



# Healthcare Reform and You

## What you need to know



Let us Help you Understand your Options



Healthcare  
What it means to you



# What is Healthcare Reform?

- Commonly called the “Affordable Care Act”
- Law enacted March 23, 2010
- Requires changes to healthcare and health insurance
- Provides protections for consumers
- Expands access to health insurance coverage



## Key changes that have already occurred

- ✓ Children can stay on parent's plan until they are **26**
- ✓ **Guaranteed coverage** for all children under 19
  - including those with pre-existing conditions
- ✓ **Preventive screenings are covered 100% in network:**
  - routine physicals, immunizations, women's preventive services
- ✓ Unlimited lifetime benefits

**Grandfathered plans:** existed on March 23, 2010, are exempt from some new consumer protections and essential health benefits

–Those that are not “grandfathered-in” will see changes in their policies by the end of next year



# Healthcare Reform: What does it mean to you?

- All Americans **MUST** have health insurance by 2014 — or face a penalty
- New plans, essential health benefits, and new ways to shop for, compare, and buy individual health insurance
  - including the new Exchange/Marketplace
- Must purchase during **Open Enrollment Period**
  - November 15<sup>th</sup>- February 15<sup>th</sup>
- New **financial assistance** to help pay for health insurance
- **No one will be denied coverage** for medical conditions



# Healthcare Reform: What does it mean to you?

Healthcare Reform Tax Penalties if you don't purchase insurance:

**2014**

**\$95 per adult and \$47.50 per child (up to a family maximum of \$285)...or 1% of household income, whichever is GREATER**

**2015**

**\$325 per adult and \$162.50 per child (up to a family maximum of \$975)... or 2% of household income, whichever is GREATER**

**2016**

**\$695 per adult and \$347.50 per child (up to a family maximum of \$2,085)... or 2.5% of household income, whichever is GREATER**



# How health insurance helps

- Safeguard your family and keep everybody healthy
- Preventive services help save nearly 2 million lives\*
- Routine physicals can help avoid medical issues that could follow you your whole life
- Keeping your self well will save you money!
- ER visits without insurance can average \$2,000\*\*

Sources:

\*National Commission on Preventative Practices, \*\*<http://www.plosone.org/article/info%3Adoi%2F10.1371/journal.pone.0055491#abstract0>



# Understanding the basics – How insurance works

## Example of how insurance can save you money:

- **Deductible** (the amount you're responsible for before insurance begins paying): **\$4,600**
- **Coinsurance** (percentage of medical and drug costs that you pay): **20%**
- **Maximum out-of-pocket** (the most you could pay toward covered expenses including deductibles, copays and coinsurance): **\$6,300**
- **Example:** Serious illness, surgery, and a hospital stay. Covered medical expenses total \$50,000.

Your cost without insurance	Your cost with insurance
<b>\$50,000</b>	Deductible \$4,600
	+ <u>Coinsurance \$1,700</u>
	= You pay <b>\$6,300</b> Maximum out-of-pocket
	Insurance pays \$43,700

Example assumes pre-authorizations received and no separate out-of-pocket maximums.



# What is different about the new plans?

Individual and Small Group plans must cover  
10 categories of mandated essential health benefits:

## Essential Health Benefits

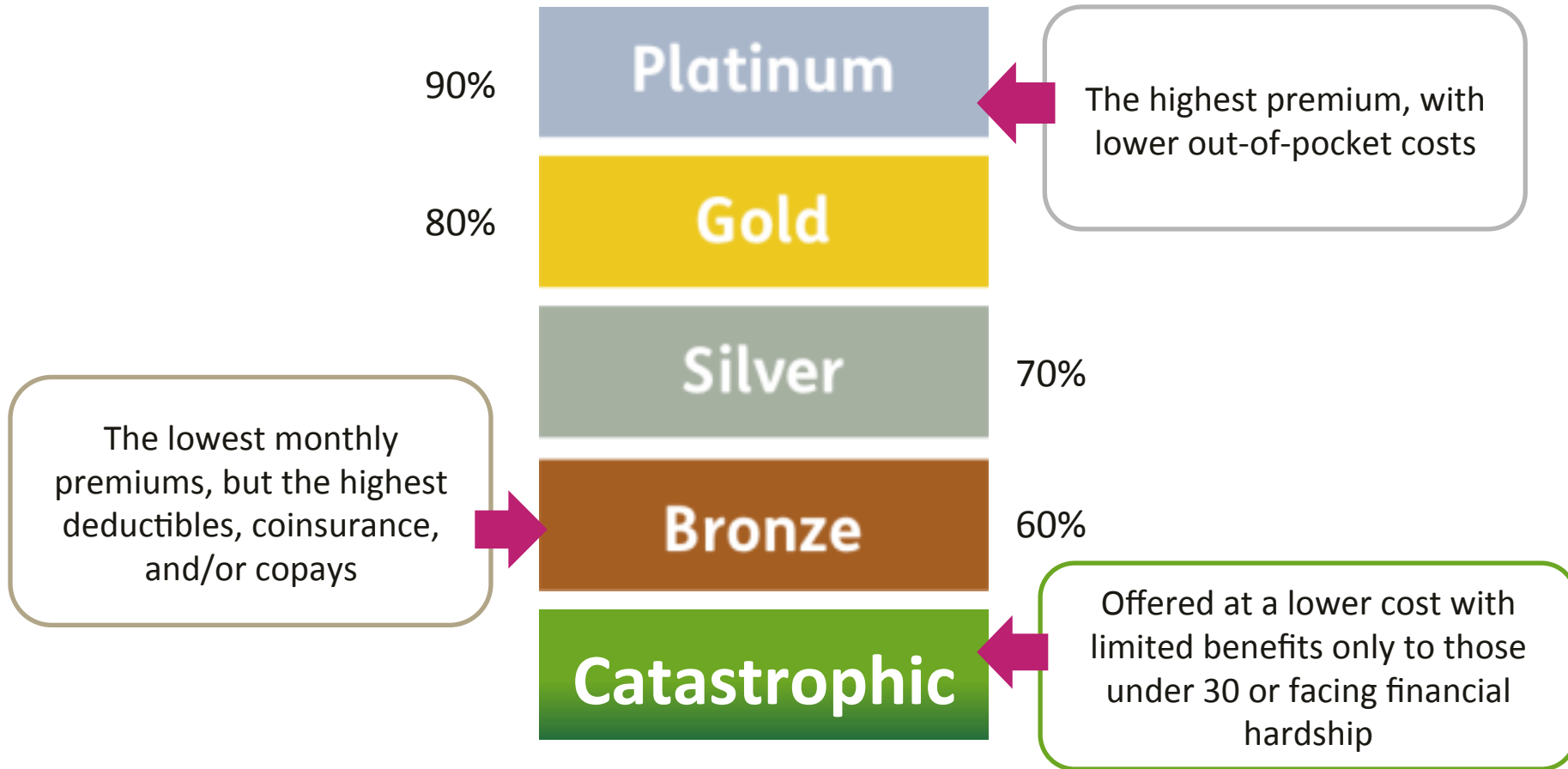
- |          |   |           |  |
|----------|---|-----------|--|
| <b>1</b> | Ambulatory Patient Services                         | <b>6</b>  | Mental Health/Substance use disorder services, including behavioral health treatment |
| <b>2</b> | Emergency Services                                  | <b>7</b>  | Preventive/wellness services and chronic disease management                          |
| <b>3</b> | Maternity and Newborn Care                          | <b>8</b>  | Hospitalization  |
| <b>4</b> | Pediatric Services including dental and vision care | <b>9</b>  | Prescription Drugs   |
| <b>5</b> | Rehabilitative/ habilitative services and devices   | <b>10</b> | Lab Services   |





