



How Reform Can Affect You

Individuals and Families



- Individuals and families who already have health insurance can keep their coverage or purchase a new plan from a state insurance exchange in 2014.
- Also in 2014, most Americans will be required to have health insurance coverage or pay a penalty.
- Individuals earning more than \$200,000 per year and families earning more than \$250,000 will pay higher Medicare payroll taxes.
- States are required to maintain Medicaid eligibility levels for adults until 2014.
- Medicaid will provide many routine preventive medical services at no extra cost.

Children



- Insurance companies will be prohibited from increasing children's rates based on their health status.
- States cannot cut any child from Medicaid or the State's Children's Health Insurance Program until 2019.
- Children may stay on their parents policies until age 26.

Seniors



- Medicare will provide annual health check-ups at no extra cost.
- Medicare deductibles and co-payments for routine preventive care services eliminated.
- Those who hit the Medicare "doughnut hole" this year will get a \$250 rebate to help purchase medication.
- Medicare prescription drug plan "doughnut hole" will be closed by 2020.
- Seniors covered by a Medicare Advantage plan may see higher premiums or reduced benefits due to reimbursement cuts.
- Seniors who enroll in a Prescription Drug Plan and Medicare Advantage will receive 50 percent discounts on brand-name medications by 2011.

Businesses



- Employers will be required to provide health benefits or pay a penalty starting in 2014.
- Employers are required to provide health insurance vouchers if an employee's premiums cost between 8 and 9.8 percent of their annual income.
- Small businesses with fewer than 50 employees will be eligible for new tax credits to cover 35 percent of their employees' health care costs.
- Federal grant program is established by 2011 to provide wellness programs for small businesses.
- Small group coverage will be defined as 1 to 100 employees by 2014.

More Reform Provisions

Pre-Existing Health Conditions



- Any person previously denied coverage because of a pre-existing condition can get insurance through a new high-risk pool 90 days after the law is signed.
- Health insurance companies cannot set lifetime or annual caps on coverage or deny coverage when policyholders become ill.
- Insurance companies will no longer be able to deny coverage to those with pre-existing conditions starting in 2014.

Subsidies for Coverage



- Individuals and families earning up to 400 percent of the federal poverty level (around \$88,000 for a family of four) will get federal subsidies on a sliding scale to purchase coverage starting in 2014.
- Individuals and families earning below 133 percent of the federal poverty level (around \$29,000 for a family of four) will be eligible for Medicaid.

The Mandate, Penalties and Other Rules



- Most Americans will be required to have health insurance by 2014 or will have to pay a penalty.
- The penalty for 2014 is \$95 or 1 percent of a person's total income, whichever is higher.
- The penalty rises in 2016 to \$695 or 2.5 percent of a person's total income, whichever is higher.
- Those exempt from the mandate include American Indians, citizens with religious objections and those with certain financial hardships.
- All new health insurance plans, including Medicare plans, must provide coverage for preventive services at no extra cost. Current plans must comply with this rule by 2018.
- New health plans will have to implement an appeals process to make it easier for consumers to challenge a denied claim.
- Insurance companies will be required to spend 80 percent of premiums on medical costs by 2011.

So, What Should You Do Now?

Now that reform is passed, many are wondering: What should I do now? Should I wait until 2014 to get coverage?

The answer is **no**. Even before the reform provisions are effective, affordable plans are available. It's important to remember that just one serious accident or illness without coverage could mean financial catastrophe.

Also, health plans can be cancelled on a monthly basis — meaning once each provision becomes active, policyholders can switch plans. Best advice? Stay covered now and take advantage of reform later.

Compare health plans and apply online at www.gohealthinsurance.com or call 1-888-250-3409 to explore your options with a licensed agent.