

Questions and Answers About the New Health Care Law

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Questions and Answers About the New Health Care Law

Beginning October 1, 2013, many people will be able to shop, qualify for, and enroll in new health insurance programs. This includes persons without health insurance and persons with pre-existing health conditions. Based on their income, some people will qualify for subsidies that will reduce their monthly premiums and other cost sharing help.

The new insurance coverage will begin on January 1, 2014. Tennesseans can enroll in the new health insurance plans at a new web site **www.healthcare.gov**, or by calling a toll-free telephone number **1-800-318-2596**. Many people will have questions about where and what information will be required. The questions and answers below will help you answer basic questions about the new health insurance plans.

1. Tennessee chose to let the federal government operate A Health Insurance Marketplace where you can enroll and choose a health insurance plan. To learn about buying insurance, Tennesseans will have to contact the online store, the Health Insurance Marketplace. Below is information about how and when to buy health insurance.

1A. What is a Health Insurance Marketplace?

If you are uninsured, there will be a new way to buy health insurance for 2014. You may be able to buy affordable health insurance at a place called the "Health Insurance Marketplace." We will use one word "Marketplace" to refer to the Health Insurance Marketplace. You can find the Marketplace at **www.healthcare.gov** or call **1-800-318-2596**. The Marketplace is the only place where you can apply for insurance and get financial help.

1B. What happens at the Marketplace?

The Marketplace helps eligible people buy health insurance. No matter where you live, you'll be able to use the Marketplace to apply for coverage, compare your options, and enroll.

1C. Where can I buy the new health insurance for 2014?

You can buy insurance in more than one place. For this reason, you need to be sure that you are dealing with an authorized group that can sell you insurance with a subsidy.

Here are some of the groups that can sell you the new health insurance:

1. The Marketplace at **1-800-318-2596** or **www.healthcare.gov**
2. You can also buy the new insurance at **www.eHealthinsurance.com** and
3. You may be able to buy health insurance with a subsidy at authorized insurance companies in your state. Again, be sure that you have confirmed that the insurance salesperson you are talking to works for a company authorized to sell the new insurance with a subsidy.

1D. Does Tennessee have its own Marketplace?

No. Tennessee does not run its own marketplace. If you live in Tennessee, go to the Marketplace (www.healthcare.gov or call 1-800-318-2596.) You will be directed to information about the health insurance for Tennessee residents.

1E. How do I contact the Marketplace so I can buy health insurance?

You can enroll on line at www.healthcare.gov. You can also enroll by calling 1-800-318-2596. You can call seven days a week any time of the day or night – 24 hours a day.

1F. When can I apply for the new health insurance that starts in 2014?

You can begin enrolling on October 1, 2013.

1G. When will the insurance coverage begin?

The insurance coverage will begin in January 2014.

1H. What is the first important deadline?

The first important deadline is December 15, 2013. You must enroll before December 15, 2013 to receive coverage beginning on January 1, 2014. If you apply after December 15, 2013, coverage will begin February 1, 2013 or later depending on the date you enroll.

1I. When will the enrollment period end?

The enrollment period will end on March 31, 2014. After March 31, 2014, you can get new private health insurance for 2014 at the Marketplace only if you have a qualifying life event like marriage or divorce a birth or job loss. In the absence of a life event, after March 31, 2014, individuals and families will not be able to buy health insurance at the Marketplace until the enrollment period for 2015. The enrollment period for 2015 begins on October 1, 2014 and ends on December 7, 2014.

1J. Is there a fee to enroll at the Marketplace?

No. There is no fee to enroll or to get information.

1K. What if I need language help?

Spanish speakers can go online to www.cuidadosalud.gov/es/

In addition, the Marketplace offers language help in 150 other languages. Call 1-800-318-2596 and they will arrange for language help.

1L. How can I keep up with new information about the Marketplace?

Go to <https://www.healthcare.gov/subscribe> and sign up for e-mail updates.

1M. What is "Live Chat"?

When you go to www.healthcare.gov in the lower right hand corner a small box appears "Questions? Live Chat". If you click on this button, you will reach a live person, who will try

to answer your questions about the new law. You can use the live chat to get answers to your questions before you enroll.

2. Information about whether you must buy health insurance

2A. Do I have to buy health insurance?

