

Health Insurance Marketplace: New Coverage Options for Ohioans

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Disclaimer

2

- *Information provided represents current knowledge of implementation and is not considered legal advice.*
- *Implementation of the ACA and Marketplace are ongoing and therefore is subject to change or further clarification.*

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Key Milestones

3

- **2010** – ACA signed into law
- **2012** – U.S. Supreme Court upholds core of ACA, compliant with Constitution of the United States
- **2014** – Main coverage tools, Medicaid Expansion and the Health Insurance Marketplace, to be implemented
- **Beyond 2014** – Provisions of ACA continue to be implemented until 2020

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Why was ACA needed?

4

- **Individuals living without health insurance** coverage – which ultimately **raises costs for the insured.**
 - 50 million Americans and 1.5 million Ohioans
- **Tens of millions of Americans** were underinsured, and afraid of losing what limited coverage they had.
- Insurance **premiums more than doubled over the last decade**
 - Medical bills contributing to more than 60% of all bankruptcies
- **Health care costs skyrocketing** in the U.S. – at unsustainable rate

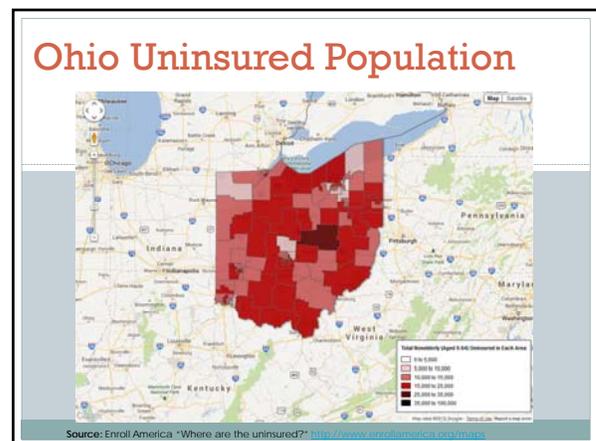
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Why was ACA needed?

5

- System relies on **treatment instead of prevention**
- Health **outcomes in U.S. worse than in other industrialized countries** – 24th of 30 OECD countries
- People with **pre-existing conditions were denied coverage**
 - Insurance companies **turned away 129 million Americans** with pre-existing conditions

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What does ACA do?

- Expands opportunities for affordable coverage
- Coverage for those with pre-existing conditions
- Extends coverage to young adults on parent insurance
- Increases consumer protection
- Emphasizes prevention & wellness
- Focuses on quality & outcomes
- Seeks to reduce health care costs

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More Coverage Options

Beginning in 2014, most individuals will need to purchase or obtain health insurance coverage. It's the law!

How Can You Obtain Coverage?

- Employer-sponsored insurance
- Individual private insurance
- Medicaid/CHIP
- Medicare
- TRICARE/Veterans Affairs
- **The Health Insurance Marketplace**
 - financial help through subsidies will be available

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Who is exempt from the individual mandate?

- Individuals with financial hardship
- Individuals with religious objection
- Undocumented immigrants
- Individuals whose income is below the threshold required to file a tax return
- Individuals where the lowest cost health plan available exceeds 8% of their income

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Medicaid Expansion

How does ACA expand access?

Who will qualify?

What is the status in Ohio?

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Ohio Medicaid Expansion in 2014

- Ohio is proceeding with implementation of Medicaid expansion
- Beginning January 1, 2014, more low-income Ohioans will be eligible for Medicaid coverage.
- Additionally, shifts to a simplified way of calculating income to determine eligibility and streamlines the application process

HOUSEHOLD SIZE	138% FPL
1	\$15,856
2	\$21,406
3	\$26,952
4	\$32,499
5	\$38,047
6	\$43,594
7	\$49,142
8	\$54,689

For each additional individual in the household add \$5,347.

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Simplifying Medicaid and CHIP

- October 1, 2013 - Ohio launched a new Medicaid eligibility system, Ohio Benefits - <http://Benefits.Ohio.gov>
 - December 9 - expansion population to begin application process
- Ohio Benefits is a simplified, self-service Website that makes it easier for Ohioans to learn what type of assistance may be available to them.
 - Process to rely primarily on electronic data - Reduce need for paper documentation
 - Those who do not qualify for Medicaid will be directed to other opportunities for coverage through the federal health insurance exchange.

