National Health Reform and You

What You Need to Know About the Affordable Care Act and the Massachusetts Health Connector
Today as many as 40 million Americans are uninsured. Many lack insurance because they cannot afford it, and others because they do not qualify due to a pre-existing condition.

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act (ACA). The ACA will ensure that all Americans have access to quality, affordable health care and will transform the health care system to improve care and contain costs. Many of the law’s key provisions take effect in 2014.

To increase access to affordable health insurance, national health reform provides financial assistance to help low- and middle-income individuals access and pay for quality private health insurance plans. States are encouraged to set up health insurance Marketplaces, like the Massachusetts Health Connector—where individuals and small businesses (and their brokers, if they work with one) can learn about health insurance plans, easily compare them, and select the right one for themselves. The ACA also includes some changes to health insurance rules to improve benefits for consumers and make sure coverage is comprehensive. Furthermore, the law enables states to expand eligibility for their Medicaid programs. Massachusetts is taking advantage of this option in order to ensure that the lowest-income residents have access to affordable health coverage.

One of the key components of the ACA is the requirement for most people to have health insurance. This requirement is sometimes referred to as the individual mandate. (If someone does not maintain health insurance coverage, they may be subject to a penalty at tax time.)

Many of the central elements of national health reform were also part of Massachusetts’ health reform, which was implemented in 2006. As a result, many of the key provisions of the Massachusetts law will continue. However, the national law strengthens some aspects of Massachusetts health reform, which will mean better benefits, more protections for consumers, and more financial assistance to help pay for health insurance than before.

So what does national health reform mean for Massachusetts residents? This guide explains the basics of the law and what can be expected in the next few years.
Massachusetts implemented a state health reform law in 2006, which served as the model for national health reform in 2010. Health reform has been highly successful in Massachusetts; more than 97 percent of residents are covered—the highest rate in the nation.

While national health reform calls for the creation of Marketplaces to help individuals and small businesses compare and enroll in health insurance plans, Massachusetts already has a health insurance Marketplace—the Massachusetts Health Connector. In fact, today, nearly 250,000 residents get their health insurance through the Health Connector.

**Nearly 250,000 residents get their health insurance through the Health Connector today.**

Also like the federal law, Massachusetts already has a requirement that most residents have health insurance. As part of this requirement, residents must have a health plan that meets certain standards. The state will keep this requirement to maintain our important coverage gains that have served our market well and make sure that all consumers have certain insurance protections. Health plans that meet the state standards will almost always meet the federal standards.
DID YOU KNOW?

National health reform provides many benefits to Massachusetts by:

- Investing billions of additional federal dollars in Massachusetts to help cover the cost of making health insurance more affordable for hundreds of thousands of residents of the Commonwealth
- Closing the Medicare prescription drug donut hole for our seniors and people with disabilities
- Giving the Commonwealth’s residents and small employers new tools to find high-quality, affordable coverage that meets their needs
- Providing millions in grants to Community Health Centers in Massachusetts so that they can better serve their communities
Helping individuals and families access affordable and comprehensive health insurance

National health reform helps families pay for health insurance by making new subsidies and tax credits available to millions of people. The law also takes important steps to ensure that the coverage available for individuals and families includes meaningful consumer protections.

MORE AFFORDABLE HEALTH INSURANCE

More People Qualify for Medicaid
Prior to national health reform, eligibility for the state’s Medicaid program, MassHealth, was limited to certain categories of people, such as pregnant women, children under 19 and their parents, the disabled and the elderly, if their income met certain requirements. Beginning in 2014, as a result of national health reform, all Massachusetts residents under 133 percent of the federal poverty level (FPL) will be eligible for MassHealth if they are citizens or qualified aliens. For example, a family of four that makes less than $31,000 a year may qualify for MassHealth.

Tax Credits to Help Pay For Insurance
New federal tax credits designed to help people pay for their health insurance premiums will also become available. Prior to passage of the ACA, individuals and families in Massachusetts earning up to 300% FPL (about $35,000 for an individual and $70,000 for a family of four) could get help paying for their health insurance premiums. Starting in 2014, people with incomes up to 400% of the federal poverty level (about $45,000 for an individual and $94,000 for a family of four) may qualify for federal tax credits to lower the cost of their premiums when they purchase insurance plans through the Health Connector.

