:

- 1 The new health care reform law.
- 2 The reform law impacts everyone.
- 3 There will be a "Health Insurance Marketplace."
- 4 There is more financial aid for health care.
- 5 All insurance plans will include a standard set of basic medical benefits.

1 The New Health Care Reform Law

In 2010,

Congress passed the

Patient Protection and Affordable Care Act

(also known as the ACA). There are a lot of questions and opinions swirling around about reform. These pages will help explain the basics of the law.



2 The Reform Law Impacts Everyone

◆ By ◆
2014
EVERYONE
should have
HEALTH INSURANCE

Whether you purchase it on your own, get it through your employer, or are covered by a government program such as Medicaid or Medicare, everyone should have insurance.

While the government played a large role by passing the law and will play a role in running the Health Insurance Marketplace, the law states that individuals and employers also have a role to play.



Individuals

Beginning in January 2014, everyone is required to have insurance — just like everyone has to have car insurance — or else they will pay a penalty.

2 The Reform Law Impacts Everyone (cont.)

Employers

The cost of health insurance will be shared by some employers, or they may pay a penalty. This part of the law is expected to take effect in 2015.



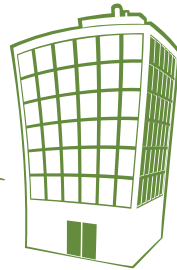
UNDER 50
EMPLOYEES



- ✓ Employers DO NOT have to offer health insurance, and are NOT penalized if they don't.
- ✓ Employers that DO offer insurance may get tax credits to help with the cost.
- ✓ Employees can buy insurance directly from insurers or on the Marketplace if their employers do not provide it.



50 EMPLOYEES
OR MORE



- ✓ Large employers should offer health insurance to workers. If they don't, they may be fined \$2,000 per employee every year.
- ✓ Employers must offer quality health care.
- ✓ Employers should offer affordable coverage – it can't cost more than 9.5% of an employee's household income.

3 The Health Insurance Marketplace

The law introduces the **HEALTH INSURANCE MARKETPLACE**, also sometimes known as the **MARKETPLACE** or **HEALTH EXCHANGE.**

Starting October 1, 2013, many of us will buy our health insurance in a new way — through the Health Insurance Marketplace.



The federal government is developing the Marketplace as a **one-stop shopping** experience where you can compare all your options and where everyone has the same information. The Marketplace will be **available online, by phone, or in certain areas, by visiting a physical location.**



3 The Health Insurance Marketplace (cont.)

◆ If you ◆
DON'T
 get insurance
 from your **employer**
 or **parents** or through
the government,
 the Marketplace is
 where you can buy it.
 But remember, the
 Marketplace will be the
only place you can
receive tax credits and
cost-sharing assistance
 that may help you lower
 your insurance costs.

Private insurance companies submit their plans for approval to sell on the Marketplace. The plans will be presented in the same way in order to help you compare your options and pricing. You'll want to look at the plans carefully and pick the one that best fits your needs.



Insurance plans on the Marketplace: Four metal levels

All insurance plans from all companies on the Health Insurance Marketplace will be categorized by four levels: **Bronze, Silver, Gold, and Platinum.** Depending on which plan you pick, your costs could change.

**Percentages noted at right are examples and may not reflect the cost-sharing percentage of the actual health plan you purchase.*




4 More Financial Aid for Health Care

The reform law makes more financial help available for health care. This help will come in the form of **government-sponsored subsidies**, such as tax credits and cost-sharing assistance.



Use this chart to see if you may be eligible for subsidies.

 Number of people in your family/household	\$ If your household income is in this range, you may be eligible for a tax credit	\$ If your household income is in this range, you may be eligible for cost-sharing assistance	
If you are an adult without children in your household	1	\$11,490–\$45,960	\$11,490–\$28,725
	2	\$15,510–\$62,040	\$15,510–\$38,775
	3	\$19,530–\$78,120	\$19,530–\$48,825
If you are a parent or caretaker with two or more people in your household	4	\$23,550–\$94,200	\$23,550–\$58,875
	5	\$27,570–\$110,280	\$27,570–\$68,925
	6	\$31,590–\$126,360	\$31,590–\$78,975
	7	\$35,610–\$142,440	\$35,610–\$89,025
	8	\$39,630–\$158,520	\$39,630–\$99,075

*The income levels are based on 2013 federal guidelines. Guidelines may vary by state.

**Different qualifications apply to pregnant women, infants, children, and people who are blind or disabled or over the age of 64.

5 Standard Medical Benefits

All insurance plans on the Health Insurance Marketplace must include a standard set of basic medical benefits. There are no exceptions.



