

Health Insurance Savings in the ACA Marketplace

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ABOUT THE SHRIVER CENTER

The Shriver Center on Poverty Law fights for economic and racial justice. Over our 50-year history, we have secured hundreds of victories with and for people living in poverty in Illinois and across the country. Today, we litigate, shape policy, and train and convene multi-state networks of lawyers, community leaders, and activists nationwide. Together, we are building a future where all people have equal dignity, respect, and power under the law. Join the fight at povertylaw.org.

Agenda

- Glossary/Common Terms
- Affordable Care Act/Marketplace Overview
- Who is Eligible?
- Financial Help to Buy a Plan
- What to Look for in Plan
- Some Reminders
- Where to Find Resources and Help to Apply
- Questions

Glossary

- **Health Insurance:** A contract that requires your health insurer to pay some or all of your health care costs in exchange for a premium.
- **Covered Benefits:** The health care items or services covered under a health insurance plan.
 - Covered benefits and those that are not covered (i.e., “excluded”) are defined in the health insurance plan's coverage documents.
 - In Medicaid, covered benefits and excluded services are defined in state program rules.
- **Network:** Doctors, hospitals, and other health care providers your insurance company works with to deliver health care services. Usually, the providers you see must all be in the same “network”.
- **Premium:** The amount you pay for your health insurance every month.

Glossary

- **Cost Sharing:** The share of costs covered by your insurance that you pay out of your own pocket. This term generally includes deductibles, coinsurance, and copayments, but it doesn't include premiums.
- **Deductible:** The amount you owe for covered health care services before your insurance plan starts to pay.
- **Co-Payment:** The amount you pay for a covered health care service. The amount can be different for each type of service.

For example, you may pay \$20 for a doctor visit or \$5 for a prescription. The co-pay amounts are usually listed on your insurance card.

- **Co-insurance:** The percentage of costs of a covered health care service you pay (20%, for example) after you've paid your deductible.
- **Maximum Out of Pocket Limit:** The most you have to pay for covered services in a plan year. After you spend this amount on deductibles, copayments, and coinsurance for in-network care and services, your health plan pays 100% of the costs of covered benefits.

Why Household Size & Composition Matter

The federal poverty line (FPL) calculation requires...

- Number of individuals in a household
- Income of household members

...to determine premium tax credit and cost-sharing reduction eligibility.

Household Size	2023 Federal Poverty Line (for 2024 coverage)				
	100%	138%	200%	250%	400%
1	\$14,580	\$20,120	\$29,160	\$36,450	\$58,320
2	\$19,720	\$27,214	\$39,440	\$49,300	\$78,880
3	\$24,860	\$34,307	\$49,720	\$62,150	\$99,440
4	\$30,000	\$41,400	\$60,000	\$75,000	\$120,000
5	\$35,140	\$48,493	\$70,280	\$87,850	\$140,560

Note: The marketplaces uses the federal poverty guidelines in place at the start of the annual open enrollment period to determine eligibility for coverage in a given plan year. Medicaid uses the federal poverty guidelines in place at the time of application to determine eligibility.

What is the Affordable Care Act (ACA)?

- Affordable Care Act (ACA) passed 2010
 - Medicaid Expansion began in 2013 in Illinois
 - Marketplace coverage offered beginning 2014
- Required health insurance
 - × In 2018 this was removed
- Consumer Health Protections
- Essential Health Benefits (next slide)

ACA Plans Must Cover Ten Essential Health Benefits



Laboratory Services



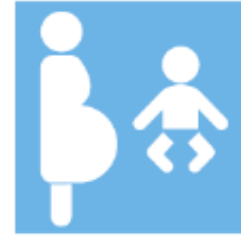
Emergency Services



Prescription Drugs



Mental Health & Substance Use Disorder Services



Maternity & Newborn Care



Pediatric Services, Including Oral & Vision Care



Rehabilitative & Habilitative Services & Devices



Ambulatory Patient Services



Preventive & Wellness Services & Chronic Disease Management



Hospitalization

What is the Marketplace?

