

Newsletter of the LCHR and BRCHR

Louisiana Council on Human Relations and the
Baton Rouge Council on Human Relations

Dr. Paul Y. Burns, Editor

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Navigating the Health Insurance Marketplace – Help is Available

I. Introduction

A major part of the Affordable Health Care Act, also known as ObamaCare will go into effect on January 1, 2014. Louisiana citizens, as well as citizens from all other states are eligible to participate. We saw this spring that with the lead of Governor Jindal, the Louisiana State Legislature rejected the implementation of the Medicaid Expansion provision of ObamaCare. This article does not address this provision of the bill. Beside Medicaid Expansion, there are two other provisions, the Individual Mandate and the Employee Mandate. The Individual Mandate is the provision being addressed in this article.

For a general overview of ObamaCare, we can consider part of an article by Jill Jackson/John Nolen of CBS News on March 21, 2010 with the title “**Health Care Reform Bill Summary: A Look at What's in the Bill**”

It was at the Web address

http://www.cbsnews.com/8301-503544_162-20000846-503544/health-care-reform-bill-summary-a-look-at-whats-in-the-bill/

This is part of that article.

Health Insurance Exchanges:

- The uninsured and self-employed would be able to purchase insurance through state-based exchanges with subsidies available to individuals and families with income

between the 133 percent and 400 percent of poverty level.

- Separate exchanges would be created for small businesses to purchase coverage -- effective 2014.
- Funding available to states to establish exchanges within one year of enactment and until January 1, 2015.

Subsidies:

- Individuals and families who make between 100 percent - 400 percent of the Federal Poverty Level (FPL) and want to purchase their own health insurance on an exchange are eligible for subsidies. They cannot be eligible for Medicare, Medicaid and cannot be covered by an employer. Eligible buyers receive premium credits and there is a cap for how much they have to contribute to their premiums on a sliding scale.

Individual Mandate:

- In 2014, everyone must purchase health insurance or face a \$695 annual fine. There are some exceptions for low-income people.

As stated above, the information in this newsletter addresses the Individual Mandate. Everyone should take note. A mandate means that this is a requirement and anyone who does not purchase health insurance (with some exceptions) will face a fine.

As of October 1st, persons could start signing up for a health care plan. In that Louisiana decided not to set up a state-base exchange system, persons in

Louisiana can get on the Internet and go to **Healthcare.gov** which is the official site of the Health Insurance Marketplace. When on this site the first step will be that of determining eligibility for a federal subsidy. In order to encourage uninsured Americans to participate in Obamacare's health insurance exchanges, the federal government is offering participants a break on the annual insurance premiums. By signing up for a plan (offered at four levels: Bronze, Silver, Gold, or Platinum) you may receive government assistance in the form of a tax subsidy which can be used to significantly reduce the cost of these plans' premiums. You can use the Internet to see if you are eligible for such a subsidy. However, the Internet process is not a simple one. Having someone to help guide you through the process might relieve a lot of stress.

Help is available to provide such guidance. There are a number of sites on the Internet advertising help (to include Blue Cross, Humana, Aetna and several others). A person representing one such company recently made a presentation to a group of employees at a Church in Baton Rouge. They found the presentation to be very helpful. Some of the information presented to this group is included in this article. You might find this information useful or you may know someone else that can be helped by this information. The name of the company is PJMI Inc. DBA or Phil J. Muscarello Insurance. The information will be presented in two parts some of which might be duplicative. The first part will be information listed on the website for this company. The second part will be from the recent presentation made to the Church group.

II. Help in Navigating the HealthInsurance Marketplace

A. From the Website

The company posted on its website <http://www.lifeinsurancebatonrouge.com/health-insurance/>

on April 2013 information concerning the "Individual Mandate" and the "Federal Health Insurance Marketplace".

