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Affordable Care Act

Marketplace Implementation Briefing

**Virginia Organizing Marketplace
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Affordable Care Act Overview

- Provides coverage to young adults up to the age of 26
- Strengthens Medicare benefits with lower prescription drug costs for those in the 'donut hole,' chronic care, and free preventive care
- Prohibits plans from imposing lifetime and annual limits on the dollar value of benefits, and from rescinding coverage when you get sick

Affordable Care Act Overview

- Rein in insurance premiums rates
- Prevent denials of coverage, including for pre-existing conditions
- Make health insurance affordable for middle class families
- Make health insurance affordable for small businesses with tax cuts

Health Insurance Marketplace

- Sometimes called “Exchanges,” the Marketplace is required by the ACA to be created by January 1, 2014
- New “marketplace” where small businesses and individuals can select and enroll in a private health insurance plan
- For those who are uninsured or who purchase private health insurance

Marketplace Implementation

- Three models available
 - State-Based
 - Federal-State Partnership
 - Federally-Facilitated
- States can apply for Marketplace establishment funding at any time and be awarded grants through 2014
- HHS to operate marketplaces for States that have not elected to do so

Marketplace Implementation

- Virginia will be a Federally-Facilitated Marketplace
- 520,000 Virginians eligible to enroll through the marketplace
- Virginia has received \$6.5 million to date

Actuarial Value

- The ACA requires plans inside the Marketplace to meet particular actuarial value (AV) targets
 - Bronze = 60% AV
 - Silver = 70% AV
 - Gold = 80% AV
 - Platinum = 90% AV
- “Metal Levels” will enable consumers to compare plans with similar levels of coverage, promote competition on premiums, and allow plans flexibility to design cost sharing structures

Financial Assistance

■ Premium tax credits

- Will reduce the premium amount the consumer owes each month
- Available to eligible consumers with household incomes between 100% and 400% of the FPL (45,960 for an individual and \$94,200 for a family of 4), and who don't qualify for other health insurance coverage
- Based on household income and family size for the taxable year
- Paid each month to the insurer

Financial Assistance

- **Cost-sharing reductions:**
 - Reduce out-of-pocket costs (deductibles, coinsurance, copayments)
 - Generally available to those with income 250% FPL or below (\$27,925 for an individual and \$57,625 for a family of 4 in 2012)
 - Based on household income and family size for the taxable year

Quality Insurance

■ Essential Health Benefits

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services/devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

Enrollment Process

- Consumer submits application to the marketplace
 - Online
 - Phone
 - Mail
 - In Person
- The marketplace verifies and determines eligibility for
 - enrollment in a Qualified Health Plan (QHP)
 - tax credits and cost-sharing reductions
 - Medicaid or CHIP
- Consumer enrolls in a QHP or Medicaid/CHIP
 - Online plan comparison tool available to inform health plan choice
 - Tax credit is sent to insurer (if eligible) to reduce consumer premium owed

Enrollment Assistance

- Help will be available in the Marketplace
 - Toll-free call center 1-800-318-2596
 - 24/7 (closed five holidays)
 - 150 languages
 - Website chat 24/7 (English and Spanish)
 - Help in-person
 - Navigators
 - Other trained enrollment assisters
 - Local Community Health Centers, libraries, hospitals and other locations in local communities
 - Agents and brokers

Initial Open Enrollment Period

- **October 1, 2013 – March 31, 2014**

Enroll during the Initial Open Enrollment Period	Your coverage is effective*
On or before December 15, 2013	January 1, 2014
Between the 1 st and 15 th day of January – March	First day of the following month
Between the 16 th and the last day of December – March	First day of the second month

Medicaid Expansion

- 400,000 Virginians would receive coverage
- 100% federally funded for first three years (2014-2016)
- Federal funding gradually reduced to 90% in 2020
- \$9 billion in first six years

Resources:

- Affordable Care Act website – www.healthcare.gov
- Health Insurance Marketplace – marketplace.cms.gov
- Center for Consumer Information & Insurance Oversight website – <http://cciio.cms.gov>
- Affordable Care Act Spanish website – www.cuidadodesalud.gov

Thank you!

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