



Learn the basics of Health Care Reform

Here at ABILITIES, INC., we want you to have the information you'll need to make the right choices about your responsibilities now that health care reform is being implemented for individuals. To help you understand the basics of health care reform, here is a list of a few key terms you'll need to know:

- **Affordable Care Act:** The Patient Protection and Affordable Act, commonly called Affordable Care Act (ACA) is a federal law passed in 2010 designed to reform coverage for health care.
- **Individual Mandate:** The ACA mandates that individuals obtain health insurance coverage or be penalized with a fine. The mandate begins January 1, 2014 and individuals who lack coverage starting that year will be penalized when they file their 2014 federal tax return. The fine for 2014 is \$95 per adult and \$47.50 per child, or 1% of family income (whichever is greater).
- **Marketplaces.** Health benefit exchanges, also known as "The Marketplace", are a resource for individuals and small businesses to purchase insurance. The Marketplace offers coverage from insurance carriers who choose to participate and will advertise their rates. Information about the Marketplace is located at www.Healthcare.gov
- **Marketplace Eligibility:** An individual person or small business can shop for health insurance coverage in the marketplace. Factors such as employer coverage, income and location will help to determine final pricing for each person.
- **Health Insurance Marketplace Notification:** Before October 1, 2013 employers will provide their employees a notice about the health insurance Marketplace which will be available in their state. This notice includes the following about insurance coverage available in the Marketplace: services provided by the exchange, contact information and employee eligibility for the plan. Employers will also provide a copy of that notice to all new hires as a part of their orientation process.
- **Metal Level(s):** The level of coverage which an insurance plan covers correlates with a simple identifier called a "metal level". The levels signify with the actuarial value of an insurance plan before co-insurance, deductibles and co-payments are paid. The levels are:
 1. Bronze: Minimum 60% of expenses.
 2. Silver: Minimum 70% of expenses.
 3. Gold: Minimum 80% of expenses.
 4. Platinum: Minimum 90% of expenses.
- **Essential Health Benefits (EHB):** In order for a health insurance plan to be sold on the Marketplace, it must meet a minimum threshold of standard health benefits in ten categories. These categories are known as "essential health benefits" and are described on www.healthcare.gov in detail.