

The Affordable Care Act (ACA)



Consumers for
**AFFORDABLE
Health Care**

1-800-965-7476

• www.maineahc.org

Advocating the right to quality, affordable health care for every man, woman and child.

What will it Mean for ME in 2014?



What
does national
health
reform
mean for **ME** and
you?

This flyer will explain
some things you can
expect from health
care reform in 2014.

For more information call
1-800-965-7476

What is the Affordable Care Act (ACA)?

The comprehensive national health care reform law enacted on March 23, 2010. It is also sometimes called PPACA or Obamacare.

Will I have to buy insurance in 2014?

Everyone will need to have health insurance in 2014 or you may have to pay a tax when you do your 2014 taxes. There will be many new options for health insurance by that time (see below for more information). A very small part of the population (about 2% nationally) will have to choose between getting insurance or paying the tax. The tax will be about \$95 per adult for 2014 (half that for kids) OR 1% of family income, whichever is more. The penalties go up each year after that, and are different for families as opposed to individuals.

The IRS cannot put you in jail or put a lien on your house if you do not pay this tax, but they can withhold the tax owed from any refund you receive.

You will not be taxed if:

- you already have health insurance that you choose to keep
- you make very little money so you don't have to file taxes
- the lowest cost plan for you costs more than 8% of your income
- you have a financial hardship
- you are part of a religion that does not use health insurance
- you are an American Indian
- you are in jail or prison
- you were uninsured for less than 3 months of the year
- you are an undocumented immigrant

How much will health insurance cost for me?

In 2014 you will have a new way to choose health insurance over the phone or online. This new tool is called a "marketplace." Health insurance companies will all have to describe their plans in the same way in the marketplace so you can easily compare them in an "apples to apples" way. You will know what services they cover and what out of pocket expenses you will be responsible for. Then you can choose the plan that makes the most sense for you.

The cost will depend on how much money you make. The lower your income, the more help you will get to pay for the insurance. For example, if you make less than around \$44,680 a year as an individual (or \$92,200 for a family of four), you may get help to pay for your health insurance. The marketplace will also connect you to free or low-cost insurance through MaineCare (Medicaid) if you make very little money.

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What about my choice of doctor or other health care options?

The ACA actually contains several new protections that are known as the "Patients' Bill of Rights." These protections give people with private insurance the guaranteed right to choose their own primary care doctor or pediatrician and the right to make an appointment with an obstetrician/gynecologist (OB/GYN) without prior approval from the health plan or referral from another doctor.

All of your healthcare decisions will continue to be made between you and your doctor. The government will not get in the way. All plans sold through the marketplace will cover the services necessary to promote good health and will fund research to help doctors and patients make better-informed treatment decisions.

What does the ACA mean for Medicaid recipients?

Medicaid is health insurance provided by the state and federal government to low-income seniors, parents, children, and people with disabilities. In Maine it is called MaineCare. The ACA gives states the option to expand Medicaid coverage to all non-disabled, non-elderly adults with incomes below certain levels on January 1, 2014. For example, eligibility will be expanded to single individuals who make less than around \$14,856 a year (or a couple making less than around \$20,123 a year).

If states choose to expand Medicaid, the federal government will provide states with 100% of the dollars needed to cover these new individuals in the first few years. Over time, this contribution will be reduced until it reaches 90% in 2020. What MaineCare beneficiaries pay won't change. The federal government is currently paying a much lower amount for other adult populations in Medicaid.

In Maine, the expansion would provide coverage to tens of thousands of childless adults, who are living in or near poverty. It is unclear at this time if Maine will participate in the expansion.

What does the ACA mean for people on Medicare?

The national health care law makes Medicare stronger and saves money for people on Medicare. The ACA lowers out-of-pocket costs for certain services. No matter what type of Medicare a beneficiary has, they now pay nothing for many preventive care services including an annual wellness visit and certain cancer, heart disease and diabetes screenings. They pay no coinsurance or deductibles for these wellness visits and screenings as long as they follow the coverage rules.

The ACA also lowers prescription drug costs for people with Medicare by gradually getting rid of the donut hole. The donut hole is the gap in Medicare Part D drug coverage that people reach when their drug costs reach a certain amount. In the past, people with Medicare usually had to pay the full cost of their drugs while they were in the donut hole. Now, they get discounts on their drugs in the donut hole so they don't have to pay the full cost. These discounts will increase every year until 2020 when the donut hole will be gone. In 2012 alone, people with Medicare have saved an average of \$629 each.



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For more information about what the ACA means for people now, and in 2014, go to www.maineahc.org/mehaf.htm, email consumerhealth@maineahc.org, or call 1-800-965-7476. For information specifically about Medicare and the ACA go to http://www.maineohse.org/health_care_reform or call 1-877-353-3771.