Unless you are part of a group that is exempt, you are required by law to buy health insurance for 2014.

2B. Which groups do not have to buy health insurance?

- People with low incomes who are not required to file a tax return. In 2012, this amount was \$9,750 for single persons under 65 and \$19,500 for couples under 65.
- Certain religious groups.
- Incarcerated people
- Undocumented residents
- Members of Indian Tribes
- People who go without coverage for less than three months.
- People who do not have an affordable offer of coverage. This means that if monthly premium for the coverage offered requires exceeds more than 8% of monthly household income for 2014, the coverage is not affordable.

2C. What other groups do not need to buy health insurance at the Marketplace?

People who currently get health coverage through private insurance, from an employer, Medicare or Medicaid TennCare do not have to buy insurance at the Marketplace.

2D. What if I have health insurance I like?

You can keep it. If you like it, you do not have to buy insurance at the Marketplace.

2E. If I lose my job, can I buy insurance on the Marketplace?

Yes. This is true, even if it is after the enrollment period expires on March 31, 2014.

2F. If I lose my job, can I buy COBRA coverage?

Yes. But if you buy COBRA coverage, you will not be able to get premium tax credits or cost sharing reductions.

2G. If my employer offers insurance, can I buy insurance on the Marketplace?

Yes. But if your employer's insurance is considered "affordable" and meets "minimum value", you will not be able to get premium tax credits and cost sharing reductions. Your employer can tell you if the insurance at work is "affordable" and meets "minimum value".

2H. What if I live outside the U.S.?

If you live outside the U.S. for at least 330 days in a 12-month period, you are not required by law to buy health insurance.

2I. Can I wait until I become ill and then buy health insurance?

No. This question has two answers. You can only buy health insurance at the Marketplace during an open season. The first year the open season is October 1, 2013 through March 31, 2014. In later years, the open season will only be from October 1st through December 31st. So, if you get sick after the open season you must wait until the next open season to buy insurance. But what if you get sick during the open season? You can buy health insurance, but it will not be effective for at least a part of month and possibly longer. So, if you are uninsured and have to go to the emergency room and then have surgery to repair your broken leg, you may not be able get insurance to help pay your medical bills.

3. Information about penalties

3A. What happens if I do not buy health insurance in 2014?

If you are required to buy health insurance and you fail to purchase the insurance, you may have to pay a penalty.

Unless you are in an exempt group (see No. 2B above), in 2014 there will be a tax penalty starting at \$95 per adult plus \$47.50 per child and rising up to a maximum of \$285 for a family or 1% taxable income. Penalties will increase for years after 2014.

4. Information about the Marketplace

4A. What kind of information will I find at the Marketplace?

When you go to the Marketplace, you will find a list of health plans explaining what benefits each plan offers (See 5C below). The Marketplace includes information about your health insurance options. You will also learn if you will receive help paying your monthly premiums.

5. Information about the insurance plans

5A. Is the insurance government insurance?

No. The insurance plans are not government insurance. The insurance is offered by private companies like Blue Cross Blue Shield and others.

5B. Can any Tennessean buy health insurance at the Marketplace?

No. You must be a Tennessee resident and you must be either a US citizen or legal immigrant.

5C. What benefits do the Marketplace insurance policies cover?

All insurance sold through the Marketplace must include 10 Essential Health Benefits:

- Maternity and Newborn Care
- Rehabilitative and Habilitative Care
- Pediatric Services
- Mental Health and Substance Use Disorder Service, including Behavioral Health Treatment
- Preventive and Wellness Services and Chronic Disease Management
- Hospitalization
- Laboratory Services
- Prescription Drugs
- Ambulatory Patient Services
- Emergency Services

The Essential Health Benefits package in Tennessee will be based upon the Blue Cross Blue Shield of Tennessee PPO small group health insurance package. BlueCross BlueShield of Tennessee, Cigna, Community Health Alliance, Coventry Health and Life Insurance, and Humana have all filed applications to offer health insurance on the Tennessee Marketplace. Only BlueCross BlueShield has filed to offer insurance in all areas of Tennessee.

5D. What do I need to know about preventive services?

A major benefit of all Marketplace plans is that they must cover the following list of preventive services without any cost to you. That is there is no copayment or coinsurance charge. This is true even if you haven't met your yearly deductible. This applies only when these services are delivered by a network provider.