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Simplifying Medicaid and CHIP

13

- 2015 - add eligibility determination for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and other programs will be on Ohio Benefits.
- Apply **online**, by **phone**, by **mail**, or **in-person**
- **12-month eligibility period** for Adults and Parents

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Medicaid Expansion in Ohio

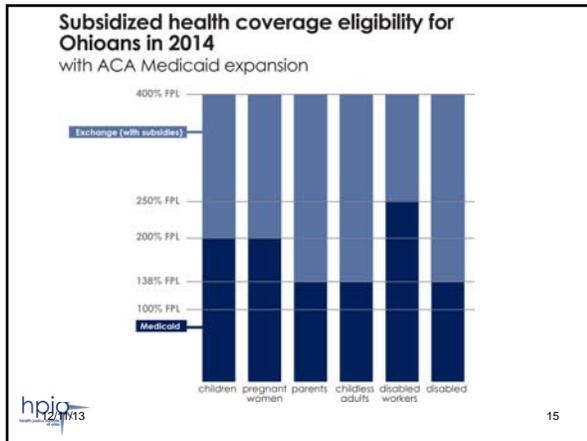
14

- Kasich Administration included Medicaid Expansion in its budget, as provided by ACA
- Ohio House of Representatives removed Medicaid Expansion during the budget process
- Healthy Ohioans Work kicked off a statewide campaign to place an initiated statute on the ballot in November 2014

October 21, 2013 - Controlling Board approved Ohio Dept. of Medicaid to accept federal funding to expand Medicaid to 138% of FPL



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Who is left uncovered?

16

- Undocumented immigrants
 - Difficult to track, but estimated **100,000** in Ohio
- Individuals who either choose not to enroll or are exempt, or get caught in the “family glitch”

ACA defines “affordable” as 9.5% or less of an employee’s household income, mostly to make sure people did not leave their workplace plans for subsidized coverage through the exchanges. But the “error” was that it only applies to the employee — and not his or her family. So, if an employer offers a woman affordable insurance, but doesn’t provide it for her family, they cannot get subsidized help through the state health exchanges.

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The Health Insurance Marketplace

17

How does ACA expand access?

Who will qualify?

Where does Ohio stand?

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Introduction to the Marketplace

18

- A new way to buy health insurance
- To provide qualified individuals and employers:
 - Access to affordable coverage options
 - Ability to buy certain private health insurance
 - Access to health insurance information
- Allows for apples-to-apples comparison of Qualified Health Plans (QHPs)

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Marketplace Timeline 19

June 2013 – The Marketplace Call Center opened 1-800-318-2596 TTY: 1-855-889-4325

July 2013 – September 2013 - Account set-up available at www.HealthCare.gov

October 1, 2013 – Open Enrollment starts

December 9, 2013 – Ohio Medicaid Enrollment will take place for expanded population - <http://www.healthtransformation.ohio.gov/LinkClick.aspx?fileticket=z9Hf8xCbqxw%3d&tabid=194>

December 23, 2014—Deadline to select plan and pay first month's premium to be covered **January 1, 2014 (date extended)**

January 1, 2014 – Health coverage can start

March 31, 2014 – Open Enrollment ends 12/11/13

What to Expect in Ohio 20

Ohio opted for a Federally-Facilitated Marketplace – but has said Ohio will retain control over some plan management functions.

www.healthcare.gov

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Who is eligible? 21

Marketplace eligibility requires consumers to:

- Live in its service area, and
- Be a U.S. citizen or national, or
- Be a non-citizen who is lawfully present in the U.S. for the entire period for which enrollment is sought, and
- Not be incarcerated

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Medicare & The Marketplace 22

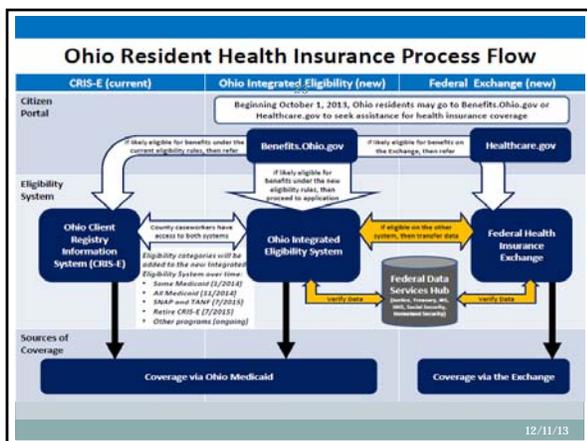
Medicare is **not** part of the Marketplace.

- People on Medicare or eligible for Medicare are not affected by the marketplace.
 - If you have Medicare, you are covered.
 - The Marketplace won't affect your Medicare choices.
 - Medicare benefits won't be changing.

