

Q&A Info Sessions on the Affordable Care Act (ACA) & Covered California

SJSU CSU Health Insurance
Education Project





Info/Question Cards

- Write your contact info on the white info cards if you want to be contacted with more information
- Write your QUESTION(S) ON THE BACK of the card.



Why is the ACA & Covered CA Important to Students?

- **College students are the largest population in California without health insurance.**
 - Pre-existing conditions
 - Not offered by their employer
 - It is unaffordable
- **Under the ACA & Covered California, there are new opportunities for health insurance access and affordability.**



New Health Insurance Rules

1. Affordable Care Act (2010) offers new affordable insurance options to everyone who is eligible
2. Financial assistance to middle and lower income individuals and families to buy insurance
3. Insurance companies cannot deny you coverage or charge more because you have a pre-existing medical condition (like asthma or diabetes)
4. Allowable age to stay on parents' insurance increased to 26



Photo from: <http://ph.lacounty.gov/aids/HealthcareReform.htm>



How The New Law Affects You

- Many CSU students and their families will be eligible for sizable financial assistance to purchase health insurance.
- Many will be newly eligible for Medi-Cal, which is free for most who qualify.
- Others will be eligible for premium assistance through Covered CA.
- Starting January 1, 2014, federal law requires almost everyone (who is eligible) to have health insurance.
- **Anyone who already has employer-based insurance can keep their coverage; you now benefit from increased patient protections and free preventive services.**



You're young & healthy... why do you need insurance?



Photo from Flickr: <http://www.flickr.com/photos/62423365@N00/2663063562/>



Why do you need insurance? Things Happen.

- Active lives include the risk of injury
- You may be healthy now, but...
- You may need reproductive services
- Medical services can be very expensive
 - Hospital care for broken leg can cost \$14,274*
 - An emergency room visit can cost \$3,000** or more
- Health insurance will protect you and your family from high medical bills and debt.

* Healthcare Blue Book: Your Guide to Fair Healthcare Pricing. 2013. Retrieved from: http://www.healthcarebluebook.com/page_Default.aspx

** Kliff, S. *The Washington Post*. March 2, 2013. Retrieved from: <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/03/02/an-average-er-visit-costs-more-than-an-average-months-rent/>



**Now that you know why
insurance is important...
how do you get health
insurance?**



Two Ways to Get Insurance in the New System

1. Medi-Cal program
2. A health insurance exchange (Covered California) run by the state



Expanded Medi-Cal Program

- Government program for low-income residents
 - Individuals with income below \$15,000
 - Family of four with income below \$31,000
- Free coverage for those who qualify
- One important change: You do NOT need to have a child to be eligible for Medi-Cal

Note: Eligibility is based on income relative to the Federal Poverty Level (FPL). Individuals and families making up to 138% FPL may be eligible for Medi-Cal. According to 2013 Federal Poverty Guidelines, FPL is \$11,490 for an individual and \$23,550 for a family of 4. (<http://www.familiesusa.org/resources/tools-for-advocates/guides/federal-poverty-guidelines.html>)



California Health Benefit Exchange

- Covered California: Marketplace to buy private insurance
 - Individuals and families may be eligible for subsidies
 - Individual with income between \$15,000 and \$45,000.
 - Family of four with income between \$31,000 and \$92,000.
 - ***The lower the income, the more the financial assistance***

Note: Eligibility is based on income relative to the Federal Poverty Level (FPL). Individuals and families making between 138% and 400% FPL may qualify for federal subsidies. According to 2013 Federal Poverty Guidelines, FPL is \$11,490 for an individual and \$23,550 for a family of 4. (<http://www.familiesusa.org/resources/tools-for-advocates/guides/federal-poverty-guidelines.html>)



Who is Covered California For?

Individuals and families who:

- do not have insurance,
 - are not eligible for health insurance through their employer,
 - or have unaffordable insurance.
-
- **Anyone who is eligible can purchase in Covered CA if they choose.**



What Covered California Offers

Affordability, Quality, Choice:

- Premiums based on income
- Financial support for many individuals & families
- Free preventive care
- Limits on how much you will have to pay
- Choice of health insurance company
- Comprehensive medical benefits, including ten essential health benefits



Affordable Care Act: Coverage Improvements

Essential health benefits include:

- Physician services
- Emergency services
- Hospitalization
- Maternity & newborn care
- Mental health & substance use disorder services
- Prescription drugs
- Rehabilitative services & devices
- Laboratory services
- Preventive & wellness services, & chronic disease management
- Pediatric services