1. Abdominal Aortic Aneurysm one-time screening for men of specified ages who have ever smoked
2. Alcohol Misuse screening and counseling
3. Aspirin use to prevent cardiovascular disease for men and women of certain ages
4. Blood Pressure screening for all adults
5. Cholesterol screening for adults of certain ages or at higher risk
6. Colorectal Cancer screening for adults over 50
7. Depression screening for adults
8. Diabetes (Type 2) screening for adults with high blood pressure
9. Diet counseling for adults at higher risk for chronic disease
10. HIV screening for everyone ages 15 to 65, and other ages at increased risk
11. Immunization vaccines for adults--doses, recommended ages, and recommended populations vary:
 - [Hepatitis A](#)
 - [Hepatitis B](#)
 - [Herpes Zoster](#)

- [Human Papillomavirus](#)
 - [Influenza \(Flu Shot\)](#)
 - [Measles, Mumps, Rubella](#)
 - [Meningococcal](#)
 - [Pneumococcal](#)
 - [Tetanus, Diphtheria, Pertussis](#)
 - [Varicella](#)
12. Obesity screening and counseling for all adults
 13. Sexually Transmitted Infection (STI) prevention counseling for adults at higher risk
 14. Syphilis screening for all adults at higher risk
 15. Tobacco Use screening for all adults and cessation interventions for tobacco users

5E. What do I need to know about preventive services for women?

All Marketplace plans must cover a list of preventive services for women at no charge.

1. [Anemia screening](#) on a routine basis for pregnant women
2. [Breast Cancer Genetic Test Counseling \(BRCA\)](#) for women at higher risk for breast cancer
3. [Breast Cancer Mammography screenings](#) every 1 to 2 years for women over 40
4. [Breast Cancer Chemoprevention counseling](#) for women at higher risk
5. [Breastfeeding comprehensive support and counseling](#) from trained providers, and access to breastfeeding supplies, for pregnant and nursing women
6. [Cervical Cancer screening](#) for sexually active women
7. [Chlamydia Infection screening](#) for younger women and other women at higher risk
8. [Contraception](#): Food and Drug Administration-approved contraceptive methods, sterilization procedures, and patient education and counseling, as prescribed by a health care provider for women with reproductive capacity (not including abortifacient drugs). This does not apply to health plans sponsored by certain exempt “religious employers.”
9. [Domestic and interpersonal violence screening and counseling](#) for all women
10. [Folic Acid](#) supplements for women who may become pregnant
11. [Gestational diabetes screening](#) for women 24 to 28 weeks pregnant and those at high risk of developing gestational diabetes
12. [Gonorrhea screening](#) for all women at higher risk
13. [Hepatitis B screening](#) for pregnant women at their first prenatal visit
14. [HIV screening and counseling](#) for sexually active women
15. [Human Papillomavirus \(HPV\) DNA Test](#) every 3 years for women with normal cytology results who are 30 or older
16. [Osteoporosis screening](#) for women over age 60 depending on risk factors
17. [Rh Incompatibility screening](#) for all pregnant women and follow-up testing for women at higher risk
18. [Sexually Transmitted Infections counseling](#) for sexually active women
19. [Syphilis screening](#) for all pregnant women or other women at increased risk
20. [Tobacco Use screening and interventions](#) for all women, and expanded counseling for pregnant tobacco users
21. [Urinary tract or other infection screening](#) for pregnant women
22. [Well-woman visits](#) to get recommended services for women under 65

5F. Can I choose my own doctor?

Some plans allow you to choose your own doctor and other plans limit your choices. Some managed care plans do not allow you to choose your own doctor. In addition, some plans charge an additional amount when you choose a doctor that is not in their network. So be sure you understand your rights under the plan you choose.

5G. What are the basic health insurance plans?

There will be four basic plans: 1) Platinum; 2) Gold; 3) Silver; and 4) Bronze. In general, the plans will include the same essential benefits, but the four plans differ in the amount that consumers will pay for deductibles, co-payments and other services. The amount that the plans will pay for the benefit of the insured are as follow: Platinum 90%; Gold 80%; Silver 70%; and Bronze 60%. The insured will be required to pay the amounts not paid by the plan (Platinum 10%, Gold 20%, Silver 30% and Bronze 40%).

