

ACA InfoSheet #2 – Adults Ages 19-64

The Affordable Care Act of 2010: What Adults Ages 19-64 Need to Know About Health Care Reform

The new healthcare reform law (Patient Protection and Affordable Care Act of 2010, called the ACA) is complicated. The ACA has different features for people of different ages. The law's provisions start at various times from 2010 to 2020. ACA InfoSheet #2 lists some major features of the ACA that are important to Adults ages 19-64, and suggests places to get more information about the law.

Adults ages 19-64 need to know that:

1. **Starting in 2010** -- The Affordable Care Act (ACA) expands coverage of dependent children up to age 26, so that young adults may be covered on their parents' health insurance. This feature applies to all insurance plans that offer dependent coverage. You may have to wait until the beginning of the new plan-year (often January 1) to add your dependent to your health insurance plan. You also may have to pay most or all of the cost for adding your dependent. Check with your employer or insurer.
2. **Starting September 23, 2010** -- The ACA prevents insurers from:
 - a. cancelling insurance coverage, unless the customer commits fraud (lies on their application, etc.),
 - b. setting lifetime limits on healthcare costs, or
 - c. setting unreasonable annual limits on costs.
3. **From October 1, 2010 to 2014** -- People who have trouble getting affordable health insurance because of an existing health condition, and have not had health insurance for six months, may apply for health insurance (with some subsidies) through the Michigan High Risk Insurance Pool, which will be administered by Physicians Health Plan of Mid-Michigan (PHP). For information on how to apply, go to <http://www.michigan.gov/dleg/0,1607,7-154-10555-242595--,00.html> or call PHP weekdays from 9 am to 5 pm at 877-459-3113. Enrollment begins 8-31-2010. Apply early; places are limited.
4. **From September 23, 2010 to 2014** -- Employers who already cover retiree health costs may apply for ACA subsidies (to the employer) to pay 80% of early retiree healthcare claims between \$15,000 and \$90,000 annually. Early retirees are defined as people who are age 55 or older and not eligible for Medicare. Check with your employer to find out if they are going to apply for this subsidy.
5. **Starting in 2010, with some changes in 2014** -- The ACA requires that medium and large-sized employers offer acceptable health insurance plans to their employees, or pay penalties. Small businesses (less than 50 employees) do not have to offer insurance. Some very small businesses (25 employees or less) may be eligible for tax credits if they offer insurance and pay 50% of the premium. Check with your employer.
6. **Starting September 23, 2010** -- The ACA requires new health insurance plans to cover a wide range of prevention services (such as immunizations and screening tests) at no cost to the person enrolled in the insurance plan. Plans in existence in March 2010 that have not changed benefits are called "Grandfathered Plans". Grandfathered Plans do not have to cover free prevention services until 2018. Check with your employer or insurer.
7. **Starting 2014** -- The ACA prevents insurers from refusing health insurance coverage, limiting coverage, or charging more for coverage if a person -- a) is female, b) has a dangerous occupation, or

c) has an existing health problem (pre-existing condition), such as asthma, diabetes, cancer, arthritis, or other chronic condition.

8. **Starting in 2014** – The ACA requires that adults have acceptable health insurance, through Medicaid, their employer, or the new ACA health insurance exchange in each state. There are a few exceptions, but this requirement applies to most people age 19-64. Most people who do not have acceptable health insurance by the end of 2014 may have to pay a penalty, unless their income is low enough that they do not have to file federal income taxes.
9. **Starting in 2014** – Low-income uninsured adults will gain health coverage through the 2014 ACA expansion of Medicaid to adults (age 19 to 64) with incomes under 133 % of the 2014 Federal Poverty Level. Check <http://liheap.ncat.org/profiles/povertytables/FY2010/popstate.htm> for 2010 Federal Poverty Level income figures. Also check with your Medicaid or Social Services office.
10. **Starting in 2014** – Most adults and families with incomes between 133% and 400% of the 2014 Federal Poverty Level will be eligible for subsidies to help them purchase coverage on the ACA health insurance exchange in each state. The Exchange will have one-stop-shopping for health insurance with approved benefits and costs. The Exchange also will provide information about subsidies to help eligible adults and families purchase insurance. With some exceptions, people in this income range must purchase acceptable coverage or pay a penalty, unless their income is low enough that they do not have to file federal income taxes. **Also Starting in 2014** -- Adults with incomes between 133% and 250% of the 2014 Federal Poverty Level also will be eligible for subsidies to lower out-of-pocket costs not covered by their insurance plans.
11. **Starting in 2014** -- Adults and families with incomes over 400% of the 2014 Federal Poverty Level will not be eligible for any subsidies. [In 2010, 400% of FPL is more than \$43,320 for an individual, and more than \$88,200 for a family of four.] These individuals and families will be required to get healthcare insurance in 2014 (through their employers or ACA insurance exchange) or pay a penalty.

To learn more about the Affordable Care Act of 2010, please try these suggestions:

- Go to your local library and ask the Reference Librarian to help you find information about the Affordable Care Act. Your nearest Medicaid or Social Services office also may have information.
- If you use a computer, please try the following websites:
 - Kaiser Family Foundation – Click the KFF Summary of New Health Reform Law. <http://www.kff.org/healthreform>
 - Robert Wood Johnson Foundation <http://www.rwjf.org/healthreform>
 - State of Michigan <http://www.michigan.gov/ofir> Click on Healthcare Insurance Information & What's New. <http://michigan.gov/healthcarereform> for State information.
 - United States Government This website shows the latest information. <http://www.healthcare.gov>

As federal and state agencies put the provisions of the Affordable Care Act in place, the federal rules and special state features may cause this information to become out-of-date. Please check federal and state websites for up-to-date information or visit your local library.

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