1. "The Individual Mandate"

Beginning January 1, 2014, virtually all US citizens and legal residents must be covered by a Qualified Health Plan, or pay a penalty. Qualified Health Plans are any health plan that meets ObamaCare minimum standards. Examples can be Medicare, Medicaid, CHIP, Veterans, Tribal, Religious, Employer Group/Retiree, Individual or Family Plans purchased in or out of the Marketplace.

Open enrollment is set to begin October 1, 2013, with the effective date of January 1, 2014. All health insurance plans offered will be available and guaranteed without regard to pre-existing conditions or waiting periods. This will guarantee availability. Tax credits will assist some with the cost of purchasing the coverage.

For those choosing to go without health insurance, beginning on January 1, 2014, for each month a person is not covered, a penalty (tax, or confiscation of tax refund, etc.) will be imposed. Penalties are likely to rise to encourage enrollment and enforcement of the coverage mandate. The penalty will ultimately be capped at the lowest cost health plan.

2. "Federal Health Insurance Marketplace"

Open enrollment will be from October 1, 2013 to March 31, 2014. Coverage effective date will be January 1, 2014, or on the month following application. It is not mandatory to purchase through the Marketplace, but it is required if applying for a tax credit or cost reduction subsidy.

In summer 2013, the Government will begin aggressively promoting the law steering individuals and businesses to the Marketplace website www.healthcare.gov. Call centers will open to

educate the public for the large open enrollment. Computer savvy or assistance will be needed by most when applying online or completing the lengthy paper application.

The Marketplace will accept applications October 1 where the Online Data Services Hub will ping Social Security for Birth Records, IRS for income Data, and Homeland Security for immigration/citizenship status, among other federal agencies.

The system will calculate refundable and advanced tax credits and cost reduction subsidies to qualifying individuals between 138-400% of the Federal Poverty Level (FPL) which will help pay the premium. 138% FPL income is between \$15,856 and \$45,960 for singles and between \$31,322 and \$94,200 for a family of 4. The system will streamline enrollment in Medicaid/CHIP if enrollee is eligible.

Important: Tax Credits and Subsidies are not available to individuals whose employer offers “Affordable” group health coverage. Check with your employer.

- It is our goal to assist the public in complying with the law, avoiding penalties, and to minimize or eliminate any negative effects on costs this law may present to our clients.
- Remember, prices are the same with or without professional assistance. This may be compared to getting an accountant for yearly taxes as opposed to doing it yourself, but at no additional cost.
- Reach Out to a Certified PPACA Health Insurance Professional and ASK FOR CUSTOM HEALTH REFORM GUIDANCE!

B. Recent Information Presented to a Church Group in Baton Rouge

The following is part of the presentation made to a Church group in Baton Rouge during October 2013.

The health insurance marketplace is now open! What does that mean? For some, it means to get started on your "eligibility determination". In reality, only individuals that feel they will qualify for assistance (or a subsidy) and wish to apply for the new health insurance tax credit will absolutely “need” to make application at the Marketplace for this “**Eligibility Determination.**” A chart is given near the end of this article for a quick check to see if you qualify. Insurance companies estimate that 40% of customers may qualify for some type of assistance. If you do not fall into this category, this information may not be valuable to you but you might want to share it with someone else that you think is eligible. If you are not eligible, you might consider taking advantage of any December “Early Renewal Options” offered by your insurance company. For some, it may make sense to transfer to one of the new policies offered in January. This will need to be looked at on a one-on-one basis. Take the “Early Renewal Option” if offered by your insurance company.

You may apply for “**Eligibility Determination**” (Tax credit) online or by paper application. The online system is highly technical, quirky and **requires above average computer knowledge.** The Marketplace claims a two week turnaround on Eligibility Determinations submitted by paper application. It’s best to complete the appropriate paper application first, then once online, all needed information will be at your fingertips for easy entry in one sitting.

