

# EXPLORE. ENROLL. ENJOY. EASY.

## Affordable Care Act Q&A

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### ***If I already have insurance, will I have to purchase a new policy?***

If you are happy with your current health care coverage, you may keep it along with your trusted doctors. If you have had the plan since before March 23, 2010, when the ACA was signed, it is considered “grandfathered”. However, it is exempt from some of the patient-friendly requirements of the law, so it may be in your best interest to research other plans on the Health Insurance Marketplace (HIM). You will also not be eligible for reduced pricing unless you purchase your policy through the HIM.

### ***Will I qualify for a subsidy (reduced pricing)?***

When you apply for insurance in the HIM, you will find out if you qualify for savings on out-of-pocket costs like deductibles, coinsurance and copayments, depending on your income and family size. For example, reduced pricing is available for a family of four making up to \$90,000 per year, so there is a good chance you will qualify as well.

### ***What if I have insurance through my job?***

Your employer may choose to keep the current group policy or shop on the small business marketplace, called SHOP, for a more reasonable policy. You have the choice to remain on that group policy or purchase your own on the HIM. There are a few things to consider: (1) your employer probably pays a portion of your group policy premium. If you were to leave that policy and purchase your own on the HIM, your employer would no longer be required to do so; (2) you might not be eligible for reduced pricing on the HIM, even if your income qualifies you, depending on the type of coverage your employer offers.

### ***As a small business owner, what am I required to do?***

The ACA defines a small business as one with up to 50 full-time (30 or more hours per week on average) employees. Under the ACA, a small business is not required to offer employees health insurance. If you already offer insurance and it meets the criteria of the ACA for affordability and “minimum essential coverage” (see below), you may continue to offer that. Otherwise, you will be able to shop for group policies within the Small Business Health Options Program (SHOP) component of the HIM and you may qualify for health care tax credits of up to 50 percent of the cost of premiums. You control the coverage you offer and what you want to pay toward premiums—as long as the policy meets affordability criteria under the ACA—and then your employees enroll themselves on SHOP. You may use your insurance broker to help you. If you choose not to offer insurance coverage, your employees will purchase their own policies on the HIM.

### ***What about larger businesses?***

Businesses with more than 50 full-time employees will be required to offer health insurance that is affordable and meets minimal essential coverage starting in 2015. To put that in perspective, 98.8 percent of large U.S. businesses already do so. Starting in 2016, businesses with up to 100 full-time employees will be able to save money by purchasing policies through SHOP.

### ***What do “affordability” and “minimal essential coverage” mean?***

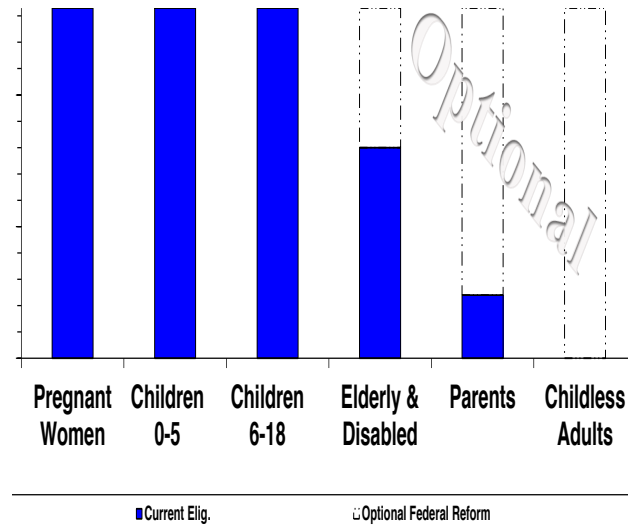
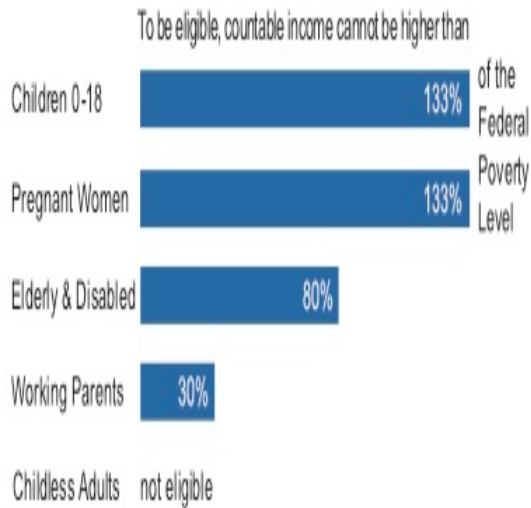
Under the ACA, an insurance policy is affordable if employees contribute no more than 9.5 percent of their income to the cost of premiums *and* the policy pays for at least 60 percent of covered health care expenses. If a business does not comply, it will pay an annual, per-employee penalty. Minimal essential coverage means that all Americans are required to carry enough insurance to cover their basic health needs. All policies offered on the HIM will provide minimal essential coverage. If individuals do not comply they must pay a yearly fee, similar to the uninsured motorist fee, to mitigate the cost of their uncompensated care.

### ***Will the ACA affect Medicare?***

The ACA prohibits cuts to traditional guaranteed Medicare benefits. It gradually reduces reimbursements for Medicare Advantage plans to bring them into line with traditional plans. The ACA is closing the “donut hole” in Medicare Part D by offering those affected a discount on drugs and increasing coverage for brand name and generic drugs. Additionally, it eliminates co-pays and deductibles for preventive health care services. The law also includes several provisions to increase the number of physicians accepting Medicare patients: (1) payment adjustments to doctors to reflect realistic regional health care costs; (2) bonuses for participating doctors; and (3) incentives for medical students to go into primary care.

# SUPPORT MEDICAID EXPANSION IN VIRGINIA

Virginia now ranks near the bottom of all states in Medicaid eligibility and per capita spending.



## Medicaid Expansion Makes Sense For Virginians

Currently, many low-income Virginians are excluded from Medicaid.

Expansion covers all low-income Virginians up to 138% of the Federal Poverty Level.

- ✓ Over 400,000 of our uninsured neighbors would be newly-eligible. **70 percent** live in households with at least one person working.
- ✓ Currently, a family of three **cannot make more than \$5,859** and stay on Medicaid. Medicaid expansion would allow that same family to receive coverage up to an annual income of \$26,951.
- ✓ The **Federal Government will pay 100 percent of the cost** of Virginia's expansion through 2016 and then never pay less than 90 percent.
- ✓ The cost of uncompensated care in Virginia is \$69.2 million per year. Virginians pay to cover that cost through increased insurance premiums and taxes.
- ✓ If Virginia does not expand, we will still be paying taxes to finance expansion in other states—with none of the benefits

**For more information, visit [www.healthcare.gov](http://www.healthcare.gov)**

**Please contact the Medicaid Innovation and Reform Commission to voice your support for Medicaid Expansion: [mirc.virginia.gov](http://mirc.virginia.gov)**

Prepared by Virginia Organizing, Empower Hampton Roads, and Virginia Interfaith Center