



The Affordable Care Act

Learn about your rights and benefits
under the health reform law.

Affordable Care Act Success Stories

"As a father of 4 sons in their late teens and early 20s the component that allows them to be covered until 26 saves us considerably on premiums and gives us great peace of mind."

- Constituent from Chula Vista

"Now, with the ACA, I have choices. Affordable choices. On the CoveredCA website, I found a silver-level PPO policy, as good as my current policy, for \$659—a savings of \$200/month. And now I have a choice of plans, something I didn't have in the past. I'll be signing up in a few weeks."

- Constituent from San Diego

"This week I signed up for health insurance on Covered California website. I will receive comprehensive health insurance for an affordable rate of \$134.00 per month. The last time I had health insurance was 2007 and it cost me a hefty \$600 per month. Thank you for your support of the middle class!"

- Constituent from Santa Rosa

"I have a part time job with no health care provided. I looked into health insurance costs for my age and found that I would have to pay \$775 a month for health insurance. There is no way I could afford this amount. Under Obamacare, I would only have to pay around \$105 a month for health care. This amount would be in my budget."

- Constituent from Sacramento

"Because of Obamacare, our family will be saving almost \$700 a month over the cost of our old, not very good health plan. I always worried that if we did develop something chronic, the company would probably have cancelled us. Now, because of Obamacare, we don't have to worry about that. I am so relieved to have this law in place."

- Constituent from Albany



Dear Californian:

Every American experiences our health care system at some point during their lives. Prior to the implementation of the *Patient Protection and Affordable Care Act*, the high cost of health coverage forced millions of Americans to forgo needed treatment and preventive care because they simply couldn't afford it.

The *Patient Protection and Affordable Care Act* was signed into law by President Obama on March 23, 2010.

Goals of the law include:

- **Reducing costs and increasing access to care.**
- **Improving quality of care and enhancing care coordination.**
- **Focusing on preventing disease and illness.**
- **Providing new protections for health insurance consumers.**

The *Affordable Care Act* has already resulted in more than 20 million Americans, including more than 3 million Californians, gaining health coverage.

I hope this brochure will provide answers about the health reform law and how it may affect you. If you have other questions, feel free to use the additional resources at the end of this brochure or contact my staff.

Sincerely,

A handwritten signature in blue ink that reads "Dianne Feinstein". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dianne Feinstein
United States Senator

New health insurance options

The *Affordable Care Act* creates new health insurance marketplaces where consumers can compare insurance options and enroll in coverage. California's marketplace is called Covered California.



Your rights when enrolling in coverage

- Insurance companies are barred from denying coverage, charging higher premiums or refusing reimbursement for individuals with pre-existing conditions.
- You have the right to request a “Summary of Benefits and Coverage.” This summary is written in plain language and presents key features of each plan including covered benefits, applicable cost-sharing and coverage limitations and exceptions.
- You can sign up for insurance either through Covered California or directly with an insurer.
- Insurance plans sold on Covered California must cover a comprehensive set of benefits known as the Essential Health Benefits (see next page).



How do I enroll through Covered California?

Online: Log on to Covered California at CoveredCA.com and click “Apply” to review available plans and enroll in coverage.

Over the phone: Review options and enroll by calling 1-800-300-1506.

In person: Certified enrollment counselors and insurance agents and brokers are available to help. Visit CoveredCA.com and click on “Get Help” or call 1-800-300-1506 to locate help in your area.

When can I enroll through Covered California?

The annual open enrollment period is November 1st through January 31st.

Outside of the open enrollment period, you may only enroll if you experience certain qualifying life events such as a move, loss of employer-sponsored insurance or change in family size. Medi-Cal enrollment is open year-round

Essential Health Benefits

(Source: Healthcare.gov)

Insurance sold on Covered California covers these 10 key benefits:

1. Outpatient care.
2. Trips to the emergency room.
3. Treatment in the hospital for inpatient care.
4. Care before and after your baby is born.
5. Mental health and substance use disorder services.
6. Prescription drugs.
7. Services and devices to help you recover if you are injured or have a disability or chronic condition. (Services include physical and occupational therapy, speech-language pathology, psychiatric rehabilitation and more.)
8. Lab tests including blood work.
9. Preventive services including counseling, screenings and vaccines.
10. Pediatric services including dental care and vision care for children.