- A way to shop for health insurance
- Financial help available
 - Advanced premium tax credits (APTC)
 - Cost sharing subsidies (CSR)
- Open Enrollment Period Each Year
 - November 1, 2023 – January 15, 2024
- Special Enrollment Periods (SEP) available throughout the year (i.e., you lost other coverage, got married/had a baby, moved)



Who Should Use the Marketplace?

Meant for those who do not have another source of coverage



Only “requirements”

Reside in state where purchasing plan

Live in the U.S

U.S. citizen or “lawfully present” non-citizen

Who cannot use the Marketplace?

- Medicaid eligible
- Medicare eligible
- Have an offer of affordable coverage from an employer
- Incarcerated (convicted & sentenced)
- Undocumented non-citizens

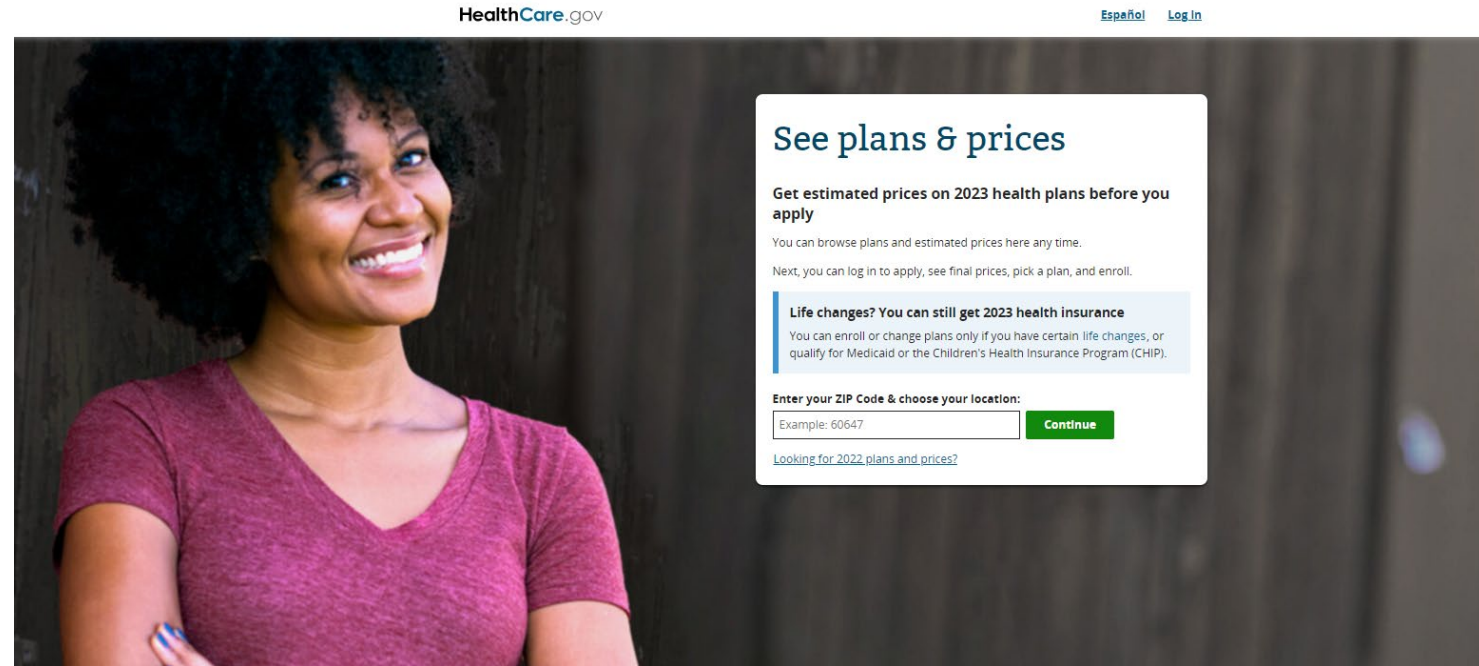
What if my employer offers health coverage?

