Affordable Care Act Toolkit

for

Individuals and Families

Choose coverage that fits.
What does it mean for you?

The following outline provides information about some of the regulations from the Affordable Care Act (ACA) and how it affects individual and family health insurance plans.

The Affordable Care Act

The ACA is the healthcare reform legislation signed into law on March 23, 2010. It brought many changes to the private health insurance industry. Many regulations were implemented over the last four years, while some changes will go into effect through January 1, 2016. Overall, the ACA impacts the way individuals and families buy health insurance.

Blue Cross of Idaho implemented many of the new requirements, and we will continue to provide you information about new rules that impact your health insurance.

The federal government is trying to accomplish three primary things through the ACA:

- Ensure more people have access to and get health insurance coverage
- Set coverage standards for health insurance benefits
- Lower premium and out-of-pocket costs through subsidies
Penalties for not having insurance

The ACA requires individuals to have health insurance by April 1, 2014, or pay a tax penalty.

- In 2014 the penalty is $95 for adults and $47.50 for children, with a maximum of $285 per family or 1 percent of the family income, whichever is greater.
- In 2015 the penalty increases to $325 for adults and $162.50 for children, with a maximum of $975 or 2 percent of family income.
- In 2016 the penalty increases to $695 for adults and $347.50 for children, with a maximum of $2,085 or 2.5 percent of family income.

Options for getting health insurance

GRANDFATHERED HEALTH PLANS

The ACA allows for you to purchase health insurance in a few different ways. First, your employer, group or union may offer you and your family health coverage. Second, if you are not eligible for group coverage, you can purchase directly from Blue Cross of Idaho or on the state exchange. Regardless whether the individual has employer coverage, they may purchase an individual policy on the exchange or from Blue Cross of Idaho. Third, you may qualify to purchase a new plan if you recently experienced a life changing event. Please see page 6 for more information.

If you bought your plan before March 23, 2010, your plan may be grandfathered under the ACA. If you have a grandfathered plan, you can keep your current Blue Cross of Idaho coverage, avoiding some of the impacts of the ACA.

Grandfathered plans are not completely exempt from the ACA regulations. Blue Cross of Idaho implemented some additional ACA changes to grandfathered plans to be consistent in the coverage we provide our members. These changes will not affect your grandfathered status.

If you have a grandfathered plan, you may only purchase a new health insurance plan at your normal renewal or during the open enrollment period from November 15, 2014 until February 15, 2015 unless you have a qualifying event, such as a marriage, divorce, birth or you involuntarily lose your health insurance. Please see page 6 for more information about the special enrollment period.

NON-GRANDFATHERED PLANS

If you bought a health plan or changed your coverage since March 23, 2010, your plan is non-grandfathered. At this time, the federal government is allowing you to keep your plan. However, you have the option to choose a new plan at your renewal date or during the next open enrollment period.

IDAHO HEALTH INSURANCE EXCHANGE

If you are new to the individual market or if you want to shop for a new plan, you can buy insurance that meets the ACA coverage requirements (also known as a qualified health plan or QHP) directly from Blue Cross of Idaho or through the new Idaho Health Insurance Exchange at yourhealthidaho.org. The Exchange allows you to explore every qualified health plan available, compare plans and what they cover, and find out how much they cost. You can even find out if you qualify for a break on your monthly premium or help paying additional healthcare costs.
Get a break on costs

MONTHLY PREMIUM TAX CREDIT
This tax credit helps reduce or eliminate your monthly premium. Your household income must be less than 400 percent of the federal poverty level, you must not have access to insurance through an employer and you must purchase a plan on the state exchange to qualify for the tax credit.

COST SHARING REDUCTION
This is additional financial assistance that helps you pay for out-of-pocket expenses (deductible, coinsurance, copayments). Your household income must be less than 250 percent of the federal poverty level, you must not have access to insurance through an employer and you must purchase a silver plan on the state exchange to qualify for the cost-sharing reduction.

THE FEDERAL POVERTY LEVEL (2014)

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<thead>
<tr>
<th>Family Size and Federal Poverty Level</th>
<th>Cost Sharing Reduction</th>
<th>Monthly Premium Tax Credit</th>
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<td>If you make less than this, you may qualify for help paying expenses such as deductible and coinsurance payments</td>
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<td>8 $40,090</td>
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* For families with more than 8 people, add $4,060 for each additional person.

