

Exchange Notice FAQ's

1. What is Affordable Care Act (ACA)?

A bill that was signed into law on March 23, 2010 in effort to improve the health of Americans and our ability to access health care services.

2. What is the Health Insurance Marketplace?

It is a new way to find health coverage that fits your budget and meets your needs. With one application it will allow you to see all of the health plans available in your area. The Health Insurance Marketplace is also known as the health insurance "Exchange".

3. Am I required to have insurance by January 1, 2014?

Yes, unless your employer's open enrollment does not fall on a traditional calendar year. The State of Colorado does not follow a traditional calendar year. The State of Colorado medical plan year starts on July 1, 2014. Employees currently not covered by the State of Colorado Employee Group Medical Plan may enroll in during the next open enrollment period beginning April 2014, for coverage effective on July 1, 2014 and therefore avoid the individual mandate tax penalties.

4. When is open enrollment for State of Colorado employees?

April 2014 –May 2014

5. When is open enrollment for the Health Insurance Marketplace?

October 2013 – March 31, 2014

6. Will I be penalized if I do not enroll in healthcare by January 2014?

No, the IRS is allowing employees and their spouse and dependent children who are eligible to enroll in a non-calendar year employer sponsored health plan to avoid individual mandate tax penalties for the months between January 1, 2014 and the month that the employer's 2014 plan begins. The plan year begins for State of Colorado employees July 1, 2014.

7. Does the State offer affordable health insurance and meet the minimum value?

Yes, the State contributes more than 60% of the total premium amount and meets the minimum value.

8. Can I buy coverage through the Health Insurance Marketplace even though I am eligible for State employee health coverage?

Yes, but you will have to pay for the full cost of the premium because the State of Colorado meets the affordable and minimum value requirements. Under the rules of the premium tax credits, applicants are not eligible for the credits if they are eligible for "affordable" coverage through their jobs. If the cost to the employee of self-only coverage is less than or equal to 9.5 percent of the employee's income, then the coverage is considered affordable and the employee would not be eligible for the tax credits. If the cost of the coverage is greater than 9.5 percent of the employee's income, then the coverage is deemed "unaffordable" and the applicant could qualify for the tax credits.

9. Can I drop my current health coverage if I purchase health insurance through the Health Insurance Marketplace?

Yes, however you are required to provide proof of new coverage within 31 days. For more information contact Employee Benefits Unit at 303-866-3434 or email state_benefits@state.co.us or fax 303-866-3879.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you will lose the employer contribution to the employer-offered coverage.

10. Where can I find more information about my State Health Insurance plan?

www.colorado.gov/dpa/dhr/benefits

11. Can I elect and enroll in the State Benefits plan today?

No, open enrollment will start in early spring 2014. If you want additional health insurance options contact Health Insurance Marketplace at www.healthcare.gov.

12. I have health insurance; what do I need to do?

Nothing, you are in compliance with the Affordable Care Act and will not receive a penalty as long as you have coverage by January 2014.

13. I want more information about the Health Insurance Marketplace.

www.healthcare.gov

14. What is the tax penalty for not being insured by January 2014?

In 2014, the penalty is either \$95 for every adult and \$47.50 for every child under the age of 18 in the household (up to \$285 for a family), or 1 percent of taxable income for the household, whichever is larger.

This penalty will be calculated on your 2014 Federal income tax return.

15. Who doesn't have to buy insurance?

- American Indians, prisoners and undocumented immigrants.
- Some religious groups. Those that have historically been exempt from the Social Security system, such as the Old Order Amish, are one example. Religious groups whose members pay for one another's health care instead of buying insurance are also exempt.
- Those whose family income is so low they don't have to file a tax return. Those numbers vary depending on several factors, including how old you are, whether you're married and whether you're the head of your household.
- Those who earn so little that health insurance premiums, after federal subsidies and employer contributions, would total more than 8 percent of their income.
- Those who already have insurance through Medicaid, Medicare, an employer or veteran's health program.