<https://www.healthcare.gov/if-i-have-medicare-do-i-need-to-do-anything/>

- To learn more about Medicare eligibility, see: www.Medicare.gov

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Single, Streamlined Application 24

21 page application reduced to 3 pages

- Step 1: Tell us about yourself
- Step 2: Current job and income information
- Step 3: Your health coverage
- Step 4: Sign & submit



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Qualified Health Plans (QHPs)

25

A *Qualified Health Plan* (QHP):

- Is offered by an issuer that is licensed by the state and is in good standing;
- Covers *Essential Health Benefits*;
- Is offered by an issuer that has at least one plan at the *Silver*-level cost and one at the *Gold*-level cost;
- Is offered by an issuer that agrees to charge the same premium rate whether offered directly through the Marketplace or outside the Marketplace
- Certified by the Ohio Department of Insurance and approved by HHS

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All QHPs will cover these Essential Health Benefits

26

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity & newborn care
5. Mental health and substance abuse disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral* and vision care

*Not required in benefit package if a stand-alone dental plan is in the Marketplace in which the plan operates.

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Things to Think About When Choosing a Plan

27

- Provider Network
- Prescription Drug Formulary
- Visit Limits and Other Details of Specific Benefits
- Insurer Participation in both the Marketplace and Medicaid (for people with low incomes likely to move back and forth in their eligibility)

Understand what these terms mean by visiting the CMS Uniform Glossary of Terms: <https://www.healthcare.gov/glossary/>

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Marketplace - Consumer Choice

28

Level of Coverage	Plan Pays On Average	Enrollee Pays On Average*
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%
Platinum	90%	10%

*In addition to monthly premium.

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Ohio issuers Individual market

29

- Ambetter from Buckeye Community Health Plan
- Anthem Blue Cross and Blue Shield
- AultCare
- CareSource
- HealthAmericaOne
- Kaiser Foundation Health Plan of Ohio/HealthSpan
- Humana Health Plan of Ohio, Inc.
- MedMutual
- Molina Marketplace
- Paramount Insurance Company
- SummaCare

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Ohio issuers SHOP

30

- Anthem Blue Cross and Blue Shield
- AultCare
- HealthSpan/Kaiser Foundation Health Plan of Ohio
- MedMutual
- SummaCare

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Marketplace Affordability

31

Financial help available for working families includes:

- Tax credits to lower the premiums qualified individuals pay
- Reduced cost-sharing to lower out-of-pocket spending for health care

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Premium Credits

32

- The ACA establishes new Advance Premium Tax Credits (APTCs) that lower the cost of QHPs
- Eligibility is based on:
 - Household income and family size
 - Income between 100%-400% FPL
 - Obtaining QHP coverage through the Marketplace
 - Ineligibility for government-sponsored coverage programs, sponsored insurance, or certain other minimum essential coverage

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How much is a Premium Tax Credit?

33

- The amount of the Premium Tax Credit depends on:
 - Household income as a percentage of the FPL
 - The premium for the **second lowest Silver level QHP**, referred to as the **benchmark plan**, adjusted for the age of the covered person.
 - A sliding scale that increases the taxpayer's own contribution towards the premium cost as a household income as a percentage of the FPL increases

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What You Will Pay

34

Income	Premium Credits:	
	Income	% of income to spend on premium
100% FPL:	\$11,490	2%
133% FPL:	\$15,856	3%
150% FPL:	\$17,235	4%
200% FPL:	\$22,980	6.3%
250% FPL:	\$28,725	8.05%
300% FPL:	\$34,470	9.5%
400% FPL:	\$45,960	9.5%

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Do I have to wait until I file my taxes to get the tax credit?

35

- You can **reduce your premium amount up front**
 - You can choose an APTC
 - Advanced payments are paid directly to the insurer on your behalf
- The amount is based on **projected** household income
 - Reconciled at tax time against the actual Premium Tax Credit amount you are eligible for
 - Changes in circumstances, such as new family members or decrease income, should be reported to ensure the tax credit is still accurate and the recipient does not end up owing additional taxes when filing.

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Who is eligible for cost-sharing reduction?

36

- Eligibility for reduced cost-sharing is based on:
 - Incomes **at or below 250% FPL** (\$58,875 annually for a family of four in 2013)
 - Receiving a new **Premium Tax Credit**
 - Must enroll in a Marketplace **Silver-level QHP**

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Catastrophic Plans

37

- **Who is eligible?**
 - Young adults under the age of 30
 - Those who cannot afford coverage and obtain a hardship waiver from the Marketplace
- **What is catastrophic coverage?**
 - Plans with high deductibles and lower premiums
 - Includes coverage of three primary care visits and preventive services with no out-of-pocket costs
 - Provides some protection to consumers, but high deductibles may still lead to high out-of-pocket costs