Financial Assistance

Financial assistance is available to help you afford coverage. Individuals and families making up to 400 percent of the federal poverty line (FPL) may receive subsidies to reduce the cost of purchasing health insurance.

Those making up to 250 percent of the federal poverty line can get additional assistance to reduce out-of-pocket charges such as co-pays and co-insurance.

In addition, adults making less than 138 percent of the federal poverty line are eligible to enroll in Medi-Cal.

Household Size	400% of FPL
1	\$47,520
2	\$64,080
3	\$80,640
4	\$97,200
5	\$113,760
6	\$130,320
7	\$146,920
8	\$163,560

Source: Families USA



Before the *Affordable Care Act* took effect

50 million Americans lacked health insurance. Many people could not get coverage because health insurers were allowed to reject people with pre-existing medical conditions. In addition, people who could not afford insurance often went without it or visited an emergency room.

Some doctors focused on treating illness, rather than preventing it. Doctors and hospitals were compensated solely based on how many procedures they performed, rather than the quality of care they delivered. This increased costs because some doctors focused on offering more treatments rather than preventing illness in the first place.

Caps on benefits hurt people with costly diseases. Insurance companies were allowed to restrict how much of someone's health care they would pay for. People with expensive illnesses were stuck paying for all of their own treatment after they reached annual or lifetime limits.

Many insurers could raise rates with little or no oversight. Health insurance companies were not held responsible for unreasonable premium increases, often resulting in double-digit rate hikes.

After the *Affordable Care Act* took effect

Millions of Californians are now eligible for health insurance coverage. More than 16 million Californians with pre-existing conditions can no longer be denied coverage because of their health status, and as many as four million Californians are eligible for subsidized coverage. In addition, 435,000 young adults in California have gained insurance coverage thanks to a provision that allows them to stay on their parents' health insurance plan until age 26.

Focus has shifted to preventing illness. Health care providers are encouraged to focus on providing high-quality care and preventing disease, and costs for accessing preventive care are reduced for patients. In addition, the law reduces the burden of chronic illness by investing in proven programs that decrease the incidence of diseases such as diabetes, asthma and heart disease.

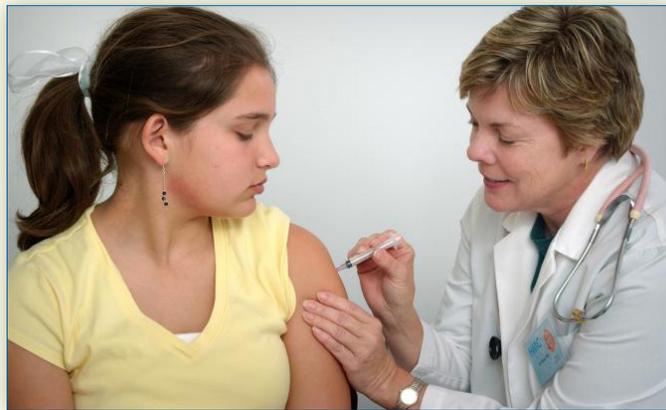
Small businesses receive assistance to provide coverage for employees. The law creates new tax credits for small business owners to provide health insurance to their employees. Small businesses are "pooled" together in order to give them the same type of negotiating power that large companies have.

Protections from arbitrary cancellations. Insurance companies can no longer arbitrarily cancel a policy because an individual gets sick. In addition, health care consumers now have the right to appeal if an insurance company denies a claim or ends coverage.

Health care inflation has slowed. The price of health care has increased much slower in the years since the *Affordable Care Act* was passed than in the preceding decade. Commerce Department data shows health care price increases are at their lowest level since the early 1960s. The law has already saved consumers and taxpayers billions of dollars.

Rights under the *Affordable Care Act*

- The health reform law ends some of the most egregious abuses by insurance companies.
- You **cannot** be charged more or be denied coverage for having a pre-existing medical condition.
- Health insurers **cannot** arbitrarily cancel your coverage if you get sick.
- You have a **right to appeal** if an insurance company denies a claim.
- An insurance company **cannot** charge you higher co-pays or co-insurance if you get emergency care at an “out-of-network” hospital than if you go to an “in-network” hospital.
- Annual and lifetime limits on coverage are no longer allowed.



