



Can You Save Money on Health Insurance?

Is the Marketplace right for *you*?

A guide to the health insurance law and the Marketplace.

2016 GROSS INCOME ELIGIBILITY LEVELS FOR SUBSIDIZED PROGRAMS IN MICHIGAN

(MAGI = MODIFIED ADJUSTED GROSS INCOME; AS A MAGI PROGRAM, HEALTHY MI PLAN DOES NOT COUNT ASSETS)

Annual Income Household	Federal Poverty Level	Medicaid Adults	5% Michigan Disregard for HMP	150%
1	\$ 11,880	\$ 15,800	\$ 16,394	\$ 17,820
2	\$ 16,020	\$ 21,307	\$ 22,108	\$ 24,030
3	\$ 20,160	\$ 26,813	\$ 27,821	\$ 30,240
4	\$ 24,300	\$ 32,319	\$ 33,534	\$ 36,450
5	\$ 28,440	\$ 37,825	\$ 39,247	\$ 42,660
6	\$ 32,580	\$ 43,331	\$ 44,960	\$ 48,870

Monthly Income Household	Federal Poverty Level	Medicaid Adults	5% Michigan Disregard for HMP	150%
1	\$ 990	\$ 1,317	\$ 1,366	\$ 1,485
2	\$ 1,335	\$ 1,776	\$ 1,842	\$ 2,003
3	\$ 1,680	\$ 2,234	\$ 2,318	\$ 2,520
4	\$ 2,025	\$ 2,693	\$ 2,795	\$ 3,038
5	\$ 2,370	\$ 3,152	\$ 3,271	\$ 3,555
6	\$ 2,715	\$ 3,611	\$ 3,747	\$ 4,073

What the law requires.

MINIMUM ESSENTIAL COVERAGE

Each person must have health insurance that meets Minimum Essential Coverage guidelines, as defined by law. All plans available through the Health Insurance Marketplace, Medicare and Medicaid meet the Minimum Essential Coverage requirement and include benefits for the following:

- Outpatient Care—care without being admitted into the hospital
- Treatment in the hospital for inpatient care
- Preventive services including immunizations, cancer screenings, wellness checks, and lifestyle counseling for managing chronic diseases
- Prescription drugs
- Lab tests, x-rays and diagnostic imaging
- Mental health and substance use disorder services, including counseling, psychotherapy and behavioral health
- Services and devices to help you recover if you are injured or have a disability or chronic condition, including physical and occupational therapy, speech and language pathology, physical or psychiatric rehabilitation, and more
- Care before and after your baby is born
- Pediatric services and pediatric dental care
- Trips to the emergency room

PREVENTIVE CARE BENEFITS

All newly-issued health insurance plans must also cover a list of preventive services without charging you a copayment or coinsurance, even if you have not yet met your yearly deductible. This applies only when services are delivered by a provider who is a member of your health plan network; **before seeing a provider, ask if they are in your network.**

Will I Pay a Fine?

INDIVIDUAL SHARED RESPONSIBILITY FEE

The law requires each U.S. resident to have Minimum Essential Coverage. There are exemptions (or exclusions from the fine) that you can apply for, but if you do not have insurance or an exemption you will owe a fine on your federal income tax return. The fine is either a flat fee OR a percentage of your annual income. The tax filer will owe a fine for each household member who did not have Minimum Essential Coverage. For each of the next several years the tax penalty is set to rise sharply.

EXEMPTIONS

You may qualify for an exemption from the fine if you do not have Minimum Essential Coverage and any of the following apply to you:

- The IRS does not require you to file a tax return because your income is too low
- You were uninsured for no more than two consecutive months of the year
- The lowest-priced coverage available would cost more than 8% of your household income
- You are a member of a federally recognized Native American tribe or eligible for services through an Indian Health Service provider
- You are a member of a recognized health care sharing ministry
- You are a member of a recognized religious sect with religious objections to insurance
- You are incarcerated
- You are not lawfully present in the U.S.
- You qualify for a hardship exemption.

You must apply for exemptions prior to or at the time you file taxes.

Family Health Care
Certified Specialists

Baldwin
(231) 745-0437

Cadillac
(231) 876-6583

Grant
(231) 834-9781

White Cloud
(231) 689-7676



What are my options?

EMPLOYEES NEED TO KNOW...

...what options are available to them when deciding whether to select their employer-sponsored plan, Marketplace, or Healthy Michigan. Usually there are deadlines for making insurance plan choices called “open enrollment” periods, although “special enrollment” periods may be available throughout the year based on certain circumstances or life changes.