- If the employer sponsored insurance (ESI) is “adequate” and “affordable” the employee cannot get financial help in the Marketplace
 - **Adequate** = ESI is considered adequate if the employer-sponsored plan covers at least 60% of the total cost of covered medical services.
 - **Affordable** = ESI is considered affordable for the employee and the household if the employee contribution is up to 8.39% of household income.
- If a person has an offer of employer-sponsored coverage that fails to meet either requirement above, they may be eligible for premium tax credits to purchase a Marketplace plan

HealthCare.gov

Illinois uses [HealthCare.gov](https://www.healthcare.gov) for its Marketplace. Next year, we will be switching to a state-based marketplace. Stay tuned!

You can go to <https://www.healthcare.gov/see-plans/#/> to see plans and “window shop” without submitting an application



What is new-ish in the 2023 Marketplace?

- Continued lower premiums for people eligible for financial help!
 - Anyone whose income is at or below 150% FPL (about \$20,000 for a household of one and \$41,000 for a family of four) can enroll in a **\$0 premium plan**.
 - Low-Income Special Enrollment Period (SEP) started in 2022 and is available to people with a projected income at or below 150% FPL. **People eligible for this SEP can enroll in a marketplace plan in any month during the year.**
- People with income over 400% FPL (about \$54,000 for a single person and \$120,000 for a family of four) will continue to be eligible for financial help through 2025, assuming they meet other eligibility requirements.
- Family Glitch was eliminated
- People who are found **ineligible for Medicaid during their redetermination this year** (due to the end of the Medicaid continuous coverage requirement) **are eligible for a Special Enrollment period** in the Marketplace anytime between 3/31/23 and 7/31/24

For more information:

[FAQ: Changes to the Marketplace in the Inflation Reduction Act \(Feb 2023\)](#)

[Unwinding the Medicaid COVID-19 Continuous Coverage Requirement](#)

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Marketplace Application

- Create an Account on HealthCare.gov
- Apply for Financial Help
- Eligibility Determination Notice will explain the amount and type of subsidy
- Shop for comprehensive health plans offered by insurance companies in Illinois
- Different regions of the state have different plan offerings
- New plans and prices every year – so important to go in and shop each year during open enrollment

Applying through the Marketplace

- When an individual applies for insurance through Healthcare.gov, the website will first check whether anyone in the household qualifies for Medicaid.
- If they qualify for Medicaid, Healthcare.gov will send the application information to Illinois Medicaid (Illinois Dept of Healthcare & Family Services), who will contact the individual about enrollment.
 - **We recommend that you don't wait to apply for Medicaid if the Marketplace says you are eligible...go to <https://abe.illinois.gov/> and apply directly!**
- If not Medicaid eligible, the application determines eligibility for a premium tax credit (PTC)

Two Types of Financial Help Through the Marketplace

Premium Tax Credits

- Help people pay the monthly cost to have a plan
- Available to households with income over 100 % FPL.