Benefits provided by the *Affordable Care Act*

- Young adults can stay on their parents’ health insurance plans until age 26.
- All new insurance plans must cover preventive care, screenings and tests free of charge. Preventive services covered include cholesterol and blood pressure screening, mammograms, obesity counseling and colorectal cancer screening for adults. In addition, health, vision and other newborn and pediatric screenings as well as recommended immunizations must be covered without out-of-pocket charges.
- Insurance companies must provide rebates if they spend more than 20 percent of premiums on administrative costs and profit.
- Consumers in the individual market can now log on to Covered California (www.coveredca.com) to compare health insurance plans side-by-side and enroll in the plan that works for them.
- New Consumer Assistance Centers help individuals understand their health insurance rights. In California, call 1-888-466-2219 or visit healthhelp.ca.gov for assistance.

How health reform helps...

YOUNG ADULTS

(Source: Healthcare.gov)

Remain on your parents' plan. If a plan covers children, they can be added or kept on the plan until they turn 26.

Don't go bankrupt because of a medical emergency. According to the U.S. Department of Health and Human Services, the average three-day stay in a hospital costs \$30,000 and fixing a broken leg can cost \$7,500 or more. Insurance helps protect you against financial calamity if you get sick or have an accident. If you're under 30, you can get a "catastrophic" plan that will help if you have a medical emergency.

“The ability to insure my children up to age 26 through my employer's program has been a tremendous help. Without it my 25-year-old daughter, who had an emergency room visit, would have faced a \$10,000 bill, effectively draining funds for her college tuition and fees.”

— Constituent from San Diego

Financial assistance is available. Many young people are eligible for subsidies that can significantly reduce the cost of insurance.

Family planning services are covered. New insurance plans are required to cover all FDA-approved contraception products without a co-pay. Plans are required to cover at least one type of each approved contraception method. And, when you're ready to start a family, maternity and well-baby care is a guaranteed benefit.



How health reform helps...

WOMEN

Being a woman is no longer a pre-existing condition. Before the health reform law was passed, many insurers charged women more than men for the same coverage. The *Affordable Care Act* prohibits insurance companies from doing this.



Promoting healthy pregnancies. Insurance plans purchased through Covered California must cover maternity and newborn care. This includes many preventive health treatments and screenings without a co-pay. Gestational diabetes screening, folic acid supplements, urinary tract and other infection screening, as well as breast feeding counseling and support are all covered without a co-pay for new mothers and moms-to-be. It also won't cost you anything to get many age-appropriate screenings and immunizations for your newborn or infant.

Women's preventive care is covered. All new insurance plans must cover a range of preventive benefits for women, including breast and cervical cancer screening, osteoporosis screening and FDA-approved contraceptives.



Making it easier to shop for coverage. According to the Department of Labor, approximately 80 percent of family health care decisions are made by women. The *Affordable Care Act* makes choosing health care coverage easier. On California's new health insurance marketplace, Covered California, families can compare plans side-by-side and enroll in the coverage that works for them.

How health reform helps...

SENIORS

(Source: Medicare.gov)

Your Medicare coverage is protected. Medicare isn't part of the health insurance marketplaces established by the *Affordable Care Act*, so you don't have to replace your Medicare coverage with marketplace coverage.

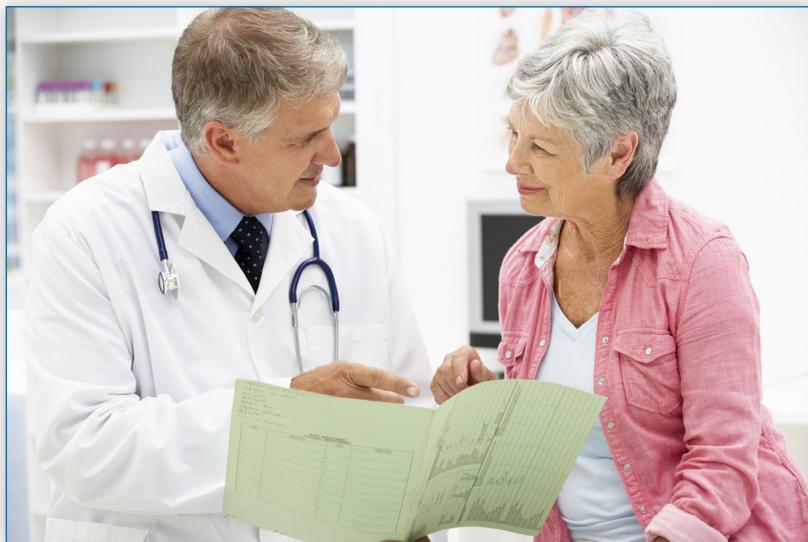
More preventive services, for less. Medicare now covers certain preventive services, including wellness visits, mammograms and colonoscopies without cost-sharing.