MY EXPERIENCE AT THE MARKETPLACE

Even though I expected not to qualify for assistance, I went through the full determination process anyway for the learning experience in order

to assist others. After several attempts over 5 days, at 9:15AM, Saturday, October 5, 2013, I successfully logged in at healthcare.gov, the Marketplace. Once registered, the system begins with the Verify Your Identity step of the process by asking personal identification questions. If your identity cannot be verified, you will be asked to provide any conflicting data in order to proceed with an Eligibility Determination.

Once your identity is verified, you will need to agree with the Marketplace in its use of the federal data hub. This process grants the Marketplace permission to access the most private and sensitive information at the IRS, Homeland Security, Department of Labor and other consumer reporting agencies. You will need to agree in order to proceed.

Next you will see a screen that asks: Help Applying for Coverage? On the paper Application -Appendix C, Bottom, this is where we ask you to check "Agent/Broker" and provide our full name, Marketplace FFM ID#, and NPN in order to associate your application with PJMI. Please use:

Philip J Muscarello, Jr.
FFM ID# - PJMIINC
NPN - 4697204

Our involvement with your plan purchase will provide local ongoing assistance with 1) your initial and yearly Eligibility Determination, 2) open enrollment plan selection, 3) assistance with carrier enrollment and 4) Mid-Year changes 5) ongoing service/assistance for the life of the contract. Our fees are paid directly to us from the insurance company at no additional cost to you, the applicant. We will not have access to your information in this Eligibility Determination and it is asked that you not share your Marketplace Login information with anyone, including your Agent/Broker. We can assist you with your online

application, called the side-by-side path and/or with your paper application.

It is important to understand the different forms of assistance in order to get the most out of what you are entitled to receive. These new Advanced Health Care Tax Credits are very sensitive and are refundable, meaning you will need to re-pay, if used incorrectly. The other form of assistance is called Cost Sharing Reductions, and when combined, and more importantly, knowing when to combine the two, can be extremely advantageous to those that qualify. Only Agent/Brokers who are Certified Health Reform Specialist and Registered Marketplace Representatives are qualified in this area to assist you with completing the entire process. Determination—Enrollment—Ongoing Local Support.

The system will continue to ask and simultaneously verify information as you answer very sensitive information regarding your household, your household income, your employer and specific information regarding access to other insurance plans, public or private, and their cost to you.

At this point I became very weary as extremely sensitive and personal information was required. The program would slowly continue to verify as data was being entered. Normally, I would have never entered this type of sensitive information into any online system, but considering the circumstances, it was needed to complete the experience. The Marketplace system warned that conflicting information could delay the "Eligibility Determination" until supporting documentation is submitted and reviewed by the Marketplace. So, it is important to enter current and accurate information. The first few pages of your last tax return will be a tremendous help. If something throws a flag, the Eligibility Determination alone could be a long process.

At 9:51AM, I had completed my Marketplace Eligibility Determination application. After the final submit, almost immediately, my personal Determination was ready. At that point I could view my 12 page Eligibility Results report. It was emailed to me and stored on my log-in at the Marketplace (healthcare.gov.)

As expected, the report showed only that I was only **"Eligible to purchase health coverage through the Marketplace."** Individuals that qualify for Premium Assistance will be notified on this portion of the report (page 1). The report should provide the form of assistance and amount of tax credit to which the household qualifies. The Eligibility Determination is just Part One of the process. Part Two can be considered enrolling and paying your portion of the premium of a qualified health insurance plan offered by the Marketplace.

The Marketplace will then rate your health insurance options and display them given the parameters you provide during the process. Prices will reflect total cost "after tax credit", if any. This insurance rating engine is, NO DOUBT, the most comprehensive and complex rating program I have ever used professionally in my 25+ year career. The display of plans for me illustrated 44 plans from 4 different carriers ranging in price from \$274 to \$610 per month for me alone. The problem was that the display of these newly released benefit plans did not provide the transparency we all expected. In fact, the output was impressively challenging to manipulate in order to arrange in a way that allow easy side-by-side comparisons. The output was too complex and the enormous volume of information blanketed the desired, easy-to-see-and-under stand

plan differences. Transparency was one of the most important goals of the entire Marketplace/Exchange concept from the beginning, and I am not seeing it here.