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Status of Enrollment - Individuals via the Marketplace

38

- Completed applications: 51,511
- Total Individuals applying for Coverage in completed applications: 96,409
- Total Eligible to Enroll in Marketplace Plan: 72,784
- Eligible to Enroll with Financial Assistance: 27,439
- Determined to be eligible for Medicaid: 9,231
- Pending: 14,394
- Individuals Who Have Selected Marketplace Plan: 5,672

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Small Business & The Marketplace

39

SHOP = Small Business Health Options Program

- A new, streamlined way for small employers (<50 FTE) to offer health insurance to their employees beginning in 2014
 - Access to SHOP **begins October 1, 2013, Enrollment begins in November through direct enrollment with agent/broker.**
- **Part of the Marketplace**
- Offers **access to QHPs**
- Works with new insurance reforms and **tax credits to lower barriers to offering health insurance** that employers face

SHOP Call Center for information: **1-800-706-7893**

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Enrollment for Small Businesses

40

- New Issue Brief released by Health Policy Institute of Ohio - <http://www.healthpolicyohio.org/resources/publications/>

The image shows the cover of an issue brief titled "Ohio health insurance basics: A closer look at open enrollment for small businesses in 2014". The cover features the logo of the Health Policy Institute of Ohio and contains several sections of text, including "Who is a small employer?", "What is a Qualified Health Plan?", and "What are the minimum participation and contribution requirements for small groups?".

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Small Business Health Care Tax Credit

41

Available to employers:

- With fewer than 25 FTE employees
- Whose employees' wages average less than \$50,000/year
- Who contribute at least 50% of employees' premium costs
- Who buy health insurance through the SHOP **only**, starting in 2014

Is worth:

- Up to 35% of employer's premium contribution (up to 25% for tax-exempt employers) **now**
- Up to 50% of employer's premium contribution (up to 35% for tax-exempt employers) **starting in 2014**

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Help for Ohioans

42

Navigators

Agents & Brokers

Certified Application Counselors

Ohio Network for Health Coverage & Enrollment (ONCE)

Enroll America

Federally Qualified Health Centers (FQHCs)

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Enrollment Assistance

43

...But help will be available

- **The Marketplace 24/7 Toll-Free Call Center**
 - 1-800-318-2596 (TTY 1-855-889-4325)
- **HealthCare.gov** and Marketplace websites
- Certified Assistants
 - **Navigators**
 - **Certified Application Counselors**
 - **Agents and brokers**
- Trusted community messengers
- Federally-Qualified Health Centers

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Navigators

44

- **Required** component of the Marketplace
- Federal grant program funded/administered by the Marketplace
- Navigators will:
 - Maintain expertise in eligibility, enrollment, and program specifications and conduct public education activities
 - Distribute fair, accurate, and impartial information about enrollment in QHPs and other health program such as Medicaid and CHIP
 - Facilitate selection of QHPs
 - Refer consumers to other programs
 - Provide information in a manner that is culturally and linguistically appropriate and accessible for people with disabilities

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What's Happening in Ohio

45

The following successful navigator applicants were awarded funds by CMS on August 15, 2013, and will share over \$3 million in Federal funds to provide navigations services to Ohioans:



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Ohio Association of Foodbanks Navigator Consortium

46

- **Ohio Association of Foodbanks**, All 88 Counties
- **Access Health Mahoning Valley (AHMV)**, Mahoning and Trumbull Counties
- **Asian Services in Action, Inc. (ASIA)**, Cuyahoga, Franklin, Hamilton, Lucas, Montgomery, and Summit Counties
- **Carmella Rose Health Foundation (CRHF)**, Cuyahoga County
- **Cuyahoga Health Access Partnership (CHAP)**, Cuyahoga County
- **Community Action Committee of Pike County (CACPC)**, Jackson, Pike, and Scioto Counties
- **Disability Rights Ohio (DRO)**, All 88 Counties
- **Freestore Foodbank**, Southwest Ohio
- **Toledo/Lucas County CareNet**, Allen, Ashland, Auglaize, Crawford, Defiance, Erie, Fulton, Hancock, Hardin, Henry, Huron, Lucas, Mercer, Ottawa, Paulding, Putnam, Richland, Sandusky, Seneca, VanWert, Williams, Woods, and Wyandot Counties
- **Ohio Association of Free Clinics (O AFC)**, 40 Counties Across Ohio
- **Ohio Department of Health (ODH)**, All 88 Counties
- **The Community Action Program Corporation of Washington Morgan Counties (WMCAP)**, Morgan and Washington Counties

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Ohio for Health - www.ohioforhealth.org

47

- Launched to provide information to Ohioans about accessing the federal health insurance marketplace

Consumers can:

- Be redirected to healthcare.gov to enroll themselves
- Get more information about health insurance and the marketplace
- Search for local resources to get assistance with the application process
- Find a calendar of community events
- Partners and consumers can also call **1-800-648-1176** for more information!

