



FOR IMMEDIATE RELEASE November 7, 2014

Open Enrollment for Health Insurance Coverage Begins November 15

Louisiana residents will soon have the option to enroll in or make changes to their health insurance coverage for the coming year. Open enrollment for individual health insurance plans runs November 15 through February 15. During this time, those seeking health insurance coverage can sign up through the online Health Insurance Marketplace or purchase individual policies sold by agents and insurers.

“After open enrollment ends, you must have a qualifying event such as a change in marital status or employment that affects your health insurance in order to sign up for coverage before the next enrollment period,” said Insurance Commissioner Donelon. “Health insurance can be complicated and overwhelming, while at the same time, absolutely necessary – and this time of year we want to remind folks that they can call us for help understanding their options.”

Provisions that were introduced last year such as guaranteed issue for everyone regardless of their health condition, no lifetime limits on essential benefits and subsidies for those who qualify remain in effect in 2015. Individuals can enroll in health coverage through the online Health Insurance Marketplace, or directly through a health insurance issuer, but subsidies are only available to those who qualify and enroll online through the Marketplace. Here are three other things Commissioner Donelon advises consumers to be aware of before enrolling in a health insurance plan:

- 1.) **The plan with the lowest premium may not be the least expensive.** Many individuals may choose to go with plans that have the lowest monthly costs, but those plans also may have higher co-pays and deductibles, which is money you pay out of pocket. A knowledgeable health insurance agent can help you determine what plan best suits your needs and budget.
- 2.) **Check your network.** Every health insurance plan has its own network of doctors, hospitals and service providers who have signed agreements with the insurance company to provide services at a specific price. Review your plan to see if your doctor

and hospital are in your network. If they are not, insurance may not cover the bill and you will be required to pay the bill.

- 3.) **The penalty for not having health insurance rises in 2015.** The Affordable Care Act requires individuals to have minimum essential health insurance coverage or face a financial penalty. Individuals who do not have health insurance in 2015 may be subjected to a penalty fee of two percent of their yearly household income or \$325, whichever is higher. If you didn't have coverage in 2014, you will also have to pay a penalty fee of one percent of your yearly household income or \$95, whichever is higher. This is collectable when you file your 2014 federal income tax return. Employers with greater than 50 employees are mandated to offer health insurance to employees or pay a penalty.

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. Small businesses that enroll in SHOP coverage may qualify for a tax credit.

Rates for individual and small group health insurance plans being offered in 2015 are the first ones reviewed by actuaries with the Louisiana Department of Insurance to make sure they are in compliance with state and federal laws. Act 718 gave the Louisiana Department of Insurance the authority to review the actuarial assumptions and methods used by a health insurance issuer in establishing a plan rate but the Department does not have authority to approve or disapprove the rate. For example, actuaries verified whether a company's assumption of future medical claims costs and inflation were aligned with their own calculations. In some cases, issuers lowered their rates in response to our actuaries' findings of erroneous assumptions.

"We estimate that our actuarial review of health insurance plan rates this year saved consumers more than \$4 million," added Donelon. "I'm pleased with the added consumer protection that our health rate review has provided, but I firmly maintain that authority to actually approve or disapprove health plan rates would provide greater safeguards for policyholders."

Starting November 15, health rate and form filings will be available via a new online system called SERFF Filing Access (SFA). To view health insurance rate summaries and access health rate filings, please go to www.lidi.la.gov/healthrates. For additional information, you can download the LDI publication [A Consumer's Guide to Health Insurance](#) on the Department website www.lidi.la.gov. or call the Department of Insurance at 1-800-259-5300.

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.lidi.la.gov.*