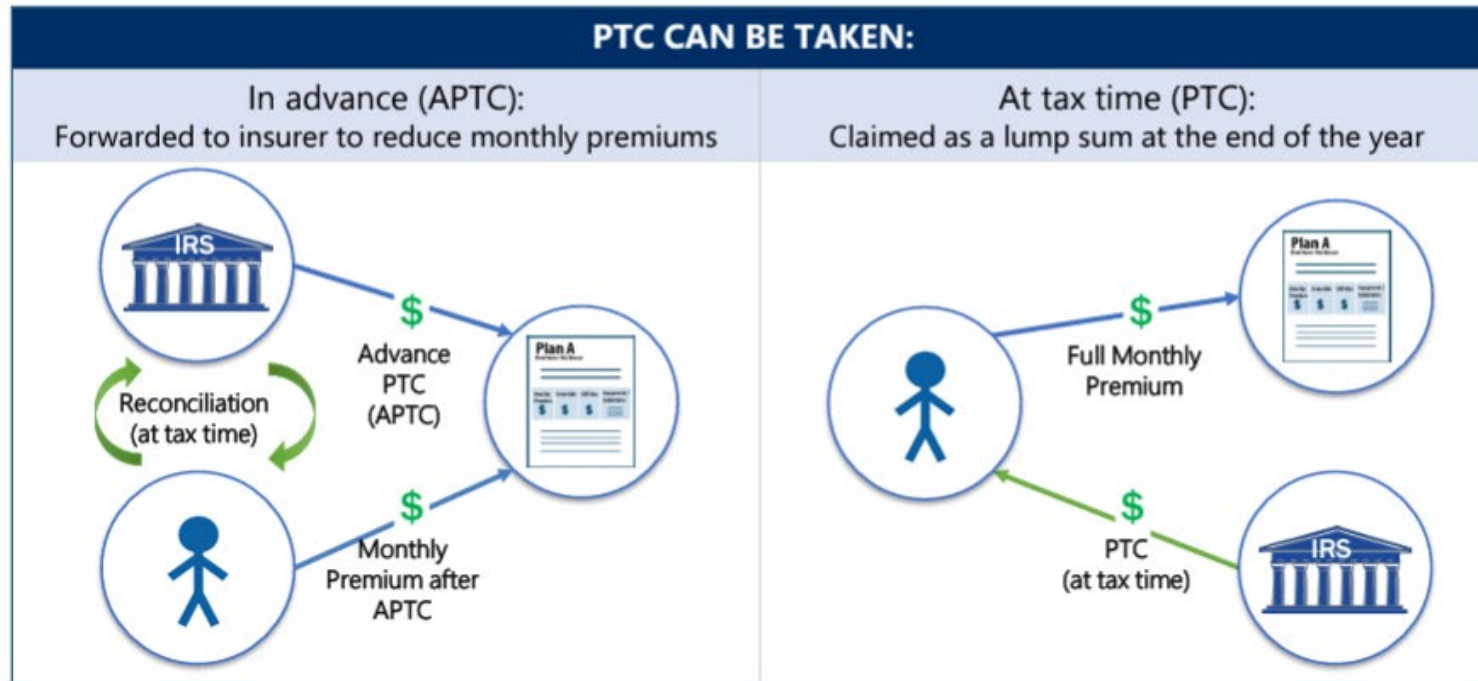
NOTE: Only plans purchased on the Marketplace (Healthcare.gov) are eligible for financial help

Cost-Sharing Reductions

- Decrease the amount people pay when receiving health care services covered by the plan (~*lower deductibles, co-pays*)
- Available to households with incomes up to 250% FPL

What is the Premium Tax Credit?

Premium tax credit (PTC): Income-based financial assistance for eligible people who purchase coverage in the health insurance marketplaces



Note: In general, APTC and PTC follow the same rules, although there are some important safe harbors for PTC only.

Eligibility for Premium Tax Credit

Income: Over 100% FPL

- Income must be above 100% FPL
- Some exceptions apply

Eligible Filing Status

- If married, cannot file as married filing separately
- Cannot be a tax dependent
- Some exceptions apply

Ineligible for Other MEC

- Cannot be eligible for another type of MEC, such as Medicaid or employer coverage
- Some exceptions apply

Expected Contributions at Certain Income Levels (for 2024 Coverage)

Annual Household Income		Expected Premium Contribution	
% of FPL	Income Amount (For HH of 1 using 2023 FPL)	% of Income	Monthly Dollar Amount (For HH of 1 using 2023 FPL)
< 150%*	<\$21,870	0%	\$0
200%	\$29,160	2%	\$49
250%	\$36,450	4%	\$122
300%	\$43,470	6%	\$217
350%	\$51,030	7.25%	\$308
400%	\$58,320	8.5%	\$413
> 400%	>\$58,320	8.5%	varies

**Individuals who are eligible for Medicaid are ineligible for PTC*

Note: 2023 federal poverty guidelines are used to determine eligibility for 2024 coverage.

