Affordable Care Act

What is the Affordable Care Act?
It reforms the healthcare system by providing more Americans with affordable health insurance, increased benefits, and government-based subsidies to reduce the cost of insurance.

To get affordable health insurance, apply and enroll in the Health Insurance Marketplace at www.healthcare.gov or access.arkansas.gov.

What is the Health Insurance Marketplace?
It is a new way to find affordable health coverage under the Patient Protection and Affordable Care Act. It can help if you do not have coverage now. It can also help if you have coverage but want to look at other options.

With one application, the Marketplace can let you know if you qualify for:

- Private health insurance plans at a reduced cost with help from government subsidies
- Health Care Independence Program (Medicaid)
- ARKids

Am I required to have health insurance?
Most people must have health coverage in 2014 or pay a fee. If you do not have coverage in 2014, you will have to pay a penalty of $95 per adult, $47.50 per child, $285 per family OR 1% of your income (whichever is higher).

You will pay the fee when you file your 2014 Federal tax return in 2015. Paying the fee does not provide health coverage. Some people may qualify for an exemption to this fee. You will need to apply for an exemption.

You are considered covered and do NOT have to buy new insurance if you already have:

- Medicare
- Medicaid
- ARKids
- Any job-based plan
- Any plan that you bought yourself
- COBRA
- Retiree coverage
- TRICARE

- VA health coverage
- Some other kinds of health coverage

When can I enroll?
You can apply for Medicaid and the Health Care Independence Program at any time. If you do not qualify for these programs, you can only enroll in Marketplace insurance at certain times.

Open enrollment (which means anyone can enroll) begins November 15 and runs through February 15, 2015. Special enrollment periods are available throughout the year if you have a change in coverage status, lose your job, get married, have a baby, or have other big life events.

Who is eligible for health insurance through the Marketplace?
You must be a U.S. citizen or be lawfully present in the U.S. to buy private health insurance through the Marketplace. You cannot be in prison, except when you are waiting for a trial or pending charges.

I have health insurance through my job. Can I still apply through the Marketplace?
You can consider switching to a Marketplace plan if you are eligible for job-based insurance. Please note that you will not qualify for lower costs based on your income unless the job-based insurance is not affordable or does not meet minimum requirements. You may also lose any contribution that your employer makes to your premiums.

Do I qualify if I am self-employed or own a small business?
If you own a small business with less than 50 full-time employees, the Small Business Health Options Program (SHOP) make it possible for you to provide qualified health plans to your employees. You may qualify for tax credits if you use SHOP. You can apply through the SHOP Marketplace at any time.
If you are self-employed with no employees, you can get coverage through the individual marketplace but not through SHOP.

### Key Dates
- **November 15, 2014**: 2015 Open Enrollment starts
- **December 15, 2014**: Deadline for current enrollees to change coverage for new coverage to begin Jan. 1, 2015
- **December 31, 2014**: Coverage ends for Marketplace plans bought in 2014
- **January 1, 2015**: Earliest 2015 coverage can begin for Marketplace plans bought during Open Enrollment
- **February 15, 2015**: 2015 Open Enrollment ends

You can enroll for Medicaid and ARKids First at ANY time.

### How can I apply for health insurance in the Marketplace?
You can apply online by visiting [www.healthcare.gov](http://www.healthcare.gov). You can also apply by mail, phone, or in-person with the help of a Navigator or IPA.

If you would like more information, call the Marketplace Call Center at 800-318-2596 or call Legal Aid of Arkansas at 800-967-9224.

### Affordable Care Act FAQ
**What is a subsidy?** A subsidy means help with costs. A subsidy lowers the amount that you spend on your monthly premium through advanced premium tax credits or lowers your out-of-pocket costs for copays, coinsurance, deductibles, and out-of-pocket maximum (cost sharing reduction).

**Who is eligible for subsidies?** During open enrollment, if you make below 400% of the federal poverty level, you can get a type of subsidy called the advanced premium tax credit. Tax credits lower premium costs. If you make below 250% of the federal poverty level, you can get cost-sharing reduction subsidies to lower your out-of-pocket medical costs. If you make below 138% of the federal poverty level, you may be eligible for Medicaid (which helps with both premiums and cost sharing).

### Federal Poverty Level
<table>
<thead>
<tr>
<th>Household Size</th>
<th>2014-2015 Federal Poverty Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,670</td>
</tr>
<tr>
<td>2</td>
<td>$15,730</td>
</tr>
<tr>
<td>3</td>
<td>$19,790</td>
</tr>
<tr>
<td>4</td>
<td>$23,850</td>
</tr>
</tbody>
</table>

### How does the federal poverty level affect my expected insurance contribution?
To help low-income and some middle-income families pay for health insurance, the Affordable Care Act limits the amount of money the family would have to spend on premiums based on a percentage of income. The law does this by putting a limit on the amount that each family will pay themselves depending on where they fall in relation to the federal poverty level.

### What happens if my income changes?
If you receive higher subsidy amounts than you were eligible for, you are responsible for repaying some or all of the tax credits that you receive. This is because premium subsidies are given in the form of an advance tax credit. The subsidy is applied directly to the cost of your insurance. Since these amounts are based on your expected income for the year, the actual amount of subsidies that you are eligible for can be different. It is **very important** that you update your income information when it changes.

### Private Option (Health Care Independence Program)
In 2013, the Arkansas Legislature made Arkansas one of 28 states to approve a Medicaid expansion. This program is called the Private Option (or Health Care Independence Program). It uses mostly federal government funds to enroll people who are below 138% of the federal poverty level in private insurance. You can enroll in the Private Option through the Marketplace at [www.healthcare.gov](http://www.healthcare.gov) or [access.arkansas.gov](http://access.arkansas.gov). The purpose of this program is to close the gap in coverage between those who qualify for Medicaid and those who qualify for the federal subsidies.

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