



# Get to Know the Health Reform Law: How It Will Impact You and Your Business

**How Will You Shop for Health Insurance in 2014?**

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## History of the Patient Protection and Affordable Care Act (ACA)

- Signed into law by President Obama on March 23, 2010
  - Passed the U.S. Senate on December 24, 2009, passed by reconciliation (needed only 51 votes)
  - Passed the U.S. House of Representatives on March 21, 2010



## Creation of the Exchange System

- Section 1311 of the Affordable Care Act creates Health Benefit Exchanges
  - Allows for the creation of State and Federal based exchanges that create a “pooling” environment for individuals to purchase health insurance.
  - States can decline to establish a State based Exchange system and therefore, those individuals will participate in the federal exchange.
  - Exchange will also facilitate the application for premium assistance tax credits and cost-sharing reduction subsidies for individuals purchasing health insurance.

## Who Will Use the Exchange Market?

- Who is Eligible?
  - Individuals
    - Currently, insured individuals
    - Uninsured (in order to meet the requirement that every American has health insurance)
    - U.S. Citizens and legal immigrants
  - Small Business Health Options Program (SHOP); employees of small businesses (100 or less employees)
  - Will provide health insurance for approximately 24 million Americans.

# How States Will Implement the Exchanges

- January 1, 2013
  - By January 1, 2013, States must indicate to the Department of Health and Human Services that they intend to “stand-up” an exchange and receive conditional approval.
    - States may elect to “stand-up” an exchange after 2014; additionally, States may also cease operation of exchange at any time.
  - States can operate the exchange through a state-government entity or through a non-profit, overseen by a governing body

## Why Exchanges?

- The main objective of the exchange market is to create an environment for the consumer to:
  - Compare a selection of qualified health insurance options;
  - Find the plan that best meets their needs and budgets (Platinum, Gold, Silver, Bronze)
  - Create a competitive market for health insurance.

## State Action Towards Creating Exchanges

- 15 States (including the District of Columbia) have established state exchanges:
  - WA, OR, CA, NV, UT, CO, KY, WV, DC, MD, NY, VT, MA, RI, CT, HI
- 3 States opted for a partnership exchange with the federal government:
  - AR, DE, and IL
- 7 States have declared they will not create a state-based exchange market:
  - LA, ME, NH, TX, FL, SC, AK

## Federally Facilitated Exchange

- Options for individuals living in states that decline to establish a state exchange:
  - Individuals who reside in states which refuse to adopt the state exchange model by January 1, 2014, will purchase their health insurance through the federal exchange. Operated by the Department of Health and Human Services.

## What is SHOP?

- The Small Business Option
  - Small Business Health Options Program Exchange, will allow small businesses (50 or less employees) to benefit from pooling small business together to purchase health insurances
    - Some states have created an individual exchange and a SHOP exchange, while others have combined them



## Additional Questions? Ask The Experts!

- NASE members have the opportunity to utilize our health reform experts via our “Ask the Experts” membership benefit:
  - You can submit written questions and receive invaluable advice!
    - [Ask an Expert, today!](#)
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