



## Frequently Asked Questions - about - Health Care Reform

**Q: Starting in 2014, will it be easier for me to get coverage if I have health problems?**

A: Yes, starting in 2014, having a health problem will no longer be a barrier to having access to affordable, quality health insurance:

- Currently, millions of Americans who have health problems, who do not have access to insurance through their employer, are locked out of access to affordable insurance.
- In today's individual market (for the self-employed and those without employer coverage), insurers systematically exclude people with pre-existing health conditions altogether or only offer them astronomical, unaffordable premiums.
- In the new Marketplaces starting in January, Americans can no longer be denied coverage or charged higher rates for having a pre-existing health condition.

**Q: If I need insurance, how will I be able to enroll in a health plan in the new Marketplace?**

A: If eligible, individuals and families will be able to enroll in a health plan in the Marketplace in numerous ways, including:

- Online;
- By phone (888-975-1142);
- By mail; or
- In person.

Also, the help available in each Marketplace to help individuals and families choose the best private health plan for them will include:

- A toll-free call center;
- A website with plan comparison tools; and
- Navigators, such as community-based organizations.

**Q: I already have employer-provided coverage. How does the health care law affect me?**

A: If you have employer-provided coverage, you have already received numerous new protections and benefits under the health care law, including:

- Your insurer can't drop you when you get sick.
- Your insurer can no longer impose a lifetime limit on your coverage.
- Your insurer must give you the option of having your young adult children stay on or join your employer-provided plan until they turn 26.
- If you have a child with a pre-existing condition, your insurer cannot discriminate against that child.
- Your insurer must spend at least 80% of your premium on health care – not on profits or overhead. And if they don't, they have to reimburse you – either with a rebate or with lower premiums.
- Your insurer has to justify publicly any double-digit premium increases they are seeking.
- You have free coverage of key preventive services, such as mammograms and colonoscopies (for most people in private plans).

Furthermore, beginning in January 2014, you will receive additional protections and benefits under the health care law, including:

- Your insurer cannot discriminate against you having or developing a pre-existing condition.
- If you are a woman, insurers cannot charge you more than men for the same coverage.
- You are protected by a cap on your out-of-pocket costs.

**Q: I am a senior enrolled in Medicare. How does the health care law affect me?**

A: The health care law is strengthening Medicare and providing you with better benefits, including:

- If you fall into the prescription drug 'donut hole' coverage gap, you are already receiving more than a 50 percent discount on your brand-name Rx drugs. More than 6.3 million seniors have saved over \$6.1 billion on prescription drugs.
- By 2020, the 'donut hole' will be completely closed.
- You are now receiving free coverage of key preventive services, such as mammograms and colonoscopies. Before the health care law, some services could have a co-pay as high as \$160.
- You are receiving a free physical – or Annual Wellness Visit – each year.
- The health care law strengthens Medicare and extends the solvency of the Medicare Trust Fund by 8 years – from 2016 to 2024.

**Q: I am a veteran. Will this law take away the VA health care I have earned?**

A: Nothing changes for you under the Affordable Care Act. You stay in the VA health care system.

**Q: I own a small business. Will I be able afford to buy health insurance for my employees?**

A: If you are a small business with fewer than 50 full-time employees, your business is required to do NOTHING. There is no employer responsibility requirement, no penalty, no reporting requirements, NOTHING. For 96% of America’s businesses, that is the answer. There are also provisions that can make it more affordable for you to offer health insurance to your employees if you choose to do so:

- There is a key health insurance tax credit for small businesses in the health care law. If you have fewer than 25 employees and average annual wages of less than \$50,000, you qualify for this tax credit, which will make employee health insurance more affordable. Beginning in January, the tax credit is worth 50% of a small business’s premium, and increase from 35% in 2013. The credit is available for two years.
- Beginning in January, there will be a new online marketplace for small businesses in each state—a SHOP (Small Business Health Options Program)—that will make the purchase of health insurance affordable and accessible for these small businesses. By being given the ability to join a large pool, small businesses will now have access to the same types of quality, affordable coverage that only large firms have today.

**Q: Under the Affordable Care Act, if I have 50 or more full-time employees on an annual basis, what do I have to do?**

A: Under the Affordable Care Act, there is no mandate on employers to provide health insurance to your employees per se. Instead, for employers with 50 or more full-time employees, there is an “employer responsibility requirement.” The “employer responsibility requirement” provides that if an employer with 50 or more full-time employees doesn’t offer health coverage to full-time employees and at least one full-time employee receives a premium tax credit in the new Marketplaces, the employer then pays a penalty of \$2,000 times the total number of full-time employees (excluding the first 30 employees).

**Q: I have employer-provided coverage. I have heard that large numbers of employers are going to drop their coverage and put their employees in the new Marketplaces. Is that true?**

A: That is not true.

- An independent study by J.P. Morgan says that 99% of large employers won’t drop coverage and it’s a “non-issue.”
- The percentage of employers offering coverage has increased in Massachusetts since reform went into effect.
- For decades, most employers have voluntarily offered health benefits to employees. 94 percent of firms with 50-199 employees and 98 percent of firms with 200 or more employees already offer health benefits today. There is no reason they would stop in 2014 under the health care law.

**Q: I have heard that some insurers are seeking big premium increases in these new Marketplaces, so most Americans will be paying a lot more for health coverage next year. Is that true?**

A: That is not true.

- Potential increases are in the individual market only – where only 3.5 percent of Americans currently buy insurance.
- Despite the headlines, a significant majority of those in the new Marketplaces will NOT be paying more for their insurance – due to the premium tax credits. The Congressional Budget Office estimates that more than 80 percent of Americans who purchase coverage through the Marketplaces will receive premium credits.
- People in the new Marketplaces will also get better benefits, which will result in lower out-of-pocket costs.

**Q: Is it true that this law is going to bankrupt the country and explode the deficit?**

A: That is not true. The health care law will reduce the deficit by \$109 billion over the next 10 years and over \$1 trillion over the following decade.