

Health Care Reform

WHAT TO EXPECT IN 2014

MARCH 31, 2014

Open Enrollment ends for
all **Covered California** plans and all **Individual/Family** plans.

IMPORTANT HEALTH CARE REFORM EVENTS FOR CALIFORNIA 2014

FALL 2014

Open Enrollment begins for
all **Covered California** plans and all **Individual/Family** plans.
Coverage start date is January 1, 2015.

WHAT YOU SHOULD KNOW - INDIVIDUAL/FAMILY PLANS

- Covered California has over 1,000,000 enrollments as of March 14, 2014.
- All new health insurance plans must include the government mandated 10 essential benefits
 - The new essential benefits include maternity coverage, newborn care, pediatric dental and mental health benefits
- Those who apply between March 16th and March 31st will have a May 1st coverage start date
- If you do not have health insurance coverage by May 1, 2014, you will be subject to a penalty
 - In 2014 the penalty is \$95 or 1% of taxable income, whichever is greater.
 - This penalty will increase every year.
 - There are a few exceptions to this penalty like hardship waivers, etc.
- To purchase a Covered California plan or direct Individual/Family plan outside of Open Enrollment (October 1, 2013 - March 31, 2014), you must have a qualifying event such as:
 - Loss of employer coverage
 - Family Status Change like marriage, divorce, birth of a child or adoption of a child
- The next Open Enrollment for Covered California plans or direct Individual/Family plans will be in the fall for a January 1, 2015 coverage start date.

WHAT YOU SHOULD KNOW - INDIVIDUAL/FAMILY PLANS

- If you are currently on a grandfathered health insurance plan, expect high rate increases this year
 - A grandfathered plan is a plan that you signed up for before the Affordable Care Act was signed by President Obama in March of 2010
 - Grandfathered plans are not subject to the new health care laws

WHAT YOU SHOULD KNOW - EMPLOYER PLANS

- Employers can apply for group health insurance anytime throughout the year
- Employers with less than 50 full-time employees are considered a small group and are not required to offer health insurance to their employees
- If a small group employer decides to offer health insurance benefits to their employees, they are required to pay for 50% of the employee's rate, not including dependents
- The new regulations for large groups with 50 or more employees might be postponed until 2015
- Employers are required by the government to provide a "notice of coverage options" to each employee
 - Please ask us for more details or go to our website www.rlwellsinc.com/healthcarereform.html

How WE WILL HELP YOU PREPARE FOR 2014

- ▶ Review all your health insurance options
- ▶ Make sure your doctor is in the network
- ▶ Make sure your prescriptions are covered
- ▶ Enroll in the health insurance plan that is best for you

For more information and our previous newsletters please go to
www.rlwellsinc.com/healthcarereform.html