Preventive services



Chronic disease care



Outpatient services



Hospital stays



Maternity and newborn care



Mental health and substance abuse disorder services



Prescription drugs



Rehabilitative and habilitative services and devices

How much is this going to cost me?

This section provides direction on who may be paying what for health care.

YOU ARE NOT ALONE

if you're wondering how much this will cost you. Many people are asking that very same question. But there's no easy answer because it really depends on your situation. Here are a few examples.

If you work for a large company and get health insurance through your employer:

- You may or may not see much change in your costs or coverage. Your employer may decide to drop your coverage or change your plan.
- If this happens, you will now have more options to find and buy insurance that meets your needs. These options include purchasing directly from an insurer, through an agent, or on the health insurance marketplace.

If you buy your own health insurance or work for a small employer who does not offer insurance:

- You'll be able to buy your insurance on the Marketplace, and your costs will depend on the plan you choose.
- Keep in mind that some people will qualify for government subsidies to offset the costs of insurance.

The new reform law states you are required to buy insurance starting in **2014**.

If you don't...

In 2014,
the government **may** fine you
1 percent of your income
or **\$95 per year,**
whichever is larger.

By 2017,
this fine will **grow** to
2.5 percent of your income
or **\$695 per year,**
whichever is larger.

This does not apply to those whose income is under the federal income guidelines.

Possible Medicaid Expansion

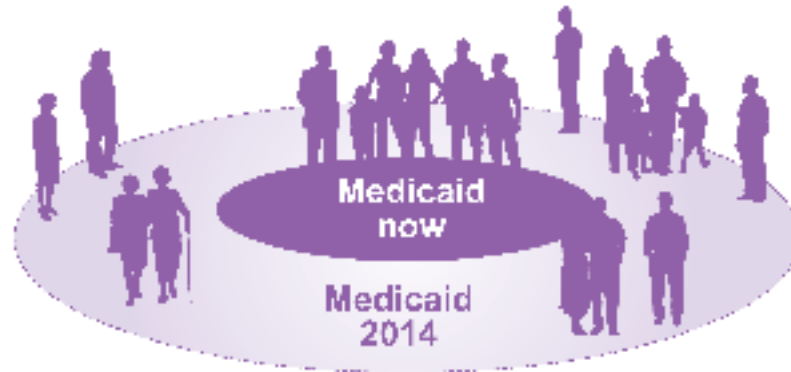
◆ If ◆
you're on

MEDICAID

now, you will continue to be eligible for Medicaid. But, some things about Medicaid may be changing.

You will also be able to apply for Medicaid on the new Health Insurance Marketplace.

Households with an income of up to 138% of the federal poverty level may now be eligible for Medicaid and the health care benefits that come with it. This percentage has increased and means that more people may be eligible.



States can choose whether or not they will expand their Medicaid programs to follow the new federal poverty level guidelines in the health care reform law.

There are many factors that determine whether you are eligible for Medicaid. This chart shows how income is factored in now and how it may be factored if Medicaid is expanded in 2014 in Michigan.

	🏠 Number of people in your family/household	\$ In 2013, you may qualify for Medicaid if your household income is less than...	\$ In 2014, you may qualify for Medicaid if your household income is less than...
If you are an adult without children in your household	1	\$7,238	\$15,856
	2	\$9,771	\$21,403
If you are a parent or caretaker with two or more people in your household	3	\$12,303	\$26,951
	4	\$14,836	\$32,499
	5	\$17,369	\$38,046
	6	\$19,901	\$43,594
	7	\$22,434	\$49,141
	8	\$24,966	\$54,689

*The income levels are based on 2013 federal guidelines. Medicaid guidelines may vary by state.

**Different qualifications apply to pregnant women, infants, children, and people who are blind or disabled or over the age of 64.



What do I need to know and do?

This section highlights important dates to remember.

Important Dates



- Remember that by **January 1, 2014**, you **MUST** purchase health insurance — either directly or through your employer. Learn about the individual mandate and penalties you may pay if you don't have health insurance.
- **On October 1, 2013**, you can **begin shopping** for insurance on the **Health Insurance Marketplace**. Take some time now to learn about the Marketplace and the products available so you understand your options for quality, affordable health insurance.
- Understand the options that may be available to help pay for your health insurance.

If you have more questions about health care reform, you can call a Health Plan Advisor at **855-499-0547** or contact an independent Blues agent.



Scan to visit

HealthCareReformBasics.com/Now

Please note:

This pamphlet is continually revised to reflect current reform information.

Charts and figures included in this pamphlet are illustrative of how reform works.

They may not reflect exact qualifying amounts.



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