

## **Affordable Care Act Q&A**

### **1. Question: What is the Affordable Care Act?**

**Answer:** President Barack Obama signed the Patient Protection and Affordable Care Act (ACA) into law on March 23, 2010. This comprehensive law is known as the Affordable Care Act and, sometimes, as Obamacare. The Affordable Care Act covers many topics and seeks to expand access to medical insurance while at the same time instituting measures aimed at controlling medical costs. The Act intends to offer access to insurance to more people by expanding those eligible for Medicaid and by setting up marketplaces or exchanges where individuals can purchase insurance coverage from private insurers and receive premium subsidies if they are eligible based on family size and income. There are many important changes to the terms of insurance policies and coverages that can be offered to those purchasing on the exchanges and those offered by employers.

Among its most important changes, the ACA bars insurance companies from denying benefits because someone has a pre-existing medical condition, including pregnancy and disability. Insurers must justify raising health plan premiums by 10 percent or more. If a plan covered by the ACA covers children, those children, with some exceptions, have to be eligible for coverage until age 26.

Important parts of the way insurance will be available to many Americans are the state and federal health insurance exchanges that both federal and state governments have set up around the U.S. (The federal government will run the exchange in 36 states, while the remaining states and the District of Columbia have set up their own exchanges.) These exchanges are known as Health Insurance Exchanges (HIX) or Marketplaces.

### **2. Question: If I have opted out of the Company provided insurance or did not meet the number of qualifying credit hours needed in order to be eligible for health care benefits, can I purchase insurance on a Marketplace or HIX?**

**Answer:** Yes. If you did not meet the number of credit hours needed in order to become eligible for Health Care Benefits, you can elect COBRA coverage and continue in the Eagle health plan or purchase coverage in the Marketplace. To be eligible for insurance on the Marketplace, participants must live in the U.S., have citizenship or legal residence, and currently not be incarcerated.

### **3. I wasn't credited with enough hours to be eligible for health care benefits under our contract. I thought that the Company was required to provide health care under the ACA?**

**Answer:** Under the ACA, if an employer offers health insurance, it must be affordable and provide minimum value and be available to full time employees. Under the ACA, a "full time" employee is one who works an average of 30 hours per week. Presently, there is no guidance about how flight crews' hours will be credited under the act. AFA is working with other unions representing flight crews to urge the regulation writers to provide guidance that specifically takes into account their members special schedules.

### **4. Question: How much will premiums cost in the ACA Marketplace?**

**Answer:** A major goal of the ACA is to enable the millions of Americans who do not have access to health benefits through a job, cannot afford private insurance, or who are ineligible for public coverage to get health insurance. Marketplace premium costs vary from state to state, city to city and type of health care plan selected. Information about premiums and all aspects of the ACA can be found [www.healthcare.gov](http://www.healthcare.gov) and at <http://kff.org/health-reform/>. The Kaiser Family Foundation is a non-partisan health care research group. <sup>1</sup>

You may also qualify for financial subsidies to pay for the coverage, defraying the costs. It's important to remember that while the ACA sets minimum requirements about coverage, the actual policies offered on the Exchanges will be designed and priced by private insurance companies. The ACA does limit pricing based on age, sex, and other factors and limits the amounts insurance companies can spend on costs items other than health-related expenses, but the policies sold in the Marketplaces are from private insurance companies.

As of October 1st, people may start applying for coverage on the federal and state health care exchanges set up under the law, with most plans taking effect Jan. 1, 2014. Open enrollment for the program ends March 31, 2014. In addition to the online process, you can call 1-800-318-2596 and get help 24/7 to enroll in a Marketplace plan. See <https://www.healthcare.gov/contact-us/> for more information.

#### **5. Question: Can I get an estimate of my potential costs?**

**Answer:** Yes. You can get a rough estimate of costs by browsing:

<https://www.healthcare.gov/find-premium-estimates/>  
<http://kff.org/interactive/subsidy-calculator/>



#### **6. Question: What health care services does the ACA cover?**

**Answer:** The program offers four categories of coverage: bronze, silver, gold and platinum. All of the plans in these tiers are required to offer what the ACA defines as Essential Benefits: including (but not limited to) hospitalization, prescription drugs, emergency care, ambulatory patient services, maternity and newborn care, laboratory services and pediatric care.