More about Marketplace Plans

- Plans are classified at different metal levels
 - Bronze plans have lower premiums but higher costs when you need care
 - Gold plans have higher premiums but lower costs when you need care.
- Reminder – cost sharing reductions **ONLY** apply to Silver plans

How you and your insurance plan split costs

Estimated averages for a typical population. Your costs will vary.

Plan Category	The Insurance company pays	You pay
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%
Platinum	90%	10%

EXAMPLE

Olivia (age 52) is married to Pat (age 54). They have one adult daughter, Lina (age 21).

Olivia files taxes jointly with Pat and they claim Lina as a dependent

The family lives in DuPage County, IL (zip code 60532)

Olivia works part-time at two jobs, earning \$54,000/year. Pat does not work and has no income

Lina is a student and doesn't work

All three need health coverage. They are not offered coverage through Olivia's jobs

Example: Estimated Tax Credit for 2023

Estimated savings overview

May be eligible for a **premium tax credit**:

You (age: 52)

Your spouse (age: 54)

Dependent 1 (age: 21)

Based on the income and household information you provided, your household may qualify for an estimated premium tax credit of:

\$1,425 per month
This is an estimate.

A premium tax credit is the amount you can use to lower your monthly premium each month. It's not the premium itself. When you view plans, the premium will be reduced by this amount.

You'll get your exact premium tax credit amount when you complete an application.

[View plans](#)

You may be eligible for extra savings if you pick a Silver plan

In addition to a tax credit to lower your monthly premium, it appears you qualify for extra savings on other costs, like deductibles, copayments, and coinsurance. This can save you hundreds or even thousand of dollars if you use a lot of care.

Important: To get these extra savings you **MUST** pick a plan in the Silver category.

- ✓ Olivia and her family are eligible for a premium tax credit of \$1,425 to reduce their monthly premium
- ✓ Prices on HealthCare.gov will show the discounted amount after the tax credit is applied
- ✓ They are also eligible for Cost Sharing Reductions called “Extra Savings”. In order to get those extra savings, the family must pick a plan in the Silver Category
- ✓ There are 128 plans available to them...but 51 with extra savings available

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Estimated monthly premium

\$137.61

Including a \$1,425 tax credit
Was \$1,562.61

Plan details

Like this plan

Molina Healthcare

Constant Care Silver 1 200

Extra savings

Silver | HMO | Plan ID: 323551L0010002

Deductible

\$7,000

Family total
Health: \$3,500
Drug: \$3,500

Out-of-pocket maximum

\$14,500

Family total

Estimated total yearly costs

Add yearly cost

Copayments / Coinsurance

Emergency room care
\$950 per visit from day 1

Generic drugs
\$25 per visit from day 1

Primary doctor
\$30 per visit from day 1

Specialist doctor
\$60 per visit from day 1

Plan features

- Adult Dental
- Child Dental

Add medical providers

Add your medical providers and we'll show you which plans cover them

Add prescription drugs

Add your prescription drugs and we'll show you which plans cover them.

New plan - Not rated

Compare

EXAMPLES

These are estimates only for Olivia and her family
Full application needed to see actual costs

Important to look at other costs beyond monthly premium

Shriver Center on Poverty Law

Estimated monthly premium

\$3.00

Including a \$1,425 tax credit
Was \$1,372.86

Plan details

Like this plan

Oscar Health Plan, Inc.

Bronze Classic- Deductible Saver (Choice)

Bronze | HMO | Plan ID: 115741L0010024

Deductible

\$9,400

Family total
(health & drug combined)
[Extra deductible for some services](#)

Out-of-pocket maximum

\$18,200

Family total

Estimated total yearly costs

Add yearly cost

Copayments / Coinsurance

Emergency room care
50% coinsurance after deductible

Generic drugs
\$3 per visit from day 1

Primary doctor
\$70 per visit from day 1

Specialist doctor
\$125 per visit from day 1

Plan features

- Adult Dental
- Child Dental

Add medical providers

Add your medical providers and we'll show you which plans cover them

Add prescription drugs

Add your prescription drugs and we'll show you which plans cover them.