You can purchase Blue Cross of Idaho products directly through our website at shoppers.bcidaaho.com, from the Idaho Health Insurance Exchange at yourhealthidaho.org, or through your health insurance agent. Contact us at 800-365-2345, or visit our website at shoppers.bcidaaho.com to learn more.
Special Enrollment and Qualifying Events

When outside of the open enrollment period, certain life events allow you and your family to enter a special enrollment period (SEP). We have listed below some of the more common events that will trigger an SEP, allowing you and your family to change or purchase a qualified health plan.

Please note: the information provided is a general overview of the rules and regulations of the ACA. It may not address every specific situation you face and is not intended to be legal advice.

The following qualifying events allow you to change coverage outside of the open enrollment period:

- Individual or family policy renewal
- Marriage
- Birth or adoption of a child
- Loss of minimum essential coverage
- Covered dependent turns 26 is allowed to enroll in a new QHP
- Death from primary member allows for dependents to enroll in COBRA or QHP
- Divorce of a subscriber allows ex-spouse to enroll in QHP
- Change in work hours causes loss of eligibility for employer coverage
- Loss of employer-provided coverage due to termination or closing of business
- New citizenship
- Change in or loss of subsidy eligibility
- A CCO member moves outside of CCO area

- Member moves to a new area in Idaho
- Member receives hardship exemption and desires a catastrophic plan

Here are three examples of common life events that trigger an SEP.

MARRIAGE

- Both spouses get an SEP.
- Both spouses can enroll in a new or different QHP.
- One spouse can add the other to their plan as a dependent.
- They must choose a plan within 60 days of the event.
- Their effective date is the first day of the month following selection of a plan.

Example: Buddy and Peggy Sue get married on April 6. Their SEP ends on June 5. They have the option of enrolling in a new QHP, changing their QHP, or if Peggy Sue already has a plan she likes, she can add Buddy as a dependent. If they decide to buy a new plan on April 15, their effective date is May 1. However, if they decided to buy a plan on June 1, their effective date is July 1.

BIRTH/ADOPTION/PLACEMENT OF A FOSTER CHILD

- The parent and the child have an SEP.
- The new mom can add her child to her QHP or enroll in a new QHP.
- Other family members receive an SEP, regardless of their current enrollment.
- They must choose a plan within 60 days of the event.
- The effective date is the date of birth, adoption or placement of foster child.

member moves to a new area in Idaho
- Member receives hardship exemption and desires a catastrophic plan

Here are three examples of common life events that trigger an SEP.
Example: Morticia has a baby boy on June 6. She has a QHP, but now wants to make some changes to her plan. Ultimately, she purchases a new plan on July 4 for her new baby Pugsley and her husband Gomez. Their effective date is June 6.

PERMANENT MOVE TO AN AREA SERVED BY THE IDAHO EXCHANGE

- An individual or family permanently moves into the area and now has access to new QHPs.
- They must choose a plan within 60 days of the event.
- All family members are eligible to enroll in a new plan or change to a different QHP.
- If a plan is purchased between the 1st and 15th of the month, then the effective date is the 1st of the following month.
- If a plan is selected between the 16th and end of the month, the effective date is the first day of the second following month.

Example: Ward, June and Wally move from Pocatello to Coeur d’Alene on July 2. They look into a new health insurance plan and purchase on July 17. Their effective date is September 1.

Loss of Minimum Essential Coverage

Nearly any loss of minimum essential coverage (MEC) results in a SEP for you and your family. The loss of coverage must be completely involuntary and not due to inability or failure to pay premiums.

Individual and Family Plans from Blue Cross of Idaho

Blue Cross of Idaho offers a number of health insurance plans with a variety of coverage options and price points to ensure you and your family get the coverage you need at a price you can afford. Whether you buy directly from Blue Cross of Idaho or through the Idaho Health Insurance Exchange at yourhealthIdaho.org, you can find affordable coverage for you and your family through Blue Cross of Idaho.
The following is a summary of Blue Cross of Idaho’s coverage and plan changes resulting from the ACA. The information below is general and intended to provide an overall view of the ACA regulations and the impacts on your coverage through Blue Cross of Idaho.

**DEPENDENT AGE**
- **New and non-grandfathered members**: We extended coverage for dependent adult children up to age 26, regardless of marital status, income, financial status, educational status or place of residence.
- **Grandfathered members**:

**PRE-EXISTING WAITING PERIODS – EXPANDED JANUARY 1, 2014**
- Effective January 1, 2014, we removed waiting periods for pre-existing conditions for all members regardless of age.

