



# Know Your Benefits

## Individual Health Insurance

Individual health insurance is health coverage that is purchased by an individual or a family and is not tied to a job or a group of policyholders.

Many people get health insurance through their employers. However, if you do not currently participate in your employer's health plan, or if your employer doesn't offer coverage, obtaining individual insurance is a good route to go to ensure that you and your family will receive affordable routine health care and will be protected from very high costs in the event of a medical emergency.

The following is an overview of different types of coverage and where you can get them.

### 1. Obtain Insurance in the Individual Market

Obtaining an individual policy can be expensive. Before purchasing, it is important to shop around for the best plan with the lowest premium. In general, a low premium means higher out-of-pocket costs when you need care; a high premium means lower out-of-pocket costs. You'll also want to make sure you are covered in case of a major medical accident and also for preventive care.

### 2. Shop for Coverage Using the Health Insurance Marketplaces

The Health Insurance Marketplaces (also known as Exchanges) are a new way to buy health insurance and apply for Medicaid. Created by the ACA, the Marketplaces are designed to help you easily find health insurance that fits your budget.

Eligible individuals can shop for coverage using the Marketplaces. Qualified health plans in the Marketplaces are sold and run by private companies, and every plan covers a core set of 10 essential health benefits, which include emergency, prescription drug and mental health services. Additionally, all plans offered in the Marketplace must provide free preventive care, with 100% of the costs paid for by insurance companies.

Extended coverage policies are broken down into four categories: bronze, silver, gold and platinum. The category you choose affects how much your premium costs each month and how much you pay for things like hospital visits or prescription medications. Depending on your income, you may even be eligible for an advance payment tax credit that lowers your monthly premium right away.

Under the ACA, no qualified health plan can refuse to cover people with pre-existing conditions. You will have guaranteed coverage and renewability, regardless of a pre-existing condition (like cancer or diabetes), gender, age, etc. There is also a "catastrophic" plan option available to young people and low-income individuals.

### 3. Get on Your Parent's, Spouse's or Domestic Partner's Plan

If your spouse or domestic partner has an employer-sponsored plan that is open to family members, consider joining and enrolling your children. The ACA extended coverage for young adults up to age 26 on plans offering dependent coverage, regardless of their marital or student status.

### 4. Obtain Insurance Through COBRA and State-sponsored Programs

If you recently left your job or had your hours reduced and were subsequently dropped from employer-based coverage, you may be able to obtain coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

After you leave your job, your former employer no longer pays for any of your insurance costs. Therefore, when you have COBRA coverage, you usually have to pay the entire



# Know Your Benefits

premium yourself, plus a small administrative fee. As a result, COBRA coverage can be very expensive.

Your state may have laws that complement federal COBRA regulations and other protection statutes, such as mini-COBRA plans. If you work for an employer with 20 or fewer employees, your state may have mini-COBRA laws that allow you to obtain benefits.

## 5. Obtain Insurance Through Protections Under HIPAA

Under the Health Insurance Portability and Accountability Act (HIPAA), at least one private insurer must sell you a policy if you meet all of the following conditions:

- You previously had 18 months of coverage without a break for more than 63 days
- The last day of your coverage was through your former or current employer
- You do not have a COBRA or mini-COBRA option available

## 6. Determine Whether you are Eligible for Medicaid or Other State Programs

Medicaid provides health coverage for some low-income individuals, including families and children, pregnant women, the elderly and people with disabilities. People who do not qualify for full Medicaid benefits may still be eligible for breast cancer and cervical cancer screenings or for assistance with certain treatments.

The rules for Medicaid enrollment differ slightly from state to state. You can visit [www.medicaid.gov](http://www.medicaid.gov) or use your state's Marketplace to determine whether you are eligible for Medicaid coverage in your state. You can also consult your local health department to see if there are any public coverage options available in your area.

In addition, the ACA established a temporary reinsurance program to reimburse participating employment-based plans for a portion of the cost of providing health insurance coverage to early retirees and their spouses, surviving spouses and dependents. If you or your spouse has recently retired, you may qualify for this coverage.

With all the different health plans available out there, it can be difficult to select the plan that best meets the needs of you and your family, and, ultimately, your budget. While it can be tempting to pick the plan with the lowest premium, you don't want to be surprised by high out-of-pocket costs or network restrictions when seeking medical care. For more information about your coverage options, or for help selecting the best health plan for you, contact Everett Callahan Insurance Agency, Inc. today.