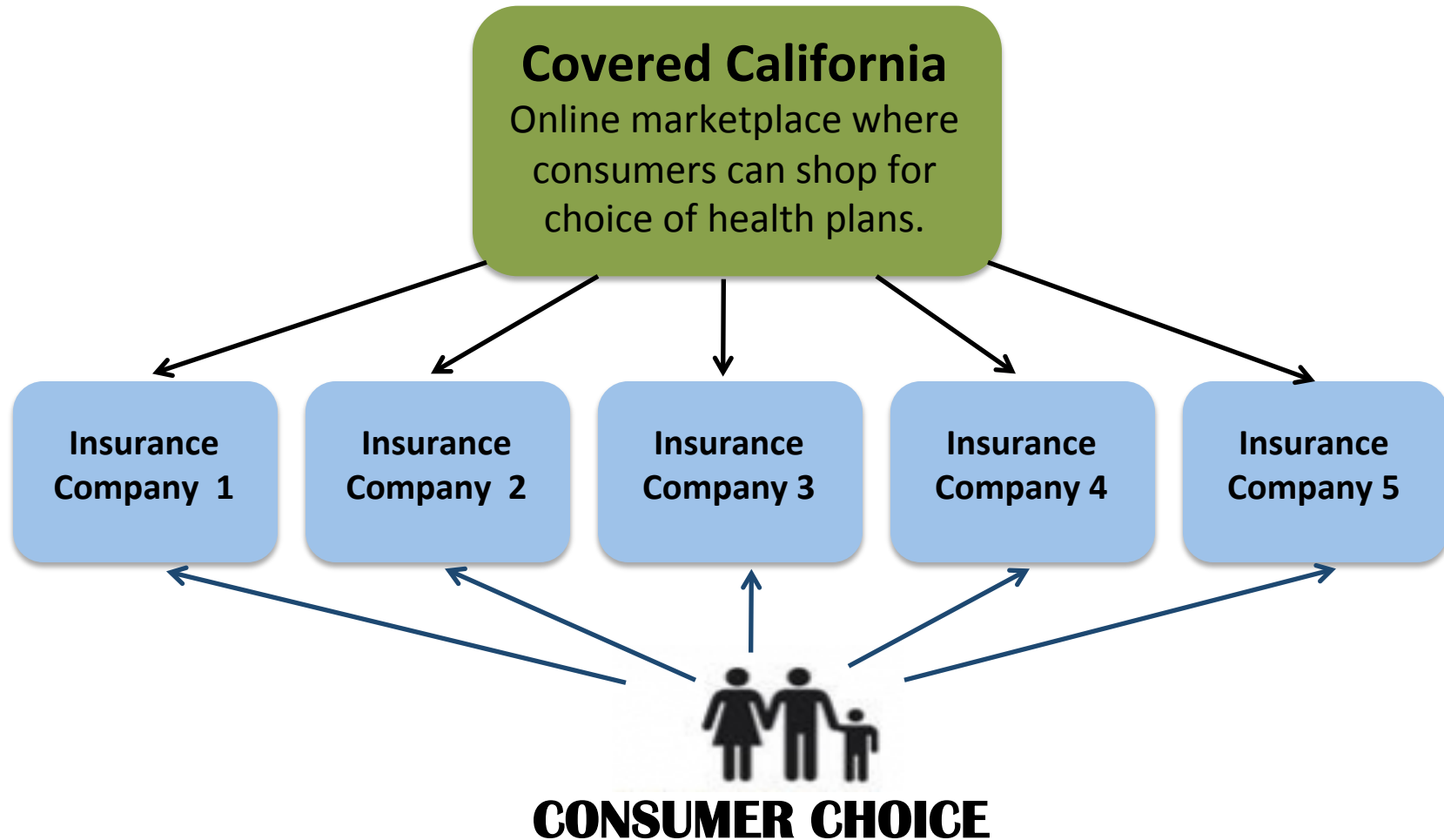
Two Decisions You Will Need to Make

Decision 1:

**What company do you want
to be your insurance
company?**



Consumer Choice in Covered California





Two Decisions You Will Have to Make

Decision 2: How do you want to pay for your benefits?

- Low monthly payments (*premiums*) but higher cost when you need medical care
 - Premiums may be as low as \$5 to \$10 a month
 - However, you will need to pay more out of your pocket when you need to access services
- Higher monthly payments (*premiums*) but lower cost when you need medical care



Which Choice Is Best for You?

There is no easy answer.

- Choosing the low premium approach can save you money, if you do NOT end up needing many medical services.
 - Premiums may be as low as \$5 to \$10 a month
- Choosing the higher premium approach will prove the wiser choice, if you DO need a reasonable amount of medical services.



Health Insurance Plan Tier Levels

- The **bronze** plan has the lowest premium, but highest cost-sharing.
- The **platinum** plan has the highest premium, but lowest cost-sharing.
- **Cost-sharing** is what you pay at the time of health service (co-pay, deductible).

Metal Tiers	Paid by Health Plan	Paid by Consumer
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%
Platinum	90%	10%



How Are Premiums Determined?

Rates are based on:

- Age
- Income
- Family size
- Zip code (where you live)
- Health plan selected
- Benefit level selected (bronze, silver, gold, platinum)

Rates are NOT based on:

- Health status
- Gender
- Pre-existing conditions



How Much Will Insurance Cost?

Example 1: 23-year-old CSU student
Income: \$15,000/year

In Covered CA, insurance premiums may be:

Cost per month:	Eligible for Medi-Cal
Government pays:	<u>All costs</u>
Student pays:	\$0

* Costs are estimates.



