

The Affordable Care Act and Medicaid in Idaho

Frequently Asked Questions

1. What is the Affordable Care Act and what does it do?

The Patient Protection and Affordable Care Act (PPACA), informally called ACA, aims to provide quality and affordable access to health insurance for all Americans. The primary mandate in the law requires all Americans to have health coverage for themselves and their families. To make health insurance affordable to everyone, the law outlines assistance to families between 0% and 400% of the federal poverty level (FPL). Many low-income families are eligible for Medicaid. Those individuals not eligible for Medicaid can apply for a tax credit to be applied to their premiums when they purchase private insurance. The ACA requires states to build and maintain insurance exchanges or marketplaces or connect to the federally facilitated marketplace where families can apply for their Advanced Premium Tax Credits and then shop, compare, and purchase private insurance for their families.

2. What is an Exchange, does Idaho have one?

The purpose of a health insurance exchange, also called a marketplace, is to offer insurance plans that provide minimal essential coverage and allows consumers choice and control over their health coverage. The marketplace is designed for consumers to:

- Apply for assistance and determine if a consumer is eligible to receive an Advanced Premium Tax Credit (APTC) to help pay for their insurance premiums. Individuals between 100%-400% of poverty may be eligible for this assistance.
- Shop and compare insurance plans offered in their state, and select a plan that best meets their family or individual budget and health care needs.
- Provide services for small employers with 1-50 eligible employees (expanding to larger employers in future years).

The Marketplace will operate in all states so no matter where you live you'll have access to coverage. Idaho has chosen to establish a State Based Health Insurance Exchange (or Marketplace) and is currently in the process of developing the infrastructure needed to meet the federal government's requirements. Idaho's Exchange or Marketplace is called *Your Health Idaho*. Information about Idaho's Exchange can be found at www.YourHealthIdaho.org.

In the Marketplace, consumers can compare coverage options based on price, benefits, quality, and other features they feel are important. They can choose the combination of price and benefits that best fit their individual or family needs.

3. What if I don't have health coverage? Can I be penalized?

Beginning January 2014, most people are required to have health coverage. If they don't, they may have to pay a fee. Uninsured people can get an exemption from this fee if they meet one of the following criteria:

- Are uninsured for less than 3 months of the year;
- Are determined to have very low income and coverage is considered unaffordable;

- Are not required to file a tax return because their income is too low;
- Would qualify under the new income limits for Medicaid, but their state has chosen not to expand Medicaid eligibility (this applies to Idaho);
- Are a member of a federally recognized Indian tribe;
- Participate in a health care sharing ministry; or
- Are a member of a recognized religious sect with religious objections to health insurance.

4. What is “open enrollment”?

“Open enrollment” starts October 1, 2013, and runs through March 31, 2014. This is the time period in which individuals can apply for the APTC and shop for health insurance plans through *Your Health Idaho*. Coverage for plans selected during open enrollment begins as early as January 1, 2014.

5. Can a person choose to receive the Advanced Premium Tax Credit instead of Medicaid?

If an individual is eligible for Medicaid, they cannot choose to waive participation in the Medicaid program and choose the APTC instead. There are circumstances where households may have some members on Medicaid and others receiving the APTC and therefore enrolled in private insurance. This can occur when the children qualify for Medicaid or the Children’s Health Insurance Program (CHIP) and the adults qualify for the APTC. This is likely to happen in Idaho where income limits for Medicaid are very low for adults but limits are much higher for children with the CHIP program.

6. Is the Affordable Care Act different in Idaho than in other states?

The Affordable Care Act is a federal law and was signed into law on March 23, 2010, by President Obama, and the regulations in the law apply to all states. States have a few options in implementing these regulations:

1. States could decide whether or not to expand Medicaid programs in their states to cover all individuals under 65 years of age up to 133% of the federal poverty level (FPL). This is often referred to as Medicaid Expansion. Many states elected to implement Medicaid expansion on January 1st, 2014. Idaho has not passed legislation to expand Medicaid in Idaho beyond the current Medicaid programs.
2. States also had an option of building an Insurance Marketplace or using the Federally Facilitated Marketplace where consumers could apply for premium assistance and shop and compare plans. Idaho passed legislation in 2013 to build a State Based Marketplace. *Your Health Idaho* will be available for consumers on October 1, 2013.

7. Is Idaho’s Medicaid program changing?

Since Idaho has not implemented Medicaid Expansion, the same eligibility criteria used to determine Medicaid eligibility today, will be used when the law becomes effective on January 1, 2014. Idaho’s Medicaid program today covers the following individuals who meet the income requirements:

1. Children under the age of 19 (up to 185% of the federal poverty level (FPL))
2. Pregnant Women (up to 133% of the FPL)

3. Adults with qualifying children in the home (up to 26% of the FPL)
4. Individuals who are over 65 or disabled (up to approximately 80% of the FPL)
5. Children in Foster Care

Today, Idaho's Medicaid program does not cover:

1. Adults between the ages of 19 and 65 if they do not have children and are not disabled
2. Non-citizens

Idaho's Medicaid income limits do not change on January 1, 2014. The calculations for eligibility will change as Idaho implements the new Modified Adjusted Gross Income (MAGI) standards. The new eligibility calculations eliminate many income disregards and apply a standard 5% disregard to income calculations to simplify the eligibility determinations. MAGI bases household determinations on tax filing status, a new method of determining budgeting calculations. All new MAGI rules will be implemented on January 1, 2014. Idaho does not anticipate these rules having impacts to individuals currently covered under Idaho's Medicaid program.

