

Health Care Reform & You

The Patient Protection and Affordable Care Act (ACA) describes a Grandfathered plan as coverage "in which an individual was enrolled on the date of enactment of this Act." So rely on this simple distinction: Your TRH Health Insurance Company (TRH) coverage is Grandfathered because it was issued prior to March 23, 2010.

Your Grandfathered plan is in compliance with the ACA, so you are not subject to the health care tax beginning in 2014.

This means you do not need to make a change if your current TRH coverage is meeting your needs.

Beginning in 2014, individuals who fail to maintain minimum essential coverage will be subject to the health care tax. Your Grandfathered coverage is considered minimum essential coverage. If you keep it, you will not be subject to the health care tax.

If you are not eligible for the tax credit, or even if you are, your current TRH coverage is still a good value when you factor in your current premiums, larger network of providers, levels of cost sharing, and benefits.

You will also want to carefully compare the benefits provided by your TRH coverage versus a Marketplace plan.

Benefits: The health care items or services covered under a health insurance plan. The ACA requires QHPs to offer a comprehensive package of items and services known as essential health benefits. For a complete listing of essential health benefits, see healthcare.gov.

Consider this - will you be able to keep your current doctor in a Marketplace plan? TRH uses BlueCross BlueShield of Tennessee Network P which is the largest network of providers in the state of Tennessee. This network gives TRH members access to more than 21,000 Tennessee providers. Our coverage is also accepted nationwide.

Network of Providers: The facilities, providers and suppliers your health insurance carrier has contracted with to provide health care services.

All content based upon laws and regulations available as of August 22, 2013. Information may have changed since publication.

For more information on Health Care Reform, visit www.trh.com/Healthcare-Reform

To learn more about tax credits (subsidies), please continue reading on the back side of this page.

Step 1

Understand there are some considerations you need to think about.

Are you eligible for the tax credit? This tax credit is calculated based on your household income and family size. You will be able to determine your potential tax credit during open enrollment on the Internet-based Health Insurance Marketplace (Marketplace), beginning Oct. 1, 2013. At this point, you cannot with certainty know your exact tax credit. The only place you can receive this tax credit is the Marketplace. Coverage on Marketplace plans starts Jan. 1, 2014.

Step 2

Tax Credit: The ACA provides a new tax credit called the Advanced Premium Tax Credit (APTC) to help some people purchase a QHP (Qualified Health Plan) purchased through the Marketplace. If you qualify for a tax credit, it will reduce the amount of premium you would pay to purchase a plan on the Marketplace. The amount of your tax credit would then be reported on your yearly tax return so that it can be reconciled to your household income.

Step 3

Step 4

Cost Sharing factors for Marketplace plans as well as your TRH coverage include deductible, coinsurance, copayment, out-of-pocket maximum and non-covered services. Your TRH benefits and cost sharing amounts will remain the same for your current coverage.

Step 5

Cost Sharing: The share of costs for benefits covered by your insurance that you pay out of your own pocket.

Step 6

Your TRH coverage provides many of the essential health benefits required of a QHP. However, because your coverage is Grandfathered, it is not subject to the same cost sharing and benefit requirements as a QHP. A QHP also has limits on cost sharing. Should you cancel your TRH Grandfathered coverage you cannot get it back and would lose your health care tax exemption. To avoid the health care tax, you would be required to purchase an ACA compliant coverage even if you don't qualify for a tax credit.

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Qualified Health Plan (QHP): An insurance plan that is certified by the Marketplace, provides essential health benefits, follows established limits on cost sharing, and meets other requirements defined by the ACA.

Important Tips to Consider if you are Eligible for an Advance Premium Tax Credit

It is important to use correct household income information to receive the most accurate tax credit.

If too little income is reported, you will likely have to repay a portion of the tax credit on your tax return.

If too much income is reported, you will not receive your full portion of the tax credit to reduce your premium amount.

Know the Costs

It is important to compare benefits across Marketplace plans and determine the amount of your:

- 👉 **Deductible** – The amount you owe for covered health care services before your health coverage begins to pay. The deductible may not apply to all services.
- 👉 **Coinsurance** – Your share of the costs of a covered health care service, calculated as a percentage [for example, 20%] of the allowed amount for the service.
- 👉 **Copayment** – A fixed amount you pay for a covered health care service, usually at the time of the service. The amount can vary by the type of covered health care service.
- 👉 **Out of pocket maximum** – The most you pay during a policy period [usually a year] before your health coverage begins to pay 100% of the allowed amount.

Know the Details

The Marketplace will have varying levels of coverages available.

Review a list of network providers associated with the plans you are considering to ensure the network is adequate for your health care needs. Most networks on the Marketplace will not be as large as the one you currently have with your TRHH coverage.

To determine the best value for you, remember to compare your current TRHH benefits with those offered in Marketplace plans. If you are not satisfied with the amount of your tax credit, or if certain benefits and the provider network are important to you, TRHH's premiums and strong network of providers make your current coverage a great value.

Most plan comparison information is not currently available for Marketplace plans. Additional information is expected to be available by Oct. 1, 2013. You will find this information at healthcare.gov.