Affordable Care Act
Just the Basics

Overview of the Law, the Marketplace and How to Apply
The Patient Protection Affordable Care Act was signed into law on March 23, 2010
- Known as the PPACA or ACA

Takes full effect on January 1, 2014

US Supreme Court upheld the constitutionality of the law in 2012
- Medicaid expansion was made optional
- Texas Legislature did not expand Medicaid although it can expand Medicaid later
Highlights of the ACA

- No lifetime or annual caps
  - Health plans cannot drop coverage if a person is chronically or terminally ill
- A person can no longer be denied coverage for a pre-existing condition
  - Children effective now and adults starting on January 1, 2014
  - No one can be charged more because of a health history or condition
- Young adults can stay on their parent’s coverage until age 26
- Women can no longer be charged more than men for the same health coverage
Highlights of the ACA

- Free preventative care – no copays
  - Children, elderly and disabled since 2010
  - Women since August 2012
  - Everyone beginning in 2014

- All policies will cover 10 Essential Health Benefits
  - Ambulatory patient services; emergency services; hospitalization; maternity/newborn care; mental/behavioral health and substance abuse services; prescription drugs, rehabilitative/habilitative services/devices; lab; preventive/wellness services and chronic disease management; and pediatric services, including oral and vision.
Highlights of the ACA

- Closed Medicare prescription “doughnut hole”
- Small Business tax credits – up to 35%
  - Businesses with less than 50 employees not required to provide insurance
- 80/20 Rule
  - Insurers must spend 80% of premiums on health care and only 20% for administrative costs and profits
- Funded Federal Navigator positions
  - Including training/certification
Texas has a Federally Facilitated Marketplace or FFM

- Texas can later seek approval to establish its own state Marketplace

Marketplace will open for enrollment October 1, 2014

- Individuals and families between 100% – 400% of FPL are eligible to apply for premium tax credits
  - Individuals and families below 100% of FPL will not qualify for any affordable health coverage*

*Lawfully present individuals below 100% of FPL may be eligible for a PTC
Federally Facilitated Marketplace

- Easier way to shop for health coverage
  - Simplifies the search
  - All options in one place
  - A streamlined application and an individual or family can explore every qualified insurance plan in the area

- Most people will be able to get a break on costs
  - However, individuals who are currently uninsured and fall below 100% of FPL will not qualify for discounted or free health insurance

- Clear options with apples-to-apples comparisons
  - All health insurance plans in the Marketplace present their price and benefit information in plain language
Qualified Health Plans

- Medal plans include Bronze, Silver, Gold and Platinum.
  - The benchmark plan will be the 2nd highest Silver plan
- There are x# Qualified Health Plans in Texas
  - QHP #1
  - QHP #2
  - QHP #3
  - QHP #4
Qualified Health Plans

[Insert QHP chart(s)]
Premium Tax Credits

- Lowers the cost of health coverage in the Marketplace
- Eligibility based on household income and family size (at the end of the year)
- Available for incomes between 100% to 400% of the FPL
- Claimed on your income tax return as a refund
  - Option to take the full credit upfront (Advanced Premium Tax Credit or APTC) or monthly over the year
  - Marketplace will pay premiums directly to the Qualified Health Plan
Penalties

- Most people must have health coverage starting in 2014
  - If a person does not have health coverage, he/she may have to pay a fee with their tax return
  - Fee will be paid with 2014 Federal tax return prepared in 2015
  - Fee for 2014 is 1% of yearly income or $95, whichever is higher
  - Fee for uninsured children is $47.50 per child
  - Maximum family fee would be $285, but amounts will continue to increase for following years

- Some people will qualify for an exemption
How to Apply

- Individuals can apply:
  - In person assistance available with Certified Application Counselors or Federal Navigators
    - Visit a CAC at your local community health center
  - Online: [www.healthcare.gov](http://www.healthcare.gov)
  - By phone 24/7 at 1–800–318–2596 TTY 1–855–889–4325
  - By mail – paper application available