The system is very quirky and will obviously be frustrating for many attempting to navigate through the bugs to compare the plans. I went back into the system to get the prices to add my wife to the quote, and after struggling to make this little quote change, I gave up. I have since overcome. But I decided, at this point, "this" quoting tool at the Marketplace is not consumer friendly. It's not Agent/Broker friendly. Not even close to the "Travelocity" or "Expedia" experience, as promised. However, in its defense, with any new high tech system, bugs and learning curves will exist. The Marketplace will work out the bugs, I am certain. The learning curve will be left among all of us. The relief has already come from our carriers in providing the IT tools for easy quoting and comparing of plans. The only thing that needs to be factored in is the individual's Eligibility Determination for assistance. In my book, the Marketplace will be used for Eligibility Determinations only, and enrollment only for those that qualify for a credit.

This entire process will be very confusing and basically un-comprehensible for many. Whichever pathway you chose to guide you through Marketplace decisions is yours. But keep in mind, these are uncharted waters for all of us with a high degree of complexity and uncertainty. Be comforted by knowing that help is available. You can contact a local Certified Marketplace "Agent/Broker" Representative for assistance. We are here to serve you.

Words of the Day – "Eligibility Determination"

DO YOU QUALIFY FOR ASSISTANCE USING THE NEW HEALTH CARE TAX CREDIT TO HELP YOU PURCHASE HEALTH INSURANCE IN 2014? CHECK BELOW!

If you answer NO to all of these, then you may qualify for assistance. BUT ONLY THE MARKETPLACE CAN DETERMINE IF YOU ARE ELIGIBLE:

1. Will your 2014 household income* exceed the thresholds below based on your family size:

YES NO

<u>Household Size</u>	<u>Household Income* Threshold</u>
1	\$45,960
2	\$62,040
3	\$78,120
4	\$94,200
5	\$110,280
6	\$126,360
7	\$142,440
8	\$158,520

*Household Income is a tax filer's Modified Adjusted Gross Income.

2. Are you eligible for or covered by a public plan such as Medicare, Medicaid, Veterans, Tri-Care, CHIP, and Tribal or Religious plan?

YES NO

3. Are you covered by or eligible for employer (self or spouse) group health plan or Retiree health insurance plan? (Coverage must be deemed "AFFORDABLE" and "MINIMUM VALUE")

YES NO

4. Are you covered by or eligible to be covered by your parent's insurance plan, or claimed under someone else's taxes?

YES NO

➤ If you answer NO to all of these, then you may qualify for assistance in purchasing qualified health insurance from the Marketplace in 2014.

"GET STARTED BY COMPLETING THE APPROPRIATE MARKETPLACE APPLICATION."

Again, the information for the agent that assisted us in writing this newsletter is:

Agent/Broker

Philip J Muscarello, Jr.

FFM ID # PJMIINC

NPN # 4697204

Certified Healthcare Reform Specialist©

Certified PPACA Professional

**** CALL OR EMAIL TODAY FOR MORE INFORMATION ****
“SERVING THE BATON ROUGE AREA FOR OVER 25 YEARS!”

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225-927-4687
Phil Muscarello
FFM Agent/Broker
PJMI, Inc.

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Benefit Advisory Group, LLC
14635 South Harrell’s Ferry Rd.
Suite 5-B
Baton Rouge, LA 70816
Off Corner of Millerville & South Harrell’s Ferry
Across from Tiger Grill

Notice: Next Board Meeting of the Louisiana Council on Human Relations

For all board members, this is a reminder that the next Board meeting will be held on November 9th at the home of James E. Cross.

The address is:
13608 Alba Drive
Baker, LA 70714

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Other residents make checks payable to LCHR.)

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