New plan - Not rated

Compare

The lower your income, the higher your advanced premium tax credit (APTC)

- John, 24 years old
- His plan (without APTC) is \$350/month
- John's income is \$27,180 (200% FPL) – his premium tax credit would cover \$305/month and he would only pay \$45/month.
- Let's say John gets a raise and his income is \$33,975/year (250% FPL) – his premium tax credit would be lower and only cover \$237/month and he would now pay \$113/month)



Reminder about Premium Tax Credits

- You must report changes that impact the premium tax credit (assuming you got it in advance).
 - If someone earns **more** than they estimated, they could owe tax credits back on their tax return if they don't report the change.
 - If they earned **less** than projected, updating income will raise their premium tax credit OR result in Medicaid eligibility.
 - EXAMPLE - A married couple with a projected income of \$39,440 has an income at 200% FPL. If they have a baby sometime during the year, they would become a household of three, and their income would be 159 percent of the poverty line. This change in poverty level income will make them eligible for a larger credit.

What If I misjudge my income for the year? Do I have to pay back my premium tax credits?

- There is a cap on repayment amount for those with income less than 400% FPL
- But no cap on repayment if your income goes above 400% FPL (i.e., you will have to repay the full tax credit)

Repayment Limits on APTC (Tax Year 2023)

Income (% FPL)	SINGLE Taxpayers	OTHER Taxpayers
Under 200%	\$350	\$700
200% - 299%	\$900	\$1,800
300% - 399%	\$1,500	\$3,000
400% and above	None	None

Source: [irs.gov/pub/irs-drop/rp-22-38.pdf](https://www.irs.gov/pub/irs-drop/rp-22-38.pdf)

Reconciliation of Overlapping Coverage

In general, to be eligible for PTC, the taxpayer must not be eligible for (or enrolled in) other coverage, but some special rules apply, especially at reconciliation

First-day rule	People who are eligible for APTC on the first day of the month are considered eligible for the full month
Medicaid	If a person gets APTC but later becomes eligible for Medicaid: <ul style="list-style-type: none">• APTC is allowed for months of retroactive Medicaid coverage• The person can choose to remain in APTC for the entire calendar year or enroll in Medicaid
Medicare	A person loses eligibility for APTC when they become eligible for Medicare, <u>even if they don't enroll</u> . APTC eligibility ends on <i>the first day of the fourth full month</i> after the person became eligible for Medicare
Employer-sponsored coverage	If the taxpayer accurately informed the marketplace of the ESI premium (with no intentional or reckless disregard for the facts) and, despite the affordable offer, was awarded APTC anyway, the taxpayer can claim PTC. But the safe harbor does not apply when a person re-enrolls: the presence/cost of an ESI offer must be updated at re-enrollment.

WHAT TO LOOK FOR

What are some things to consider when choosing a plan?

Choosing a Plan

- Total costs (premiums + costs of care)
- Plan type (HMO, PPO, etc)
- Provider networks
- Prescription coverage



<https://www.healthcare.gov/choose-a-plan/>

When Shopping, Check out Plan Documents on HealthCare.gov

- [Summary of Benefits and Coverage \(SBC\)](#)
- Plan Brochure
- Provider Directory
- List of Covered drugs



⚠ The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, www.MolinaMarketplace.com For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms, see the Glossary. You can view the Glossary at www.healthcare.gov/sbc-glossary or call 1-833-644-1623 to request a copy.

Sample: Summary of Benefits and Coverage

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	\$5,700 / individual or \$11,400 / family Combined Medical and Rx	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan , each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible .
Are there services covered before you meet your deductible ?	Yes. Yes. Preventive care , office visits, urgent care , lab work, rehabilitation services , habilitation services , home healthcare and preferred generic & brand drugs are covered before you meet your deductible .	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply. For example, this plan covers certain preventive services without cost-sharing and before you meet your deductible . See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	For network provider \$7,200 Individual or \$14,400/family; for out-of-network provider , there is no coverage unless Prior Authorized by Molina Healthcare.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan , they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	Premiums , balance-billing charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit .
Will you pay less if you use a network provider ?	Yes. See MolinaMarketplace.com or call 1-833-644-1623 for a list of network provider .	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware, your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.
Do you need a referral to see a specialist ?	Yes.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist .

Sample: Provider Directory Search in DuPage County/ Molina Healthcare



Emergency services are covered for in and out of network services, members should seek services at the nearest appropriate hospital.

Plan/Program
Molina Marketplace

City & State, County or Zip
Lisle, IL — 60532

Good Afternoon!

Browse or search to find the care you need.

Search for Care by Specialty, Name, NPI or Keyword

Common Searches: Primary Care Behavioral/Mental Health Virtual Care Urgent Care Center Hospitals

Browse by Category

Find the provider you need. Just search by using the care categories shown here.

- Medical Care
- Behavioral Health Including Mental Health and Substance Use Disorder
- Labs, Imaging and Other Testing
- Urgent and Convenient Care
- Hospitals and Other Facilities
- Medical Equipment and Supplies
- All Categories

Behavioral Health Including Mental Health and Substance Use Disorder

- Psychiatry
- Autism/Applied Behavioral Analysis (ABA)
- Substance Use Disorder
- Psychology
- Social Worker
- Counseling
- Mental Health Clinic/Center



What if I have a problem with my Marketplace Insurance plan?

- The Illinois Department of Insurance (DOI) is the state entity that regulates private insurance plans
- DOI can assist consumers with issues and complaints about coverage, claim disputes, premiums, policy cancellations, network adequacy, provider directory inaccuracies, etc.

- Office of Consumer Health Insurance (OCHI)

Toll-free: 877-527-9431

Email: DOI.complaints@illinois.gov

<https://idoi.illinois.gov/consumers/file-a-complaint.html>



Free, expert help is available!

- Certified Application Counselors (CACs), ACA Navigators, Enrollment Assistants
- Insurance Brokers/Agents
 - *Make sure comprehensive coverage – not a short term plan*
 - *Can only get financial help through healthcare.gov*

• <https://www.healthcare.gov/find-assistance/>

• <https://getcovered.illinois.gov/>

• <https://findahealthcenter.hrsa.gov/>



A screenshot of the Get Covered Illinois website. The top navigation bar includes "ILLINOIS gov", "AGENCIES", "SERVICES", "IDOI Director Dana Popish Severinghaus", "Shop/Enroll", "Select Language", and a search bar. The main navigation menu has "Home", "Shop/Enroll", "News and Events", "Resources", "About Us", and "Get Free Help". A dropdown menu for "Get Free Help" shows "Get Free Help (English)" and "Obtener Ayuda Gratis (Español)". Below the menu is a banner with three images: a person at a computer, a woman at a wedding, and a man kissing a baby. The banner text reads "Special Enrollment Periods and Qualifying Life Events". Below the banner, the text "YOUR HEALTH COVERAGE STARTS HERE" is displayed next to the Get Covered Illinois logo. To the right, it says "Coverage is as easy as 1, 2, 3" and "Get Covered Illinois is here to help you navigate the sometimes confusing world of health insurance. Follow these steps to learn the basics to get the coverage you need."

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Resources

- <https://getcareillinois.org/>
- <https://getcovered.illinois.gov/>
- <https://www.healthcare.gov/>
- <https://www.healthcare.gov/choose-a-plan/>
- <https://www.irs.gov/affordable-care-act>
- <https://www.healthreformbeyondthebasics.org/>



HealthCare.gov



Beyond
the Basics

Four Main Take-Aways

- If you do not get your insurance through your job, Medicaid or Medicare, you may be eligible for financial help to purchase coverage through the Marketplace
- Plans on the Marketplace change every year, so it's important to shop during Open Enrollment (This year: November 1 – Jan 15 for 2024 coverage).
- It's important to look at monthly premium in addition to total cost of plan, provider network, prescription drug formulary
- Free, expert help is available!

Questions?

Get in touch!

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