Health Care Reform FAQ: What If I Already have Insurance?

What if I have job-based insurance?
If you have job-based health insurance you like, you are considered covered and can keep your insurance. You may be able to switch to Marketplace coverage eventually if you want to.

Any job-based health plan you currently have qualifies as minimum essential coverage. You don't need to change to a Marketplace plan in order to avoid the fee that uninsured people may have to pay for 2014. If you'd like to explore Marketplace coverage options, you can, but there are several important things to consider.

With most job-based health insurance plans, your employer pays a portion of your premiums. If you choose a Marketplace plan instead, your employer does not need to make a contribution to your premiums. You should consider this carefully before comparing Marketplace plans.

If you decide to check out Marketplace plans, be aware that you may not qualify for lower costs on your monthly premiums and out-of-pocket costs, even if your income would qualify you otherwise.

Whether you qualify for lower costs will depend on what kind of coverage your employer offers. If your job-based coverage is considered affordable and meets minimum value, you won't be able to get lower costs on premiums or out-of-pocket costs in the Marketplace. This is true no matter what your income and family size are.

Your employer can tell you whether the insurance plan it offers meets minimum value and help you determine whether the plan is considered affordable for you.

If you have job-based health insurance you like, you are considered covered and can keep your insurance. You may be able to change to Marketplace coverage eventually if you want to.

What if I have a grandfathered health insurance plan?
“Grandfathered” plans are those that were in existence on March 23, 2010, and have stayed basically the same since then. These plans can enroll people after that date and still maintain their grandfathered status. The status depends on when the plan was created, not when you joined it. If you are covered by a grandfathered plan, you may not get some rights and protections that other plans offer.

Like other health plans, all grandfathered plans are required to end lifetime limits on coverage, end arbitrary cancelations of health coverage, cover adult children up to age 26, provide a summary of benefits and coverage and spend at least 80 percent of premiums on health care.

But unlike plans created after March 23, 2010, grandfathered plans do not need to cover preventive care for free, guarantee your right to appeal, protect your choice of doctors and access to emergency care, or publicly justify premium increases of 10 percent or more.

Additionally, individual grandfathered plans do not have to end yearly limits on coverage or provide coverage to people with pre-existing health conditions.

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Health Care Reform FAQ: What If I Already Have Insurance?

What if I'm losing job-based insurance?
If you lose your job-based health insurance, you have two primary options for health insurance coverage:

- **Get an individual Marketplace plan**. If you leave your job for any reason and lose your job-based coverage, you can choose to buy coverage from the Marketplace. This is true even if you leave your job outside the Marketplace open enrollment period of Oct. 1, 2013 to March 31, 2014. By using the Marketplace, you'll learn whether you qualify for lower costs on your monthly premiums on private insurance or for lower out-of-pocket costs. Through the Marketplace you'll also learn whether you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP).

- **Get COBRA coverage**. You may be able to keep your job-based plan through COBRA continuation coverage. COBRA is a federal law that may let you pay to keep yourself and your family on your employee health insurance for a limited time (usually 18 months) after your employment ends or you otherwise lose coverage. If you buy COBRA continuation coverage, you won't be able to get any of the lower costs on premiums and out-of-pocket costs that people may get using the Marketplace. You'd also have to pay the full monthly premium, including any part of the premium that your employer had contributed.

What if I currently have COBRA coverage?
If you have COBRA continuation health coverage, you keep it—or you can decide to buy a Marketplace insurance plan instead at any time starting Jan. 1, 2014.

Losing your COBRA coverage qualifies you to buy health insurance in the Marketplace, even if it's not during open enrollment. This is true whether the coverage runs out or you choose to end it. At any time during the year you can visit the Marketplace to find out what your options are, compare plans and enroll.

What if I want to change individual insurance plans?
If you have an individual insurance plan and want to change it, you may use the Marketplace to replace individual insurance you currently have.

Check with your insurance company before cancelling your policy. You may have to wait until the end of your policy year before you can cancel. Your insurance company may also need to provide documentation to the Marketplace that your plan has ended.

If your current plan ends before March 31, 2014, you can use the Marketplace during open enrollment to replace your individual insurance. Beginning Oct. 1, 2013, you can enroll for coverage that starts as early as Jan. 1, 2014.

You may qualify for a special enrollment period in the Marketplace when your plan ends because you're losing your coverage.

How do I appeal a health plan decision?
If your health insurer refuses to pay a claim or ends your coverage, you have the right to appeal the decision. Insurers have to tell you why they've denied your claim or ended your coverage, and they have to let you know how you can dispute their decisions.

There are two ways to appeal a health plan decision:

- **Internal appeal**. If your claim is denied or your health insurance coverage cancelled, you may ask your insurance company to conduct a full and fair review of its decision. If the case is urgent, your insurance company must speed up this process.

- **External review**. You can take your appeal to an independent third party for review. Doing an external review means that the insurance company no longer gets the final say over whether to pay a claim.

Health Care Reform FAQ: What If I Already Have Insurance?

Can I use a Flexible Spending Account (FSA) to pay some medical expenses?
Yes. You can use a FSA to pay for copayments, deductibles, some drugs and other health care costs.

You can put up to $2,500 into an FSA every year. You must use that money within the plan year, though some employers offer a short grace period to use leftover FSA funds. At the end of the year or grace period, you lose any money left over in your FSA. So it's important to plan carefully and not set aside more than you think you'll spend on allowed health care expenses.

You can also spend FSA funds on some over-the-counter medicines, like insulin, without a doctor's prescription. FSAs may also cover costs of medical equipment like crutches, supplies like bandages and diagnostic devices like blood sugar test kits.

You cannot spend FSA funds on insurance premiums.

Can children stay on a parent's plan through age 26?
Yes. If a plan covers children, they can be added or kept on the health insurance policy until they turn 26 years old.

Children can join or remain on a plan even if they are:

- Married
- Not living with their parents
- Attending school
- Not financially dependent on their parents
- Eligible to enroll in their employer's plan

Adult children may be enrolled during a plan's open enrollment period or during other special enrollment opportunities. Your employer or insurance company can provide enrollment details. Children under age 26 are also eligible for family coverage in Marketplace plans.

How can I get consumer help if I have insurance?
Many states offer direct help with problems or questions about health insurance. Some states have consumer assistance programs and agencies set up to help you directly, while in others, the state department of insurance is your best resource. **Find out what channel** your state uses for insurance-related consumer requests, and contact them with your request for assistance.

Source: Healthcare.gov