5H. Can I get dental insurance?

Maybe. Some plans will include dental insurance and some do not include health insurance. Check each plan carefully. If the insurance plan you choose covers dental, you will pay only one premium for everything. In some cases, you can choose a separate dental plan in addition to a health insurance plan. In this case, you will pay an additional premium for the dental insurance.

6. Information about how you can receive financial help to pay for monthly premiums

6A. Can insurance purchased at the Marketplace lower my costs?

There may be financial help for eligible individuals and families buying insurance at the Marketplace. The financial help depends on income levels. The financial help is called premium tax credits. The premium tax credits lower your monthly insurance premiums.

6B. How do I know if I am eligible for the financial help known as "premium tax credits"?

Persons and families with incomes between 100% and 400% of the federal poverty line may be eligible for assistance in paying the premiums. For example, if you are single and your income is below \$46,000 or you are a family of four with income below \$94,200, you may be eligible for credits that will lower your monthly costs.

Tennessee residents with incomes below the poverty line will not receive premium tax credit assistance.

6C. How does the premium assistance work?

The monthly assistance is called a “premium tax credit.” If you are eligible for premium tax credits, the government will pay a portion of the monthly insurance premium directly to the insurance company. You will still be required to pay the rest of the monthly premium. If you fail to pay your portion of the monthly premiums, you will be given a notice of cancellation by the insurance company. You have the right to appeal the notice of cancellation. If you take no action, the insurance company can cancel the insurance thirty days after giving you notice.

6D. Do I have to take premium tax assistance?

No. Premium tax assistance is voluntary. The payments reduce your monthly health insurance premiums. If your monthly premiums are \$300 a month and you are entitled to \$100 in financial help, then you will only have to pay \$200 each month. But you can choose to pay the \$300 each month. If you do this, when you file your 2013 income tax return, you will be entitled to a refund of \$1,200 (\$100 for twelve months).

6E. How can I find out how much of the monthly premium help the government will pay?

When you enroll for insurance at the Marketplace, you will be asked about your income and then you will be told the amount, if any, of any premium assistance that will be paid to the insurer.

6F. Does the amount of the monthly premium assistance vary depending on the plan you choose?

No. The monthly premium is related to one of the silver plans. You will be told the amount of the monthly premium assistance, and it will not change. If you choose another plan, (either Gold, Platinum or Bronze), the amount the federal government is going to pay each month does not change.

6G. Can I get an estimate of the premium assistance?

Here is the address of a premium tax calculator: <http://kff.org/interactive/subsidy-calculator/>. The information from this calculator is an unofficial estimate of your premium tax credit. You will get an official number when you enroll at the Marketplace.

6H. If I buy health insurance somewhere else, can I get help paying my premiums?

No. The premium tax credits are only available for insurance plans bought through the Marketplace.

6I. How can I pay the monthly premium?

You can pay by personal check, but if you don't have a checking account, you can pay by other ways. Insurance companies must accept cashier's checks, money orders, pre-paid debit cards, electronic fund transfers from a bank account, and an automatic deduction from a credit or

debit card. You cannot pay with cash. Importantly, if you miss several payments, the insurance company can give you notice and then cancel your policy.

6J. Examples of how the premium tax credits work

Example - Single Person

Jerry is 27, single, and has an annual income of \$22,980. He contacts the Marketplace, and they verify his income. Jerry is eligible for premium tax credits. The amount of his credit is found by subtracting his expected contribution from the cost of the plan

Jerry chooses a plan that costs \$5,000 annually. The cost of Jerry's plan is \$416.67 per month. His expected annual contribution is \$1,448 (6.3% of his income). This means that Jerry will pay a monthly premium of \$120.67.

The balance owed on the insurance \$3,552 (\$5,000 less Jerry's out of pocket payments, \$1,448) is paid by the Marketplace. The Marketplace will pay \$296.33 monthly to the insurance company.

Example 2 – Family of four

The Potters are a married couple with 2 children. They have an annual income of \$52,988. The Potters contact the Marketplace, and they verify his income. The Potters are told that their expected contribution is 7.18% of their income. And the Potters are told that they are eligible for premium tax credits.

The Potters choose a plan that costs \$15,000 annually. The cost of the Potter's plan is \$1,250 per month. The Potter's expected contribution is \$3,804 (7.18% of their \$52,000 income). This means the Potters will pay \$317.04 per month.