Discounts on brand-name drugs. Medicare beneficiaries receive a 50 percent discount when they buy Part D-covered brand-name prescription drugs. The discount is applied automatically at the pharmacy counter.

The ACA strengthens Medicare for years to come. The life of the Medicare Trust fund will be extended to at least 2030 due to reductions in waste, fraud and abuse, and Medicare costs, which will provide savings on premiums and coinsurance.

“My husband and I are 62 and have been paying for our own health insurance since 2000. It has slowly drained half of our savings that we were setting aside for our retirement and current living expenses. With my husband's health issues, our yearly expenses have topped \$30,000 and is unsustainable. Without the relief of ACA starting in January, we will be facing a miserable future.”

—Constituent from Orangevale



How health reform helps...

SMALL BUSINESSES

An easier way to provide employees with health insurance. By purchasing health insurance through the Covered California Small Business Health Options Program (SHOP), employers up to 50 eligible employees can choose from a range of health plans without the burden of additional administrative duties.

Through Covered California's SHOP, small businesses will be able to offer different plans to their employees, something that few small employers have been able to do easily until now. (Source: Covered California)

A single risk pool means lower rates overall. The SHOP exchange "pools" all participating small businesses together, meaning reduced administrative costs and more market leverage to negotiate for lower rates.

Tax credits for small businesses providing health insurance coverage. Small businesses providing coverage to their employees through the SHOP exchange may qualify for tax credits worth up to 50 percent of the cost of providing such coverage for their employees.

Small businesses are eligible for a health care tax credit if they have fewer than 25 full-time-equivalent employees for the tax year, pay employees an average of less than \$50,000 per year and contribute at least 50 percent toward employees' premium cost. More information is available through the IRS at <http://www.irs.gov/uac/Small-Business-Health-Care-Tax-Credit-and-the-SHOP-Marketplace>.

“In the last nine months our company has more than doubled its revenue and we now have four employees who we pay more than minimum wage. All of this was made possible because I was no longer tied to working for a major corporation in order to protect my family in the event of an injury or illness. Thanks to Obamacare we have created four new jobs in our community and expect to hire several more people over the next two years.”

— Constituent from San Jose



Frequently asked questions about...

COVERAGE, COSTS and PLANS

(Source: Source: Healthcare.gov and Kaiser Family Foundation)

What is the deadline for signing up for insurance?

Covered California's enrollment period starts in the fall and ends in the winter of the following calendar year. The exact dates may vary from year to year so be sure to check Covered CA.com to verify the deadlines.

What if someone doesn't have health coverage?

If an individual who can afford health insurance doesn't have coverage in 2015, they may have to pay a fee. They also have to pay for all of their health care on their own. People with limited incomes and who face certain life situations can get an exemption from the fee. If you are enrolled in private insurance, Medicare, Medi-Cal, TRICARE, the VA Health System or get care through the Indian Health System, you will not face a penalty.

Can I get in-person assistance?

Yes. County social services agencies as well as certified enrollment counselors and insurance agents are able to offer personal help. To find in-person help, visit CoveredCA.com and click on "Find Help Near You" or call 1-800-300-1506.

I am Native American. Can I continue to use the Indian Health Service to get care?

Yes, Native Americans can continue to get care through Indian Health Service facilities. Native Americans are also eligible to receive premium subsidies to purchase insurance and may get additional help with co-pays and out-of-pocket charges if they make less than 300 percent of the federal poverty line.

How do premium subsidies work?

Individuals who meet income guidelines and don't qualify for affordable health insurance through an employer or a government program like Medicare or Medi-Cal may be eligible for subsidies to purchase health insurance through CoveredCA.com.

