



FOR IMMEDIATE RELEASE
September 23, 2013

**Health Insurance Marketplace Open Enrollment
Begins in October**

Beginning on October 1, many consumers across Louisiana will be presented with the option of making changes to their health insurance coverage for the coming year. Key provisions of the Affordable Care Act take effect January 1, 2014, including the federal Health Insurance Marketplace which the federal Department of Health and Human Services says will be available for enrollment beginning October 1. This also marks the time of year when many businesses offer employees the opportunity to make changes to their existing health insurance coverage.

“When assessing your health insurance coverage, you will want to look at factors such as the cost and choice of providers,” said Commissioner Donelon. “It is important to find out as much information as possible about the different plans available to you so you can make an informed decision about which type of health care coverage will work best for you and your family. If you already have health insurance, you may want to remain with your same plan if you are content with the coverage it provides.”

One of the changes taking place in health care as a result of the Affordable Care Act is the creation of the federal online Health Insurance Marketplaces (formerly called the Exchange) where individuals can shop for and purchase health insurance. Louisiana will have a federally facilitated Marketplace run by the U.S. Department of Health and Human Services. Here are five things to know about the federal Health Insurance Marketplace:

- 1.) **There is a penalty fee for not having health insurance.** The Affordable Care Act requires individuals to have minimum essential health insurance coverage by January 1, 2014. Individuals who do not have health insurance in 2014 may be subjected to a penalty fee of one percent of their income or \$95, whichever is higher. The fee will increase to 2.5 percent of income or \$695 per adult in 2016. Employers with greater than 50 employees are mandated to offer health insurance to employees or pay a penalty beginning in 2015.
- 2.) **Subsidies are available for those who qualify.** Consumers purchasing insurance through the individual Marketplace may qualify for a federal subsidy if their income is less than 400 percent of the Federal Poverty Level. For example, the maximum income level for a

family of four to receive a premium subsidy in the federal marketplace is \$94,200. Some uninsured lower income, elderly or disabled individuals may not need to purchase health insurance through the Marketplace, as they may qualify for other programs such as Medicaid and/or the [Louisiana Children's Health Insurance Program \(LaCHIP\)](#) based on their household income. If an individual qualifies for Medicaid, they may obtain health insurance through the [Bayou Health Plan](#).

- 3.) **Health Insurance Marketplace plans will be categorized allowing for apples-to-apples comparisons.** Plans available will vary in coverage with four "metal" levels offered: Bronze, Silver, Gold and Platinum. All plans offer the same set of essential health benefits, but the category affects premium costs and how much is paid out of pocket for things such as doctor and hospital visits and prescription medication. Bronze and Silver plans require patients to pay more of the costs, while Gold or Platinum plans have higher premiums but lower out-of-pocket costs. The Marketplace will also offer bare bones plans known as "catastrophic" plans to people under 30 years old and those with very low incomes.
- 4.) **Health insurance companies are required to offer policies to all who apply, regardless of their medical condition.** Companies can no longer place limits on coverage based on a person's health condition, often called "pre-existing condition exclusions" nor can they charge a higher premium because of a person's health condition. These protections apply whether a person buys coverage through the Marketplace or outside of the Marketplace.
- 5.) **In addition to the individual Marketplace, the Small Business Health Options Program (SHOP) was created for small businesses to purchase health insurance for their employees.** The SHOP Marketplace will be available to employers with 50 or fewer full-time-equivalent employees. SHOP is optional and if employers plan to use SHOP, they must offer coverage to all **full-time** employees – generally those working 30 or more hours per week on average. Beginning in 2014, at least 70 percent of the full-time employees must enroll in the SHOP plan and small businesses must pay at least 50 percent of its full-time employees premium costs in order for them to qualify for a [small business health care tax credit](#). Also beginning in 2014 the tax credit is available, but only for plans purchased through SHOP.

Consumers can apply for coverage and enroll in a health plan through the Marketplace starting October 1 for coverage beginning January 1, 2014. Open enrollment closes on March 31, 2014. After open enrollment ends, individuals who have not had a [qualifying event](#) will not be able to purchase health insurance through the Health Insurance Marketplace until the next annual enrollment period.

Information on the Health Insurance Marketplace is available on the U.S. Department of Health and Human Services website www.healthcare.gov. If you have questions about how to enroll in a health insurance plan, you can call our [Office of Health Insurance](#) or [contact a licensed producer \(agent\)](#).

Individuals with job-based health insurance may keep it or they may be able to change to Marketplace coverage but there are several issues to consider. With most job-based health insurance plans, the employer pays a portion of your premiums. If an individual chooses a Marketplace plan instead, their employer will not need to contribute to the premiums. If the job-based coverage is considered affordable and meets minimum value determined by the federal government, the covered individual will not be able to get lower costs on premiums in the Marketplace.

While the Affordable Care Act is a federal law, it is the Louisiana Department of Insurance's role to protect and educate consumers about how they may be impacted. With that in mind, the Department's Consumer Advocacy staff is conducting consumer outreach and education statewide and can answer questions on health insurance. For a schedule of events, please [click here](#). Consumers can also contact the Louisiana Department of Insurance (LDI) for more information by calling 1-800-259-5300, or visiting the LDI website www.ldi.la.gov.

About the Louisiana Department of Insurance: *The Louisiana Department of Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect policyholders. You can contact the LDI by calling 1-800-259-5300 or visiting www.ldi.la.gov.*