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Where the plan types differ is in the monthly premium costs and what portion of the costs people pay for services. For instance, bronze plan participants are likely to pay a lower premium, but be responsible for a large share of costs when receiving care. By contrast, platinum plans will likely have the highest premiums but the lowest out-of-pocket costs.

### **7. Question: How do I get started?**

**Answer:** To sign up for ACA benefits, [go to HealthCare.gov](http://www.healthcare.gov), the official federal site set up to enroll people. Open enrollment begins October 1, 2013 and ends March 31, 2014. Coverage can begin as soon as January 1, 2014. You will be asked to:

1. Create an account, including providing some basic information.
2. Apply for coverage. That will involve entering household income, size and additional information.
3. Select a health plan. You will be presented with all the health insurance plans you qualify for so that coverage types can be compared.
4. Enroll in a health plan. Coverage starts as soon as Jan. 1, 2014.

In addition to the online process, you can call 1-800-318-2596 and get help 24/7 to enroll in a Marketplace plan. See <https://www.healthcare.gov/contact-us/> and <https://www.healthcare.gov/how-do-i-apply-for-marketplace-coverage/> for more information.

### **8. I missed the open enrollment period. Can I still apply for Marketplace Health Insurance?**

**Answer:** As of now, open enrollment ends on March 31, 2014. Outside of open enrollment, you can't enroll in Marketplace coverage unless you have a "qualifying life event" that requires a "special enrollment period". A special enrollment period is a time outside of the open enrollment period during which you and your family have a right to sign up for health coverage. Plans must provide a special enrollment period of 30 days following certain life events that involve a change in family status (for example, marriage or birth of a child) or loss of other job-based health coverage.

You can apply for Medicaid or the Children's Health Insurance Program (CHIP) any time and you can enroll right away.

In addition, the following events can require a special enrollment period:

1. permanently moving to a new area that offers different health plan options,
2. losing other health coverage (for example due to a job loss, divorce, loss of eligibility for Medicaid or CHIP,
3. losing COBRA coverage due to expiration of the term or a health plan being decertified). **Note:** Neither voluntarily quitting other health coverage nor being terminated for not paying your premiums is considered loss of coverage. Losing coverage that does not offer the [minimum essential coverage](#) required under the ACA also is not considered loss of coverage, and
4. in the future, for people already enrolled in Marketplace coverage, having a change in income or household status that affects eligibility for tax credits or cost-sharing reductions also can require a special enrollment period within which you can purchase new insurance.

## **9. What kind of financial aid is available for people to buy insurance under the ACA?**

**Answer:** Although health plan costs under the ACA will vary by state, depending on income and household size, a participant can lower his premium, copayment, deductible, and other out-of-pocket costs through a tax credit or subsidy. Eligibility for these cost saving benefits is determined when a person applies for coverage. Visit the following site for more information:

<https://www.healthcare.gov/will-i-qualify-to-save-on-monthly-premiums/>

Some people also may qualify for free or lower-cost coverage through Medicaid. Medicaid is a state-administered medical program. Not all states have decided to participate in the expansion of Medicaid offered under the ACA. If your state is expanding Medicaid, you may qualify if your income is up to about \$15,800 a year for 1 person (\$32,500 for a family of 4). (These are 2013 numbers, and likely to be slightly higher in 2014.) Coverage can start as soon as January 1, 2014. Visit the following sites to determine if you may qualify for lower cost coverage through Medicaid:

<https://www.healthcare.gov/do-i-qualify-for-medicaid/> <https://www.healthcare.gov/what-if-my-state-is-not-expanding-medicaid>

## **10. Question: What if I don't want to sign up for health insurance?**

**Answer:** The law requires all Americans to have health insurance on Jan. 1, 2014, or face a financial penalty.

Next year, that penalty will be \$95 per uninsured adult or 1 percent of taxable household income, whichever is greater. But the penalties climb every year. By 2016, fines for not having coverage would be \$695 per adult, or 2.5 percent of income (again, whichever is greater and capped at \$2,085 per household). The penalties are collected by the IRS by offsetting any refund to which you might be entitled.

## **11. I am a resident of Puerto Rico. Can I obtain insurance through the Marketplace at**

**<http://www.healthcare.gov?>**

**Answer:** No. However Puerto Rico has set up it's own Marketplace type of site. To view your options please visit:

[www.planmedicogarantizado.com](http://www.planmedicogarantizado.com)