MARKETPLACE VS. EMPLOYER COVERAGE

In most cases, if your employer (or your spouse’s employer) offers group health insurance you will not be eligible for the cost savings or tax credits available to purchase health insurance on the Marketplace. There are two exceptions to this rule: (1) If the cost of health insurance coverage *for the employee only* (not for family coverage) exceeds 9.56% of your household income OR (2) if NONE of the insurance plans offered by your employer meet the Minimum Essential Coverage guidelines, THEN you would be eligible to purchase health insurance through the Marketplace with tax credits and cost sharing based on your household size and income.

FAMILY COVERAGE

Many employees need family coverage and must pay significantly more for this benefit. Currently, the law does not consider the cost of family coverage in determining whether your employer plan is affordable. Affordability is based on the cost of coverage for only the employee and no one else.

One Important Note: If you already have cost savings through the Marketplace and then become newly eligible for employer coverage, you must report this change to the Marketplace to avoid paying back any tax credits you receive after becoming eligible for your employer coverage.

What’s the difference?

OPEN ENROLLMENT OR SPECIAL ENROLLMENT

Open Enrollment is the time of year your employer or the Health Insurance Marketplace allows you to enroll in or change a health insurance plan. For the Marketplace it is from November 1—January 31 of the following year. **Be sure to check with your employer for their Open Enrollment period dates.** Ask to see the choices as soon as Open Enrollment begins and be prepared to make a decision quickly, as the period may be very brief.

Special Enrollment Periods are times outside the open enrollment period when you may enroll in or change a plan due to major life events that change your household. These include (but are not limited to): marriage or divorce, having or adopting a child, moving, having changes in income or citizenship status. If one of these events occur, you may qualify for a Special Enrollment Period which will allow you to enroll in or change a current plan.

For Medicaid plans, Healthy Michigan Plan, and the MICHild (CHIP) program, enrollment is available year-round. Applications are accepted online, on paper, or by phone.

Have Questions? Family Health Care has friendly and knowledgeable certified staff who offer flexible appointment times to answer your questions or assist you with an application for these programs. You do not have to be a patient of Family Health Care to receive these services.

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How it works...

The Marketplace is a product of the Affordable Care Act. It is designed to make available free or low cost health insurance coverage for the uninsured or the underinsured. Anyone can purchase health insurance through the Health Insurance Marketplace but **not everyone who applies will be eligible for the savings** that help to keep costs more affordable. There are two ways to save:

Cost Sharing Reductions (CSR) are determined by your household size and income, and may provide savings by keeping your deductibles, copayments and coinsurances to a minimum. CSR are only available to low-income tax households and can only be used when purchasing certain plans (silver level only).

Advance Premium Tax Credits (APTC) are determined by your household size and estimated yearly income, and are designed to help keep the cost of your monthly insurance premium affordable. APTC can be used with any of the insurance plans available on the Marketplace.

Reconciliation of the APTC If you purchase your insurance through the Marketplace, you **MUST** file taxes (even if you would not otherwise be required to do so). This is to allow the Internal Revenue Service to reconcile the income you estimated on your application with the actual income you made during the year you were insured. The Premium Tax Credits you received in advance will be adjusted accordingly. This makes it crucial to report to the Marketplace any life-changing event as soon as it occurs. By accurately reporting income changes when they occur, you can avoid having to pay back any excess advance tax credit by adjusting the amount of cost saving benefits you receive throughout the year.

Another option

Healthy Michigan Plan

For many Michigan residents, the Healthy Michigan Plan is another option for obtaining health insurance that meets the Minimum Essential Coverage requirements of the Affordable Care Act. Eligibility for this plan is also based on household size and income, and *having an offer of employer coverage does not disqualify* you or your family. It is available to anyone who meets the following guidelines:

- Ages 19-64 and a resident of Michigan
- Modified Adjusted Gross Income at or below 133 percent of the federal poverty level for the current tax year (see chart)
- Do not qualify for and are not enrolled in Medicare or other Medicaid programs
- Are not pregnant at the time of application (pregnant women and children qualify for other Medicaid programs)

www.healthymichiganplan.org

Health care plan renewal:

Our goal is not only to provide you with information on your insurance options and the application process, but also to help you stay enrolled by assisting with your health insurance renewal or redetermination process. Call us to set up your free appointment.



1615 Michigan Ave, Baldwin, MI 49304
www.familyhealthcare.org

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