# New Individual Health Insurance Metallic Tiers

5 new levels of plans: More benefits = Higher premium costs



\*All Plans are capped at \$6,350 an individual or \$12,700 a Family



# Financial Assistance

## 2 types of assistance:

**1**

### **Advance Tax Credits**

- Pays part of your monthly premium

**2**

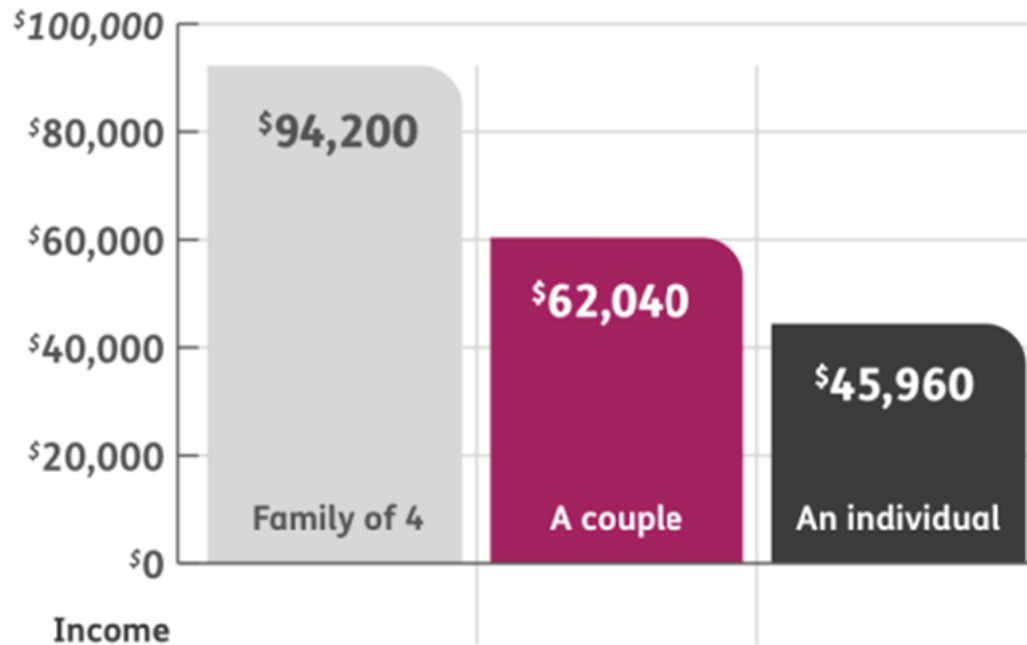
### **Cost-Sharing Subsidies**

- Pays more for some medical services, like doctor visits
- Available for cost-sharing Silver plans



# Financial Assistance: Who's Eligible?

Examples of who will qualify for an advance tax credit:



Source: 2013 Annual Federal Poverty Guidelines Chart and the Income Level/Premium as a Percentage of Income Chart.

Those in the lower ranges of this chart may be eligible for Medicaid instead.



# When do you need insurance?

To recap the timeline we covered earlier...

If you need a plan starting...	Buy it...
January 1, 2014	November 15 – December 15
February 1, 2014	December 16 – January 15, 2014
March 1, 2014	January 16 – February 15, 2014
April 1, 2014	February 16 – March 15, 2014
May 1, 2014	March 16 – 31, 2014



# How to buy health insurance

Individual health insurance will be available from:



Health Insurance Marketplace



Insurance Agents



Navigators



# Why work with Design Benefits?

- We have been in business over 30 years
- Only Licensed, Certified Insurance Agents
- A+ Rating with the Better Business Bureau
- We can Compare Plans, Navigators cannot
- Full Staff of Agents to Assist you after the sale
- We Market Plans in and out of Exchanges



# Why work with Design Benefits?

- We also Offer
  - Dental/Vision Plans
  - Accident Programs
  - Critical Illness (Gap Insurance)
  - Life Insurance
  - Auto and Home Insurance
  - Medicare Products
  - Much, Much More....



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Design Benefits  
404 S Holland St #2  
Wichita, KS 67209

(800) 726-2525  
[www.DesignbenefitsLLC.com](http://www.DesignbenefitsLLC.com)



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