

Released: Oct. 15, 2014

Prepare for Health Insurance Open Enrollment

Marketplace open enrollment for 2015 begins Nov. 15.

MANHATTAN, Kan. – If you haven't already, it's time for you and your family to review your health insurance options, as annual open enrollment in the Kansas Health Insurance Marketplace (<https://www.healthcare.gov/kansas-health-insurance-marketplace/>) for 2015 coverage begins Nov. 15. Many employers and some public programs, such as Medicare, also use the fall as a time for annual enrollment or the renewal of health insurance plans.

“The Affordable Care Act requires that you are insured for at least nine months out of every year, or you will have to pay a penalty at tax time for being uninsured,” said Roberta Riportella, Kansas Health Foundation professor of community health at Kansas State University. “There are some exceptions to the penalty, but for the most part, you should consider the benefits of being insured as compared to paying a penalty.”

Generally, you can only buy health insurance coverage during annual open enrollment periods, but there are exceptions.

If you have a qualifying life event (<https://www.healthcare.gov/glossary/qualifying-life-event/>), such as losing coverage through a job, getting married, or having a child, you can change your health insurance outside of the open enrollment period. This is called a special enrollment period, Riportella said. It is best to take advantage of the open enrollment period, though, because it is difficult to change coverage if you don't experience a qualifying life event.

Specifications for enrollment in health insurance coverage, by type of coverage, include:

- **Insurance coverage through an employer:** your employer determines the open enrollment dates. The dates will likely vary from employer to employer. If you have a spouse, you will likely have two different open enrollment periods to keep track of each year. If you are not sure when your next job-based open enrollment period is, ask your employer.
- **Insurance from the marketplace:** for plans starting Jan. 1, 2015, the marketplace open enrollment period is Nov. 15 through Feb. 15
- **Insurance through Medicare:** Medicare's initial enrollment period is a seven-month window surrounding your 65th birthday, or for those under 65 and disabled, the seven months surrounding the 25th month of disability. Special enrollment periods for Medicare vary, and specific rules and timing can be found on the Medicare website (<http://www.medicare.gov/Pubs/pdf/11219.pdf>). If a beneficiary has missed the initial enrollment period and is not eligible for a

special enrollment period, the Medicare general enrollment period runs Jan. 1 to March 31 each year, with coverage beginning July 1 of that year.

- **Insurance though KanCare:** this is Kansas' Medicaid program. Applications for KanCare can be submitted at any time.

Tips for comparing plans and choosing the right plan

A health insurance plan, also called a policy, is a legally binding contract of usually one year between an insurance company and the insured. You should be given details of how the plan will work. Those details should include the benefits covered, how much you will pay and a selected set of health care providers called a provider network.

You should review several aspects of insurance policies before you choose which one is right for you and your family, Riportella said. Also, since health insurance plans change from year to year, it is important to review the details of your renewal contract. The plans could change on items such as provider networks and prescription drug coverage, as examples.

Different medical situations require more care than others, she said. Before examining the benefits in each plan, you need to first understand your current health care needs and identify if you're at risk for a particular need within the next year. You will be trying to match as best you can your predicted needs against the coverage and costs of eligible plans.

"Some future needs are not as predictable," Riportella said. "The best we can do is plan around the needs we know we have today."

The benefit packages within different plans will likely differ, but because of the Affordable Care Act, all plans are now required to cover at minimum the same basic set of benefits. The following types of services represent essential health benefits:

- Care before and after your baby is born;
- Outpatient care (what you get without being admitted to a hospital);
- Trips to the emergency room;
- Treatment in the hospital for inpatient care;
- Mental health and substance use disorder services (includes behavioral health treatment, counseling and psychotherapy);
- Prescription drugs;
- Services and devices to help you recover if you are injured, or have a disability or chronic condition (includes physical and occupational therapy, speech-language pathology and psychiatric rehabilitation);
- Lab tests;
- Preventive services such as counseling, screenings and vaccines to keep you healthy (provided at no cost to you);
- Care for managing a chronic disease; and

- Pediatric services (ages 0-19 and includes kids' dental and vision care).