**PREVENTIVE HEALTH SERVICES**
- We cover specifically listed preventive care services and immunizations at 100 percent, not subject to deductible or coinsurance, when provided by an in-network provider, including additional women’s health services to include additional women’s health services.

**ANNUAL MAXIMUM LIMIT ON ESSENTIAL HEALTH BENEFITS**
- We removed annual dollar maximum limits for essential health benefits, including prescription drug services.

**LIFETIME BENEFIT LIMITS**
- We removed lifetime benefit limits.
New and non-grandfathered members

SUMMARY OF BENEFITS & COVERAGE (SBCS)

Blue Cross of Idaho provides individual members, employer groups and potential members access to a uniform overview of their health insurance coverage. These materials contain a short, easy-to-understand summary of benefits and coverage (SBC) and a list of definitions (called the uniform glossary) that explains terms commonly used in health insurance coverage such as “deductible” and “copayment.”

OUT-OF-POCKET MAXIMUMS – EFFECTIVE JANUARY 1, 2014 FOR NEW PLANS OR AT PLAN RENEWAL

The ACA sets a maximum amount you have to pay out of your own pocket for services. Beginning January 1, 2014, or when your plan renews, this limit is $6,350 for individuals and $12,700 for families and this maximum amount includes all deductibles, coinsurance and copayments for medical services. The limit will vary each year based on the federal guidelines.

ESSENTIAL HEALTH BENEFITS – EFFECTIVE JANUARY 1, 2014 FOR NEW PLANS, OR AT PLAN RENEWAL

All Blue Cross of Idaho qualified health plans include coverage for essential health benefits in the following 10 categories: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including vision care and dental coverage (available through a separate policy).

Patient Protections

It’s important to us that you receive timely information about your health insurance and understand your rights as a Blue Cross of Idaho member. Blue Cross of Idaho will:

• Respond to urgent care requests for prior authorization within 72 hours of receipt.

• Provide members with a description of the diagnosis and treatment codes and their corresponding meanings on request.

• Provide unique, identifiable denial codes/reasons on all adverse benefit determinations and add a general definition of investigational and medical necessity to the explanation of benefit statements.

• Provide an external review process.

• Provide translation of some forms into Spanish, Tagalog, Chinese and Navajo Indian (Dine) on request.

SPANISH (Español): Para obtener asistencia en Español, llame al 208-331-7347 or 800-627-1188

TAGALOG (Tagalog): Kung kailangan niyo ang tulong sa Tagalog tumawag sa 208-331-7347 or 800-627-1188

CHINESE (中文): 如果需要中文的帮助，请拨打这个号码 208-331-7347 or 800-627-1188

NAVAJO (Dine): Dine’éhgo shika at’ohwol ninisingo, kwiijigo holné 208-331-7347 or 800-627-1188
WHAT IS HEALTHCARE REFORM?
The Affordable Care Act (ACA) was passed by Congress and signed into law in 2010. Some regulations and laws are already in place and may have impacted your insurance coverage. The primary regulations were effective January 1, 2014.

DO I HAVE TO HAVE HEALTH INSURANCE?
The ACA requires all legal US residents to have a health insurance plan or pay a tax penalty to the IRS. The penalty for 2014 is either 1% of your household income or a flat fee of $95 per adult and $47.50 per child up to a maximum of $285 per family – whichever penalty is larger. This penalty increases to $325 per adult or 2% in 2015, and to $695 per adult or 2.5% in 2016.

IF I ALREADY HAVE INSURANCE, WILL I HAVE TO GIVE IT UP?
If your health plan was effective prior to March 23, 2010, your plan may be grandfathered under the law, allowing you to keep the coverage you have. If you purchased insurance after March 23, 2010, you will need to buy qualifying insurance.

HOW WILL MY COVERAGE CHANGE?
Depending on the plan you currently have, it may change quite a bit, or very little. All ACA-qualified medical insurance plans must cover essential health benefits in the following categories.

