A Glossary of Terms for Health Insurance Open Enrollment

Open enrollment is the time of year when consumers can make changes to their benefits selections. Unfamiliar terms can make this process confusing. We invite everyone to download this handy reference sheet to help in the navigation of benefits options.
For example:

Coinsurance:

> The amount or percentage that you pay for certain covered health care services under your health plan. This is typically the amount paid after a deductible is met, and can vary based on the plan design.

Deductible:

> A specific dollar amount you pay out of pocket before benefits are available through a health plan. Under some plans, the deductible is waived for certain services.

Click here for a PDF with many more definitions. (PDF to print and save, new window)
[button name="Visit Our Affordable Care Act webpage" url="http://www.alleninsuranceandfinancial.com/insurance-services/health-life/health-insurance/affordable-care-act/"]

Individual Health Insurance Open Enrollment Starts Nov. 1

Starting Nov. 1, consumers can fill out or update a Health Insurance Marketplace application to enroll, renew, or change plans.

The assistance of an independent insurance advisor, such as those at Allen Insurance and Financial, doesn't cost the consumer anything additional. And working with Allen Insurance and Financial means that when it comes to claims issues or questions during the plan year, an Allen advisor will be available to answer those questions.

According to Dan Wyman, manager of the insured benefits division at Allen Insurance and Financial, an independent advisor can help explain basic health insurance terminology and can help a consumer calculate the impact of out-of-pocket costs, premiums and deductibles. Wyman notes that it is this kind of assistance that can make an important difference in helping to determine the level of health insurance plan a consumer can afford, with or without a subsidy from the government.

Said Wyman: "Our staff specializes in health insurance. We can explain the differences in plans, right down to the smallest of details. We work with businesses, families and individuals every day to help them pick the insurance plans that best serve their needs."

Call 855-710-5700 or start with information and an online form at AllenIF.com/healthcare.

Maine Community Health Options Policy Holders to Receive Rebates

Community Health Options has announced that it will be issuing more than $3.3 million in Member premium rebates to individuals and families who were policyholders in 2014. This rebate is a result of solid financial performance by Community Health Options, the increased support of the federal transitional reinsurance program and the medical loss ratio (MLR) requirement, which is part of the Affordable Care Act (ACA).

Rebate amounts vary according to total premium paid by Members in the individual market in 2014. On the whole, the rebates for the 2014 plan year amount to 2.1% of total premiums paid for the year (less taxes and fees) and the average rebate across all Members is approximately $87. Rebates will be paid by Sept. 30, 2015.

“We are pleased to provide this return of premium back to Members,” said Kevin Lewis, CEO of Community Health Options. “The rebate is a measure of our success that allows us to pass through this substantial portion of the federal reinsurance program payments to directly benefit Community Health Options Members. We initially set our rates to allow Members to benefit from the reinsurance program support in the form of lower premiums. The increased aid of the reinsurance program has allowed us to provide the additional rebate.”

The federal reinsurance program is one of the mechanisms of the ACA designed to hold down premium pricing in the face of unknown risk due to the widespread entry into coverage of the previously uninsured. In simplest terms, the reinsurance program helps reduce exposure for qualified health plans against large and difficult-to-predict Member claims.

While the initial terms of the temporary reinsurance program were set in time for 2014 rate setting, the program has been modified twice since then, each time making it more generous.

The most recent change was introduced in June 2015 and increased the amount of coverage for qualified health plans from 80% to 100% for claims exposure between $45,000 and $250,000.

This boost in reinsurance funds to all qualified health plan issuers altered the medical loss ratios (MLR) by effectively removing the amount allocated to medical claims costs from the equation. This resulted in the unexpected but positive outcome of returning funds back to Members.

The ACA created premium stabilization programs intended to protect consumers during the initial years of the health care reform law's implementation. The MLR is intended to ensure that 80% of premiums collected are used for medical claims and initiatives that improve the quality of care and no more than 20% of premiums collected are spent on administrative costs.

The MLR is influenced by three inter-related premium stabilization programs commonly referred to as the "3 R's" or Reinsurance, Risk Corridors, and Risk Adjustment.

For more information on the 3Rs, visit: https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/index.html#Premium Stabilization Programs.

About Community Health Options – Community Health Options (Health Options) is a non-profit, Member-led health plan providing comprehensive, Member-focused health insurance benefits for individuals, families, and businesses. Health Options is a Consumer Operated and Oriented Plan (CO-OP) licensed in Maine and New Hampshire that is dedicated to providing affordable, high-quality health benefits through productive partnerships with Members, businesses, and a broad network of providers. For more information about Health Options, visit the website: www.HealthOptions.org

ACA Requires Most Employers to Send Annual Reports to Employees and the IRS

Beginning in 2016, the Affordable Care Act requires most employers and plan sponsors to send annual reports to employees and the Internal Revenue Service about their health coverage (or lack of it) under Sections 6055 and 6056 of the Internal Revenue Code.

Reports submitted in 2016 will reflect what took place in 2015 (from January to December). The reports will identify all individuals, including dependents, receiving health coverage and all full-time employees of applicable large employers (as defined by the ACA). The reports need to include social security numbers for individuals (employees and dependents) receiving health coverage.

For more information, visit the IRS website.