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Certified Application Counselors (CACs)

48

- Additional program, **not** Federally-funded
- Allows community health centers, hospitals, community and social service agencies, and other organizations to also assist with outreach and enrollment into the Marketplace
- Training and skills required to provide reliable, secure assistance
- Critical to achieving a high rate of enrollment
- For more information and to apply: <http://marketplace.cms.gov/help-us/cac.html>
- Listing of CAC's and other assistance available - <https://localhelp.healthcare.gov/>

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Agents & Brokers

49

- Agents and Brokers can:
 - Help enroll people and small employers into the Marketplace
 - Provided information on QHPs
- Agents and Brokers must follow Federal training and register to conduct business in the Marketplace
- Can receive compensation related to enrollment in QHPs and non-QHPs

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Ohio Network for Health Coverage & Enrollment (ONCE)

50

Bringing the strength of multi-stakeholder partnerships to help Ohioans understand and enroll in health care coverage

- Convened by the Health Policy Institute of Ohio (HPIO) and Philanthropy Ohio
- Includes more than 200 organizations working together locally, regionally, and statewide
- **Purpose:** To ensure that outreach, education, and enrollment efforts are coordinated and effective so that uninsured Ohioans understand and enroll in coverage

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Enroll America

51

Mission: To maximize the number of people who gain health insurance through ACA

- Research report: *Where are the uninsured?*
- Get Covered America campaign and Ohio staff
- Collecting experiences from individuals and small businesses regarding enrollment process

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Marketplace Timeline

52

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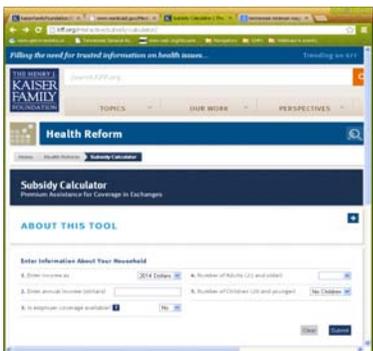
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Test Drive the Calculator

Kaiser Family Foundation website:

www.kff.org/interactive/subsidy-calculator/

KFF offers many interactive tools, fact sheets, graphs & timelines



53

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Case Study #1

54



Mr. Johnson

- Downsized from company—age 62
- Widowed – grown children not at home
- Self employed and earns part of his living refereeing football on the weekends.
- Annual income = \$25,000

Poverty Level: 217%

Coverage Option: **Marketplace**

Regular annual premium = \$6,720 (\$560/mo)

Maximum annual premium he will pay = **\$1,725 (\$144/mo)** (6.9% of income)

Subsidies:

Premium Tax Credit = **\$4,995 (\$416/mo)**

+ Cost-sharing Subsidies

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Case Study #2



The Gonzalez Family

- Family of four
- Both parents work full-time
- No insurance offered at work
- Annual combined income = \$50,000

Poverty Level: **209%**
 Coverage Option: **Marketplace**
 Regular annual premium = **\$9,869**
 Maximum annual premium they will pay = **\$3,314 (\$276/mo)**
(6.63% of income)

Subsidies:
 Premium Tax Credit = **\$6,555 (\$546/mo)**
 + Cost-sharing Subsidies

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Case Study #3



The Reynolds

- Couple, no children
- Jean works full-time for minimum wage: **\$15.00 / hour**
 \downarrow
\$31,200 / year
- Jack does not work and has no income. Jack is 45.
- Jean is covered by health insurance offered at work, but has not picked up the option to cover her spouse because of cost. She pays \$160/mo as her share of premium for her coverage. (6.2% of household income)

Poverty Level: **201%**
 Coverage Option for Jack: **Marketplace, full price**
 Annual premium = **\$3,420 (\$285/mo)**
(both premiums are 17% of household income)

No Marketplace Subsidy for Jack because Jean could cover Jack on work policy AND **her share** of premium is not greater than 9.5% of their **household** income.

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Additional Resources

www.healthcare.gov



...for updates and current information for individuals.

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Additional Resources

marketplace.cms.gov



...for official language, educational, outreach, info, marketing, and training tools and resources.

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Additional Resources

Benefits.ohio.gov



- Receive immediate notice whether or not they qualify for Medicaid coverage.

Those who qualify under Medicaid Expansion may begin enrollment process on December 9, 2013 for coverage in January 2014.

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Contact Information

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