• Ambulatory patient services
• Emergency services
• Hospitalization
• Maternity and newborn care
• Mental health and substance abuse disorder services, including behavioral health treatment
• Prescription drugs
• Rehabilitative and habilitative services and devices
• Laboratory services
• Preventive and wellness services and chronic disease management
• Pediatric services, including oral and vision care

WHERE WILL I BE ABLE TO GET HEALTH INSURANCE?
You may be able to get insurance through your employer. If your employer does not offer qualifying insurance, you can buy it through an insurance company or the Idaho Health Insurance Exchange. Contact us at 800-365-2345, visit our website at shoppers.bcیدaho.com or call your health insurance agent to learn more.

WHAT IF I GET INSURANCE THROUGH MY JOB BUT IT’S TOO EXPENSIVE TO PAY FOR THE FAMILY COVERAGE FOR MY DEPENDENTS?
If your employer offers “affordable, qualified” coverage, you can buy dependent coverage through the exchange, but you will not be eligible for subsidies. The ACA defines coverage as affordable when the employee cost for employee-only coverage does not exceed 9.5% of the employee’s annual salary as shown on a W-2. If this is the case for your family, you can still purchase coverage directly from Blue Cross of Idaho or one of our licensed agents or brokers.

WHAT IS THE IDAHO HEALTH INSURANCE EXCHANGE?
The exchange is designed to make buying health insurance easier. You are able to compare health plans, get answers to questions and buy insurance through the exchange at yourhealthidaho.org.

WHAT PLANS ARE AVAILABLE ON THE IDAHO HEALTH INSURANCE EXCHANGE?
Each insurance plan is sold by exchange-certified health insurance companies and meets the coverage requirements set forth by the ACA. The options are organized into four metal levels from Bronze to Platinum. Each level offers plans that cover a percentage of the total cost of care the insurance pays (called the actuarial value). In general, Bronze plans will have an actuarial value of 60 percent and typically cover less of the cost of covered services than Platinum plans, which will typically cover 90 percent of the cost of services.

Blue Cross of Idaho offers qualified insurance plans through the Idaho Exchange in all metal levels. Details about these plans can be found on shoppers.bcیدaho.com.

WILL I HAVE TO BUY MY INSURANCE THROUGH THE EXCHANGE?
Individuals and families can buy insurance through the exchange, your health insurance agent or directly from insurance companies. However, you will only be able to qualify for subsidies through the exchange.

WHAT SUBSIDIES ARE AVAILABLE TO HELP ME PAY FOR MY HEALTH INSURANCE?
Depending on how much money you make, you may be able to get help paying for your health insurance. Refer to page 5 in this toolkit for more information.

WHAT WILL MY SUBSIDY LEVEL BE?
Monthly premium credits and cost savings reductions are based on your income and the size of your family. You can estimate how much your subsidy may be using the calculator at kff.org/interactive/subsidy-calculator.
**How are premium tax credits handled?**

Any tax credit is based on the amount of money you earn. When you enroll for coverage, you will provide your expected household income. The government pays your monthly credit directly to your insurance company, lowering your premium payments. At the end of the year, if the household income you report on your tax return ends up being different from your estimate, you will have to settle the difference with the government.

**If I am not eligible for tax credits, can I still use the exchange to buy my insurance?**

Yes, you will still be able to purchase coverage through the exchange. You can also buy coverage directly from Blue Cross of Idaho or your health insurance agent.

**What is the catastrophic plan?**

Individuals under the age of 30 and those under financial hardship may be eligible for a low-cost, high deductible plan that covers the essential health benefits called the catastrophic plan. Blue Cross of Idaho’s catastrophic plans are available at shoppers.bcidadaho.com.

**I currently have a health savings account (HSA). What happens to it?**

Right now, members can keep their insurance plans, even if the plan is not ACA compliant. However, when your plan renews, or during the next open enrollment period, you might want to review our new plans and prices. Our new plans include an HSA option.

**What do your plans cost?**

We offer a variety of plans to meet people’s healthcare coverage and financial needs. Contact us at 800-365-2345, visit our website at shoppers.bcidadaho.com or contact your health insurance agent to learn more.

**Annual enrollment**

You can purchase coverage from Blue Cross of Idaho or through the exchange during the annual open enrollment period. This period begins November 15, 2014 and ends February 15, 2015. You must be in your current plan’s renewal period or have a qualifying event (such as the end of a non-grandfathered plan, the loss of employer coverage, getting married or having a child) to purchase insurance outside the annual enrollment period. Keep in mind that if you want your coverage to begin on January 1, 2015, you need to purchase a plan by December 15, 2014. You can still enroll for coverage during the open enrollment period after December 15, but your coverage date may be delayed.