Important News for Customers of the Health Insurance

Marketplace

Consumers receiving a tax credit or cost-sharing reduction for their health insurance purchased through the federal Marketplace need to be aware of important information tax reporting requirements under the Affordable Care Act.
In order to keep a Advanced Premium Tax Credit (APTC) or income-based cost sharing reduction (CSR), consumers must file Form 8962 as part of their federal tax returns.

- If you have filed a 2014 income tax return with Form 8962, no action is needed.
- If you have not filed with Form 8962, you need to file your 2014 federal tax return and Form 8962 or you will lose your APTC or CSR beginning Jan. 1 (for the 2016 plan year)
- You will also need the Form 1095-A, which the Marketplace should have mailed to you earlier this year.

If you have questions, please refer to the Internal Revenue Service website – **irs.gov/aca** – or call the IRS at 800-829-0922 or speak with your tax advisor.

Aetna Offering Free In-Home

Health Assessments for Individual and Small Group Members

We'd like to let our individual and small group customers know that Aetna is offering a free (optional) in-home health assessment via MedXM and Your Home Advantage (YHA).
These assessments are free, voluntary, confidential and won't change or affect coverage in any way. These contractors will be calling Aetna customers to make appointments.
If you have questions about this please feel free to contact our insured benefits department.
Click here to review an Aetna flyer about this program.

Last Days to Take Advantage of Tax Season Special Enrollment Period

Uninsured tax filers who owe a fee on their 2014 taxes for not having minimum essential health coverage in 2014 have until April 30 to take advantage of a Special Enrollment Period through the Federally-facilitated Marketplace to enroll in health coverage for the remainder of 2015.
As of mid-April, more than 68,000 consumers have taken advantage of this opportunity to sign up for coverage through the Federally-facilitated Marketplace.

In order to take advantage of this Special Enrollment Period, consumers must meet all of the following requirements:

• They did not know that the health care law required them and their household to have health coverage, or they didn't understand how that requirement would affect their family.

• They owe a fee for not having minimum essential coverage for one or more months in 2014;

• They are not already enrolled in minimum essential coverage for 2015.

• They live in a state with a federally-facilitated marketplace; some state-based marketplaces are offering similar Special Enrollment Periods as well.

For those who are required to file taxes, the fee for not having minimum essential coverage in 2014 was 1 percent of household income or $95 per person, whichever is greater. This fee will increase in 2015 to 2 percent of household income or $325 per person, whichever is greater. The fee is pro-rated based on how many months a person is uninsured. If an individual who would otherwise have to pay a fee enrolls in coverage for the remainder of 2015, they will pay the fee only for the months they were uninsured.

Additional information for consumers: Consumers seeking to take advantage of the Special Enrollment Period can find out if they are eligible by visiting https://www.healthcare.gov/get-coverage. Consumers should also be aware of the following:

1. Act now to avoid owing the full fee next year. This Special Enrollment Period is only open until April 30, 2015. Consumers who don't have minimum essential coverage for the remainder of 2015 risk owing the fee for whatever portion of the year they don't have coverage.

2. Plans might be more affordable than you think. Eight out of 10 people can find minimum essential coverage for $100 or less a month with tax credits through the marketplace.

3. You benefit from increased competition and choice. Compared to last year, there are over 25 percent more health insurance companies participating in the Marketplace in 2015. More than 90 percent of consumers will be able to choose from three or more health insurance companies—up from 74 percent in 2014- and consumers can choose from an average of 40 health plans in their county for 2015 coverage—up from 30 in 2014.
For more information, contact **Anna Moorman** at Allen Insurance and Financial.

Health Insurance Premium Payment Grace Periods: What You Need to Know

An insurer expects premiums to be paid prior to a member's specified due date. Exchange rules require a payment grace period. Although this is not a new term, the grace period for Exchange premium payments will differ between non-subsidized and subsidized members.
A grace period is the period of time after a premium payment becomes due in full without policy cancellation.
Members should pay before their due date. Beyond these grace periods if a member has not paid their outstanding premium in full, their coverage will be terminated and they will not be allowed to re-apply for Exchange insurance until the next Open Enrollment Period. Members will be notified if they are in a past due premium situation.
Grace periods:

• Non-subsidized members: A non-subsidized member will have a 1-billing-month grace period from their billing due date to pay in full.
• Subsidized members: A subsidized member will have a 3-billing-month grace period.
If you have questions, please call **Anna Moorman.**

Choosing Health Plans When Your Business is Growing

When your business grows and you begin adding employees to meet growing customer demands, there's more to consider than making schedules and setting up new work spaces. You must begin considering health plans that meet the needs of your employees while still meeting the complex requirements of the Affordable Care Act, including the employer shared responsibility mandate.
Choosing the right health coverage inspires loyalty and productivity in your workers and is a key factor in employee recruitment and retention. You also need to know exactly where your plan stands with ACA compliance, so this is something you want to get right.
Read more now from our partners at Anthem, on their healthcare reform blog.

MCHO Informational Meetings in Waldoboro, Belfast and Camden

We’d like to let the public know that Maine Community Health Options is holding meetings statewide to help its members get the best value from their MCHO plans. Locally, these meetings are scheduled in Waldoboro, Belfast and Camden.

- March 31: Waldoboro, Cooperative Extension, 377 Manktown Road, 5:30 to 7 p.m.
- April 1: Belfast, Belfast Free Library, 106 High St., 5:30 to 7 p.m.
- April 2, Camden, Camden Public Library Picker Room, 55 Main St., noon to 1:30 p.m.

Registration is required at the **MCHO website,** where the complete list of meetings can also be found.