How much the plan will cost you in a typical year will likely weigh in your health insurance coverage decision. The premium is the monthly fixed charge you pay for the plan, regardless of how much medical care you use or do not use, Riportella said. That makes the premium the most predictable of all the costs.

If you are purchasing health insurance in the marketplace, bronze level plans will likely have the least costly premiums, and silver, gold and platinum plans will have higher premiums.

“As with anything, you get what you pay for,” Riportella said. “If you pay more upfront in premiums, you will pay less for each service you use down the road. You also may get a more complete plan that covers more benefits.”

“If you are relatively healthy and comfortable with carrying risk, you can choose a policy with a low premium such as a bronze plan,” she added. “Those policies, however, are likely to have the highest cost-sharing arrangements. That means you could be paying large copayments or coinsurance for your care expenses. If you have a significant health event, that might bring you close to the out-of-pocket maximum—the maximum amount a person will have to pay for health care expenses within the year.”

You could be in a situation where you and your family members are better off with different policies, she said. As an example, younger adults typically don't need the same coverage as their middle-aged parents. Policies for younger adults are usually much less expensive, which makes separate policies a reasonable choice. Further, sometimes spouses have different health care needs, so considering different policies might be the best option in that case also.

“If situations exist where family members might benefit from different plans, you should look at a variety of options,” Riportella said. “Usually an employer offers only an individual plan or a family plan. Depending on income level and tax credit eligibility, you might benefit from finding a plan in the marketplace for the children or the spouse. This would especially be true if there is a young adult in the family who might be best off with a low premium cost but high deductible catastrophic plan.”

Young adults under age 30, and some lower income individuals, are eligible to select a catastrophic policy with a low premium but high deductible. This type of plan requires you to pay out of pocket most of the everyday costs of health care except for preventive services, which are free of charge to the insured. But, for other health care services, the insurer begins paying for care after you've paid all of your health care expenses up to that high set deductible.

Those who are purchasing a plan in the marketplace might also be eligible for tax credits to help pay for premiums, which can make their plans more affordable. Riportella said a family of four with an annual income less than \$94,200 is eligible for this premium

assistance. If the same family has an annual income less than \$58,875, that family is eligible for assistance in paying the coinsurance and copayments. Those income levels for eligibility will adjust each spring, based on the federal poverty level.

Riportella added that when you have employer-sponsored insurance and are considering plans for other family members in the marketplace, your eligibility for tax credits to help pay for premiums in marketplace plans can get complicated. It is best to speak either to your benefit counselors at your place of work or call the marketplace at 800-318-2596 to find out more.

Another way to help you save money on health care is studying the various plans' specific provider networks and drug formulary.

If you are already on medications, Riportella said it's important to review the formulary list to see that the drugs you and your doctor prefer are on it. Check also to make sure your local preferred pharmacy is within the provider network. While you may be allowed to go to doctors and pharmacies not in the network, it almost always will cost you more.

“Insurance companies make deals with doctors, hospitals, pharmacies and other health care providers so that those providers will accept less than their usual charges,” she said. “This works to keep payments to those providers more reasonable, and therefore, premiums for the insurance are more reasonable. Provider groups accept these payments, because it guarantees them a flow of patients more likely to select their services.”

People should also remember that they cannot be denied health insurance because of a pre-existing condition and cannot have a policy canceled due to becoming sick. You can, however, lose your insurance coverage for non-payment of premiums.

Each person's and family's situation is different, so if you have specific questions about your health insurance coverage, you might have a local navigator, someone specifically trained to help you understand the marketplace, in your community who can help. Find out if you have a local navigator available in your community at <http://insureks.org/assistance.php>.

Delays in enrollment and coverage, and penalties, may apply if the consumer does not enroll at the appropriate time. Make sure to check with your employer now about your specific enrollment period. If obtaining insurance through the marketplace, log on to www.healthcare.gov. To learn more about how to enroll in the marketplace or KanCare, call the marketplace, available 24/7, at 800-318-2596. The Kansas Health Institute also has numerous resources on its website (<http://www.khi.org/>).

program has county Extension offices, experiment fields, area Extension offices and regional research centers statewide. Its headquarters is on the K-State campus, Manhattan.

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