How Much Will Insurance Cost? Silver Level Coverage

Example 2: 21-year-old CSU student
Income: \$18,000/year

In Covered CA, insurance premiums may be:

Cost per month:	\$191*
Financial Assistance:	<u>- \$140</u>
Student pays:	\$51

* Costs are estimates.



How Much Will Insurance Cost? Silver Level Coverage

Example 4: Family of 4

(Parents: 43, 45; children: 19, 21)

Income: \$40,000/year

In Covered CA, insurance premiums may be:

Cost per month:	\$847*
Financial Assistance:	<u>- \$744</u>
Family pays:	\$103

* Costs are estimates.



What happens if I don't get health insurance

The Affordable Care Act is now law, so most Californians are required to have health insurance starting January 1, 2014.

- If you don't have insurance in 2014, you will be penalized:
 - 2014: 1% income or \$95
 - 2015: 2% income or \$325
 - 2016: 2.5% income or \$695
- Premiums may cost about the same as the penalty. For the about the same price as the penalty, you may be able to buy health insurance.
- Health insurance gives you peace of mind and security.



Exceptions to Individual Mandate

- People who would have to pay more than 8% of income for health insurance
- People with incomes below the threshold required for filing taxes (\$9750 for a single person and \$27,100 for a married couple with two children)
- People who qualify for religious exemptions
- Undocumented immigrants
- Incarcerated individuals
- Members of federally recognized American Indian tribes and Alaska Natives



Myths & Misconceptions

MYTH: I pay a student health center fee, so I'm covered.

Reality: Your student health center fee is for the student health center, which is a valuable resource. However, having access to the student health center is NOT the same as having health insurance.

The health center provides primary care and preventive services, but the health center does not cover most specialty care, hospital care, or off-hours care.



Myths & Misconceptions

MYTH: I can just go to the emergency room if anything happens.

Reality: An emergency room will provide care if you are uninsured, but being uninsured does not mean your care will be free. And emergency room care is very expensive (can cost up to one semester's tuition or more for one visit).



Frequently Asked Questions

Is everyone eligible to get health insurance through Covered California?

To be eligible, you must be lawfully present here in the United States and be able to provide proof of this.



Frequently Asked Questions

What if I don't currently live in the same zip code as my permanent address?

Health insurance costs (and financial assistance for which you may be eligible) will be determined based on the zip code where you will actually be receiving care.



Frequently Asked Questions

What if I'm from out of state?

In California, legal U.S. residents may be eligible for health insurance through Covered California if they are able to demonstrate proof of residency.

In the state of California, establishing residency requires proving intent to reside in California and does not necessarily require a minimum time of having lived in CA.



Frequently Asked Questions

What if I'm an international student?

Students that are U.S. citizens or nationals, or non-citizens who are lawfully present in the U.S. for the entire period for which enrollment is sought are eligible for Covered CA.



Frequently Asked Questions

How does student financial aid affect my eligibility?

Student financial aid can be in the form of federal/state grants, student loans, or work-study.

- **Grants are money given to you and considered income.** Grants will likely reduce the amount of financial assistance you receive to buy health insurance through Covered CA.
- **Student loans, however, are borrowed money and are therefore not considered taxable income.** As a result, student loans do not affect your eligibility for financial assistance through Covered California.



Frequently Asked Questions

What if my income changes (goes up or down)?

It is important (and your responsibility) to report any changes in income. Increases in income may reduce the amount of financial assistance you receive. Decreases in income may increase the amount of financial assistance you receive.

Tax payments or credits will be adjusted to reflect the correct change in premium assistance.



Open Enrollment

Initial open enrollment

- **October 1, 2013 – March 31, 2014**

Subsequent enrollment

- **October – December each year**

Medi-Cal applications accepted year-round



For additional information:

- Visit **CoveredCA.com** or call **800-300-1506**
- Questions will be answered at: **calstate.edu/coveredca**

The screenshot shows the homepage of the Covered California website. At the top left is the Covered California logo. To its right is a navigation menu with links for HOME, ABOUT US, COVERAGE, RESOURCES, NEWS, AGENTS, and LANGUAGE: ENGLISH. Social media icons for Facebook, Twitter, YouTube, and LinkedIn are also present. The main content area features a large image of a man in a light blue shirt looking at a laptop. Overlaid on the left side of this image is the text: "YOUR DESTINATION FOR HIGH-QUALITY HEALTH COVERAGE". Below this is a welcome message: "Welcome to the official website of Covered California™ – a new marketplace for affordable, private health insurance. Your health matters – to all of us. [Read More](#)". At the bottom of the image is a black box with white text: "100 DAYS 6 HRS 18 MINS UNTIL NEW COVERAGE BEGINS FOR MILLIONS OF CALIFORNIANS". Below this box, it says "Health care coverage begins January 1, 2014".



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- Associated Students
- School of Social Work
- Cal State Student Association
- Accessible Education Center
- Volunteers



Before leaving...

**Please return your contact/
question cards to our
volunteers on your way out.
Thank you!**

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