State-Subsidized Health Plans
In addition to federal tax credits, Massachusetts offers additional savings to those who are eligible (those earning up to 300% FPL). ConnectorCare plans are a set of health insurance plans with lower premiums and lower out-of-pocket costs that are subsidized by the state, as well as by the federal government through national health reform.

By shopping through the Health Connector, individuals can easily and quickly find out if they qualify for one of these plans.

Open enrollment begins October 1st, 2013 for coverage beginning on January 1, 2014.

For more information about any of these options, or to find out if you might qualify for help paying for health insurance, visit MAhealthconnector.org or call the Health Connector at 1-877-MA-ENROLL anytime from 8 a.m. to 6 p.m., Monday through Friday.

MORE COMPREHENSIVE COVERAGE

National health reform strengthens consumer protections and ensures that health insurance provides comprehensive coverage. While some of the insurance changes introduced by national health reform were already in place in Massachusetts, new consumer protections mean even better benefits for Massachusetts residents.

These include:
- Coverage of preventive care services with no cost-sharing
- No annual limits on benefits considered “Essential Health Benefits”
- No lifetime limits on benefits
- The ability for young people to stay on their parents’ coverage until age 26
An easier way to compare insurance plans and buy coverage

Under national health reform, it will be easier for consumers and small businesses (and their brokers, if they work with one) to compare among different insurance plans than ever before. Here are some of the changes that are happening to make that possible:

- Health insurance plans will be categorized by four levels or tiers based on the amount of coverage provided. Because all of the plans within each “tier”—called Platinum, Gold, Silver, and Bronze—will offer the same level of coverage, it will be easier for shoppers to make apples-to-apples comparisons among health insurance products.

- Major upgrades will be made to the Health Connector website, including the addition of new tools that allow you to sort and compare plans so that you can easily find the right plan for you that has your doctors and your hospitals.

- For the first time, the Health Connector will be offering “one-stop shopping” for both medical and dental insurance coverage.

- People will be able to find out if they qualify for assistance paying for their health and dental insurance and enroll quickly, without a waiting period related to a pre-existing condition.

These changes and improvements will directly benefit consumers and small businesses, making it easier for them to compare among plans and choose the plan that is right for them.

Improving health care quality

National health reform offers opportunities for states like Massachusetts, with its long history of health care innovation, to continue to find new ways to improve the quality of health care for their residents. Grants for state programs will create new opportunities to reduce chronic disease, address health disparities, improve evidence-based disease prevention, develop early childhood visitation programs, and strengthen outreach and education for some Medicare beneficiaries.

National health reform also addresses other health care challenges by:

- Increasing training and support for thousands of new primary care doctors and nurses through bonus payments, scholarships and loan repayment, and new training opportunities.

- Supporting new models of health care delivery that promote better and safer outcomes for patients.
Federal funding for the commonwealth

Starting in 2014, Massachusetts and other states that expand their Medicaid programs will receive significantly more federal financial support to help pay for coverage for those who newly qualify. This will bring billions of additional federal dollars for Massachusetts, including over $200 million in the first half of 2014 alone.

Other ways that the national health reform law helps support important programs and investments in Massachusetts include:

- Significant increases to Massachusetts’ federal funding rates for the Children’s Health Insurance Program (CHIP)
- Savings for seniors and people with disabilities on prescription drugs
- Tougher screening procedures, stronger penalties, and new technology will help reduce health care fraud
- Federal funding to support better reimbursement rates for primary care providers who treat Medicaid patients

For more information about health reform or the Massachusetts Health Connector

The Health Connector is the best place to go for information on affordable health insurance and to find out if you qualify for savings. It is also a great place to go to find out more about national health reform and what it means in Massachusetts.

Visit the website at MAhealthconnector.org or call 1-877-MA-ENROLL (1-877-623-6765)