Your premium subsidy can be paid monthly to your insurance company in order to reduce the share of the premium you are required to pay. Alternately, you can choose to receive the total annual value of the premium subsidy as a refundable tax credit at the end of the year.

Regardless of how you receive your subsidy, you will need to file a tax return for any years in which you receive premium assistance. You'll be eligible for the total premium subsidy even if you don't owe any taxes or if the amount of taxes you owe is lower than the amount of the premium subsidy you are eligible for. However, if your income changes significantly during the year, your subsidy could be reduced or you may have to pay back part of the subsidy you received and were not eligible for.

I see Marketplace plans are labeled "Bronze," "Silver," "Gold" and "Platinum." What does that mean?

Plans on Covered California are separated into categories based on the amount of cost-sharing they require. Cost-sharing refers to health plan deductibles, co-pays and co-insurance. For most covered services, you will have to pay some of the cost, at least until you reach the annual out-of-pocket limit on cost-sharing. The exception is for preventive health services, which are fully covered.

In the marketplace, bronze plans will have the highest cost-sharing. Platinum plans will have the lowest cost-sharing. In general, plans with lower cost-sharing will have higher premiums, and vice versa.

Do I have to buy my insurance plan on Covered California?

No. You may purchase insurance directly from a health insurance company and still receive the same consumer protections. However, you won't receive a premium subsidy unless you purchase a plan through Covered California.

How can I find out if my doctor is participating in a health plan?

On Covered California, click on the "preview plans" to find doctors in or near your zip code that are participating in Covered California plans.

More questions?

If you have questions regarding your options and rights under the Affordable Care Act, please contact Covered California at CoveredCA.com or 1-800-300-1506 or the California Consumer Assistance Center at Healthhelp.CA.gov or 1-888-466-2219. In addition, staff in Senator Feinstein's offices are prepared to help.

Additional Resources

This booklet was compiled using information from the U.S. Department of Health and Human Services, the California Health Benefit Exchange, the U.S. Department of Labor, the U.S. Census Bureau, the Kaiser Family Foundation and Families USA.

To find out more about the health reform law, and your health care options, please refer to these sources:

Kaiser Family Foundation

<http://kff.org/aca-consumer-resources>

Small Business Administration Health Reform Resources

<http://www.sba.gov/healthcare>

For people with Medicare

<http://www.medicare.gov>

Additional information for people with Medicare: California Health Advocates

<http://www.cahealthadvocates.org/reform>

Senator Feinstein's Offices

Los Angeles

11111 Santa Monica Boulevard
Suite 915
Los Angeles, CA 90025
Phone: (310) 914-7300

San Diego

880 Front Street
Suite 3296
San Diego, CA 92101
Phone: (619) 231-9712

San Francisco

One Post Street
Suite 2450
San Francisco, CA 94104
Phone: (415) 393-0707

Fresno

2500 Tulare Street
Suite 4290
Fresno, CA 93721
Phone: (559) 485-7430

Washington, D.C.

331 Hart Senate Office Building
Washington, D.C. 20510
Phone: (202) 224-3841

Affordable Care Act Success Stories

"I just wanted to let you know, I was able to sign up to Obamacare with CoveredCA.com without any problems. Once I called them and they got me started, it was quite simple. With my new plan I will save \$250 per month."

- Constituent from Los Angeles

"I just signed up for Obamacare. Comprehensive coverage, affordable premiums, reasonable co-pays, and a nice civil servant to talk me through it. I feel such deep relief."

- Constituent from Pine Grove

"I signed up for 2014 health insurance today on California's marketplace, CoveredCA.com, on behalf of myself, my wife, and my two children. No tax credits, but I will save over \$100 per month by switching to a different insurance company."

- Constituent from Woodside

"I am very pleased with the HealthCare Reform act. The ability to insure my children up to age 26 through my employer's program has been a tremendous help."

- Constituent from San Diego

"Today my wife and I completed our enrollment in new health insurance through Covered California. The enrollment process was easy and took about an hour. We are active, healthy, young retirees—age 62 and 58 years old. The premiums for our individual policies cost us \$882 per month, with \$8,000 and \$5,000 deductibles. With premium support, we will now pay a total of \$434 per month with \$2,000 deductibles."

- Constituent from Ventura



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