8. I applied for Medicaid and was not eligible; will the Affordable Care Act help me get health care coverage...what should I do?

Individuals not eligible for Medicaid in Idaho, who have income between 100% and 400% of the FPL, may be eligible for the Advanced Premium Tax Credit to help pay for private insurance. Beginning in January 2014, individuals who apply for Medicaid but are denied will automatically be considered for an APTC. When individuals are determined eligible for an APTC, they will be given the opportunity to compare and select a health plan on Idaho's Marketplace – *Your Health Idaho*. Once a plan is selected, the APTC will be paid directly to the insurance company selected by the consumer – this reduces the amount of the monthly premium the consumer must pay.

On October 1, 2013, open enrollment begins on *Your Health Idaho*. If you have been denied Medicaid, don't meet Medicaid eligibility criteria, or if you want to apply to see if you are eligible for an APTC before January 1, 2014, you may apply online at www.YourHealthIdaho.org. While you can apply beginning in October 2013, the APTC is only available beginning in January 2014.

9. I am on Medicaid; do I have to do something? What will change for me?

If you are currently on Medicaid, not much will change for you. The Department of Health and Welfare will begin gathering new information that is needed for eligibility determinations beginning in 2014. During your next re-evaluation, you may be asked to provide tax information for individuals in your household. Since income limits are not changing, it is likely that your Medicaid eligibility will not change. You should continue to report all income changes to the Department and if you move or if someone moves in or out of your home, you should report that information as well.

Should your circumstances change and you become ineligible for Medicaid, you will be notified of the change to your Medicaid case and your information will be forwarded to the Marketplace/Exchange for

an immediate APTC determination. If this happens you will be notified and instructions will be provided for what actions are required.

The most important thing for consumers to understand is that it is now required to have health coverage for you and your family. The Department of Health and Welfare and Idaho's Health Insurance Marketplace are here to help you stay connected and informed.

10. If I apply for and am eligible for Medicaid, when will my benefits start?

If you apply for Medicaid and are determined eligible for services, benefits start the same month the Department of Health and Welfare receives the application. Benefits can be approved retroactively for any of the previous three months, if the individual was eligible during that time period.

11. What if I have Medicaid now, but I have received a notice telling me that my Medicaid coverage will end?

If you have Medicaid now, but it will be ending before January 1, 2014, you can apply for help paying for health coverage at www.yourhealthidaho.org, www.healthcare.gov, or by calling the toll free help line at 1-800-318-2596. When you get to a question on the application that asks whether you have coverage now, do not check the box for Medicaid, because your coverage will be ending.

12. I work with many families who ask about the Affordable Care Act, Open Enrollment, and Medicaid; how do I help them, what do I tell them?

If you are a partner organization with the Department of Health and Welfare, the best thing you can do is help consumers understand how to apply for services and where to go or who to call if they need assistance applying.

If someone wants to apply for Medicaid: No matter where the person lives, they can go to any Health and Welfare office in the state to apply for services. This is the quickest way to get an application approved. Inform the customer to bring with them the following items:

1. Proof of Identity (driver's license or picture ID)
2. Proof of Income (pay stubs)
3. Information about their household members

If the customer would like to apply for services by mail, there are applications available at healthandwelfare.idaho.gov.

Beginning in October, the Department of Health and Welfare will begin processing applications by phone as well. More information will be sent to partners once this process has been fully implemented.

If someone wants to apply online for health coverage: Beginning October 1, 2013, open enrollment begins. This is a time when individuals can apply for assistance at www.YourHealthIdaho.org and be considered for an Advanced Premium Tax Credit (APTC). They will also be able to shop, compare, and choose a health plan that best meets their budget and health care needs. If, through this application,

they are determined eligible for Medicaid, information will automatically be sent to the Department of Health and Welfare; and they will be enrolled in Idaho Medicaid effective January 1, 2014.

If someone would like assistance completing the application process or there are questions about what's available on Idaho's Insurance Marketplace, direct them to the consumer resource center at 855-YHIdaho (855-944-3246).

The most critical support community advocates can provide is to direct individuals to the right place at the right time based on their family needs. The Department of Health and Welfare and *Your Health Idaho* are working in a close partnership to ensure there is no wrong door to apply for health coverage. If individuals are directed to the Department or to *Your Health Idaho* they will get help to understand how to complete the application process based on their individual and family circumstances.

Useful Resources

Idaho Department of Health and Welfare – Information on Idaho's Medicaid Program

<http://healthandwelfare.idaho.gov/Medicaid/tabid/123>

Your Health Idaho – Idaho's State Marketplace for comparing and purchasing health care coverage and accessing more information on the Advanced Premium Tax Credit

<http://www.yourhealthidaho.org/>

Internal Revenue Services – Questions and Answers on the Individuals Shared Responsibility Provision

<http://www.irs.gov/uac/Questions-and-Answers-on-the-Individual-Shared-Responsibility-Provision>

Resources offered by the Department of Health and Human Services:

<http://www.hhs.gov/healthcare/facts/timeline/index.html>

<https://www.healthcare.gov/>