What you need to know about upcoming changes in Health Reform

Why Iowans should care:

- Starting in 2014, in general everyone will be required to health care coverage or face a tax penalty.
- Individuals can no longer be denied a health insurance policy due to a health condition (current or in the past).
- In 2014, tax credits may be available to individuals and small businesses to help pay for insurance premiums.
- The Iowa Health Insurance Marketplace (at healthcare.gov) will allow individuals to sign up for health care coverage online. Individuals will automatically be screened for such programs as Medicaid, Hawk-I, and the new Iowa Health and Wellness program, and possible tax credits and subsidies.
- Individuals, families, and small business can sign up for a health insurance plan on the marketplace starting October 1st, 2013 – March 31, 2014.

What is the need for health insurance and awareness1?

- There are over 244,000 uninsured in Iowa
- 9 in 10 uninsured have incomes below 400% of the federal poverty level and could receive Medicaid or subsidized coverage under the Affordable Care Act.
- About 1/3 uninsured are eligible for programs like Medicaid and HAWK-I do not enroll because they don’t know where to turn to. Half of this eligible population is children.
- If individuals are currently enrolled in Iowa Care, the program will be ending this year and they will need to reapply to enroll in the Iowa Health and Wellness Program.

What is the Health Insurance Marketplace?

- Health Insurance Marketplaces (also known as Exchanges) are new online platforms allows individuals and small employers to buy health insurance. They will offer a choice of different health plans, Medicaid, Hawk-I, and certifying plans that participate and providing information to help consumers compare their options.

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What steps can the public take?

- Sign up now and explore the Iowa Health Insurance Marketplace.
- Starting October 1, 2013, consumers will be able to submit a marketplace application online (healthcare.gov), by phone through a toll-free call center (1-800-318-2596), by mail or in person (with accommodations for people with disabilities). Coverage can start as early as January 1, 2014.

What are the big changes coming in 2014?

- Open Enrollment starts October 1st, 2013 and lasts till March 31st, 2014. Coverage may start as soon as January 1, 2014.
- Previously Health Insurers could deny coverage to individuals because of pre-existing conditions, place individuals into higher rating pools because of pre-existing conditions, or exclude coverage of pre-existing conditions. Starting in 2014 Insurers cannot deny coverage, exclude coverage, or rate premiums higher because of pre-existing conditions.
- Individuals may qualify for refundable Health Premium Tax Credits to help limit the cost of their health insurance premiums to a percentage of their income.
- The Individual Mandate will require individuals to have health insurance for themselves and their dependants or face a tax penalty.
- Health Insurance Policies may not set annual dollar limits on coverage.

Do I need to make a change if I have already have health insurance?

- If you already have comprehensive major medical health insurance coverage, Medicare, Medicaid, or Hawk-I you do not have to make a change.
- For most people if you have major medical insurance through your employer no change is needed.

What are Health Premium Tax Credits?

- The new law has several provisions that create tax credits to cover some of the cost of insurance premiums for low and middle income families.
- Tax credits are only available for policies purchased through the marketplace for.
- Families making less than 400% of the federal poverty level may be able to qualify for tax credits to lower the cost of health insurance. (Family of 1 is $45,960 or less annually, family of 4 is $94,200 or less annually based on modified adjusted gross income).

What protections are there in the new health reform law for people with pre-existing conditions?

- Starting in 2014, all health insurers will have to sell coverage to everyone who applies, regardless of their medical history or health status.
- At that time, insurers will not be allowed to charge more to individuals with pre-existing conditions, nor will they be able exclude coverage of those conditions from the insurance plans they sell.