The balance owed on the insurance, \$11,198 (\$15,000 less \$3,802), will be paid by the Marketplace. The Marketplace will pay \$933.17 monthly to the insurance company.

6K. Do you need to pay attention to the dependents claimed on your tax return?

Yes. Many taxpayers claim members of their household as dependents. When you buy insurance at the Marketplace, your dependents can increase the amount of premium tax credits you receive. Thus, custodial parents should pay attention to granting the non-custodial parent the right to claim the child as a dependent.

6L. Can the monthly amount of premium assistance change during the year?

Yes. If you lose your job or get a raise and contact the Marketplace, this may change your monthly premium assistance. If you take no action, the change in income, either up or down, will be accounted for when you file your next income tax return (See 10C below).

7. Information about health insurance at work

7A. Can you get health insurance at work?

If you work at a place that provides insurance, you can buy it at work. You can also buy insurance at the Marketplace. But if your employer provides insurance at work, you may or may not be eligible for premium tax assistance. Call the Marketplace and ask them.

7B. What if your employer does not offer health insurance?

If you cannot get health insurance at work, you may need to go to the Marketplace.

7C. What if I am retired but I have been buying health insurance through my former employer?

Retirees are treated differently than employees. If you retire but can still buy insurance through your employer, you can drop the employer insurance and buy health insurance on at the Marketplace. If you are income eligible, you can receive the subsidies which will reduce your premiums.

8. Information for College Students

8A. What if you are a student and can buy health insurance at the University?

Health plans at colleges and universities are treated differently than health plan offered by employers. Student health plans are not considered coverage from your employer. You can buy a health plan at the Marketplace.

9. Information about health status and preexisting conditions

9A. Can I be denied health insurance?

No. You cannot be denied health insurance because of your health status or because of pre-existing conditions. In addition, the cost of the insurance cannot be increased because of pre-existing conditions.

9B. Will I pay higher premiums because I have a pre-existing health condition?

No. You will not pay higher premiums because you have a pre-existing medical condition. But not everyone will pay the same premiums. Insurers can adjust insurance rates for age and tobacco use.

9C. Can the insurance company stop my coverage?

As long as you pay your premiums and have not lied on your application, for example by giving the wrong age, the insurance company cannot cancel your coverage.

10. You must provide information about your income

10A. Do you have to provide information about your income?

Yes. When you apply for health insurance, you will be required to provide information about your expected income for 2014. The information you provide about income is important. The Marketplace will try to verify your income from sources including the IRS. If the income you provide is substantially less than what you reported for 2013, then they may ask you questions.

10B. Why is your income important when you apply for insurance?

The income you provide during enrollment determines how much premium assistance you receive each month. You should provide a number that is a good faith estimate of your income. The lower your income the higher the premium assistance you will receive each month. But at the end of 2014, the IRS is going to compare the income number you provide with the income you report on your 2014 income tax return. If you report \$20,000 and earn \$28,000, you will likely owe money back to the IRS. If the IRS paid \$300 a month to the insurer and the amount they should have paid was \$250, then you will owe \$600 back to the IRS.

10C. Information about filing income tax returns

If you receive premium tax assistance for 2014, you must file an income tax return for 2014 and later years. Failing to file the return will interfere with assistance in subsequent years. Each year, the IRS is going to compare (reconcile) the amount of premium assistance it pays for your benefit. If you do not file a return, then the IRS cannot determine if you owe money or if it owes money to you.

10D. Are there any tax filing requirements for families?

Yes. Importantly, a married couple must file a joint return. If they file married filing separately, the premium tax credits are forfeited. An exception to the joint rule exists for a spouse who can properly file as head of household.

11. Information About Cost-Sharing Reductions

11A. What other financial help can I get under the new law?

In addition to help paying premiums, premium tax credits, some people will be eligible for financial help to reduce deductibles, co-payments, coinsurance and total out-of-pocket spending limits. These benefits are called "cost-sharing reductions."

11B. Who is eligible for cost-sharing reductions?

Individuals and families with incomes below 250 percent of the federal poverty level are eligible. Families of four with incomes below \$58,875 are eligible.

11C. How do cost-sharing reductions work?

