

## Health Insurance for California Residents

Starting in 2014, state legislature has mandated that all individuals are required to obtain a Health Insurance policy.

In order to decrease the number of uninsured Americans and in hopes of cutting the overall costs of health care, the federal government enacted the Affordable Care and Patient Protection Act in 2010. California is projected to provide health coverage for approximately 2.3 million Californians. Financial assistance will be provided to small business owners and individuals, who qualify, to help cover the cost of health insurance. Those who are age 18 and above will be required to have health insurance coverage or pay a penalty, which is set to take effect in 2014.

Health plans purchased through Covered California must cover essential health benefits, which includes visits to your primary care provider, hospitalization, emergency care, maternity, medical tests, prescriptions, pediatrics, mental health services and much more. Preventative services such as mammograms and colonoscopies will be provided with no out of pocket costs to consumers.

Covered California's marketplace will begin open enrollment on January 2014. California residents without health insurance from their place of employment or other government funded programs may purchase their health insurance through Covered California.

### Covered California Upcoming Changes

Affordable Care Act will indefinitely change the way health insurance companies provide health care coverage to consumers. Major changes will be implemented in the health insurance field, including:

- **Increased Access To Health Insurance:**  
State marketplaces where individuals and small businesses can shop for health care coverage online, by phone, or in person will be easily accessible to residents of California. The addition of marketplaces will allow health insurance to be more affordable and easily attainable.
- **Financial Support for Those Who Qualify:**  
Covered California will provide financial assistance to families with low to moderate incomes in order to help reduce the cost of health care insurance. Eligibility guidelines will be determined to see if individuals or small business qualifies for financial assistance.
- **Consumer Protections:**  
Health insurance plans must cover families or individuals despite their health care status or preexisting conditions.
- **Preventative Care:**  
New health plans will provide preventative care in addition to medical screenings such as mammograms and colonoscopies. Greater access to women's services such as breast feeding support, contraceptives and domestic violence screening should be provided. Copayments, coinsurance, and deductibles cannot be applied to these services.

## **Essential Health Benefits**

- Preventative services in addition to chronic disease support
- Rehabilitation services
- Mental health and substance abuse disorder
- Maternity and newborn care
- Hospitalization services
- Emergency care
- Ambulatory care

## **Improvements to Insurance Plans**

The Patient Protection and Affordable Care Act mandates that New health plans must provide coverage for essential health benefits, including visits to your primary care physician, hospitalization, emergency care, maternity services and much more.

Health plans will be categorized as; Platinum, Gold, Silver, and Bronze to indicate benefit coverage level.

### **Plan Level Co- Insurance:**

**Platinum 90% (Insurance Pays) 10% (Insured Pays)**

**Gold 80% 20%**

**Silver 70% 30%**

**Bronze 60% 40%**

## **Affordable Health Coverage**

In order to provide affordable health care coverage to all Californians, Covered California will provide assistance to individuals to see if they qualify for financial assistance which can help lower their overall health insurance costs. Individuals and families who meet certain income requirements may qualify for financial assistance programs.

## **Tax Credits**

If you're a small business or tax-exempt organization that provides health insurance coverage to your employees, you may qualify for the Small Business Health Care Tax Credit.

## **Cost Sharing Subsidies**

Designed to help reduce the amount of health care expenses for individuals and families, cost sharing subsidies are helpful for those who receive Medi-Cal Assistance.

## **Medi-Cal Assistance**

Medi-Cal provides free health care coverage for those who qualify. Individuals with disabilities, those with incomes of less than \$15,000 for a single individual, or \$31,180 for a family of four may qualify for Medi-Cal.

### **Penalties If You Do Not Have Insurance**

Effective January 2014, the Affordable Care Act requires most individuals who are over the age of 18 have public or private health insurance. Those who do not abide by this mandate will be penalized financially. This penalty will gradually be phased in over the course of three years and will become increasingly severe. The penalty, set to begin in 2014, will be 1 percent of your annual income or \$95, whichever is greater. By 2016, penalties will increase to 2.5 percent of income or \$695, whichever is greater. The penalty will be assessed based upon the number of months without health coverage.

Be sure to avoid these penalties by enrolling for health insurance prior to March 31, 2014. Open enrollment dates are set to begin in October 2014 for health coverage in 2015. Individuals must enroll during the open enrollment period. Members may be eligible to enroll after the open enrollment period if there is a life changing event such as loss of job, death of spouse, or birth of a child.