Cost-sharing reductions reduce out-of-pocket spending for those who qualify. The cost-sharing subsidies are available to individuals and families with incomes up to 250 percent of the poverty level. For example, a family of four whose income is between \$23,550 and \$35,325 (100 and 150 percent of the federal poverty level) will pay 6 percent of covered expenses compared with a family with a higher income who would pay 30 percent.

11D. What about maximum out-of-pocket spending?

People earning less than 250 percent of the federal poverty level will have a cap on their maximum out-of-pocket limits for most plans. In 2014, for people with incomes below 200% of the federal poverty level, the out-of-pocket limits for individuals will be \$2,250 and for families will be \$4,500.

11E. Are there any other requirements?

Both individuals and families must choose a Silver plan to qualify for cost-sharing reductions.

12. Information you need when you apply for insurance at the Marketplace

You will need the following:

- Your social security number
- Document if you are a legal immigrant
- Income information – W-2 Forms from last year and pay stubs or payroll information
- Employer’s name and address
- Policy numbers for any current health insurance

12A. If someone in the family has employer insurance, do I need anything from the employer?

Yes. You will need to have the employer complete a form called “Employer Coverage Tool” for each person in the family that has insurance at their workplace. Take this form to the employer before you enroll for insurance.

13. Information for young adults

13A. What is catastrophic coverage?

Under the new law, young adults under 30 years of age can sign up for catastrophic coverage. These policies are for healthy young adults who do not expect to need much medical care. In exchange for lower premiums than other policies, these policies contain minimal coverage and

high deductibles. But in the event of an emergency or serious medical condition, these plans will protect the young adult from financial ruin.

Some other groups can buy catastrophic plans besides those under 30. These include low-income people who are exempt from paying the penalty.

Importantly, catastrophic plans are not eligible for premium tax credits and cost sharing. Therefore, the purchaser will pay the full amount of the monthly premium and out-of-pocket costs.

14. Information about who can help you understand how to apply for health insurance

14A. Are there people who can help me understand and apply for health insurance?

Yes. The new law provides for two types of helpers:

1. Navigators and
2. Certified Application Counselors

14B. How can a Navigator help?

Navigators can help people enroll in a health insurance plan. They can help you figure out if you qualify for health insurance and if you will get premium assistance. A Navigator can explain the different coverage level and plan choices. They can do a lot, but they cannot recommend a health insurance plan for you to purchase. Once you decide, a Navigator can help you fill out the application.

Navigators must provide information and assistance in the consumer's preferred language, at no cost to the consumer. A consumer can request that his family member or friend act as the interpreter.

14C. How can a Certified Application Counselor help?

A Certified Application Counselor can help people go through the process, answering questions as they fill out an application and help them determine what health plans are available and their cost. A Certified Application Counselor cannot recommend one plan over another plan.

14D. Can Community Health Care Centers help?

Yes. The government provided funding to 26 Tennessee community health centers with 190 sites. The community health centers are spread out across the state. Call the community health center in your area and see if they provide help enrolling in the new affordable health insurance.

15. Information about Scams

15A. What do I need to do to protect my information and to protect my identity?

It is likely that scam artists will try to take advantage of the new law to steal your personal information. The first line of protection is never give out your social security number, bank account number, or e-mail address to anyone over the phone unless you made the call. If your phone rings at your home and the person sounds official and asks you for personal information, do not give information to them. Ask for a number to call back. This warning also applies to e-mails.

15B. What are some examples of scams?

In one scam, a caller calls the home and promises to send a health care card if the homeowner reveals persona and financial information. In addition, there are bogus enrollment sites. Remember the only place you can buy the new insurance is at the Marketplace, **www.healthcare.gov**.

The information provided in this document is for general information for the users. The information does not contain legal advice about someone's personal situation. Nor does it create an attorney client relationship. You should contact an attorney for legal advice regarding any matters contained herein.

15C. How do I know if I am at a protected web site and not at a site operated by scammers?

The only way to protect your self is to be careful. Scammers try to get you to go to their web site. They may use a web name like Tennesseehealthexchange.com or some other name. When you go to the wrong site, a crook may try to get personal information from you. If the site requests personal information be alert. Make sure that you are at the right web site. The only place buy health insurance online is **www.healthcare.gov** and at other authorized sites, like **www.eHealthinsurance.com** and **www.Getinsured.com**.