

DISABILITY & AGING RIGHTS



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PUBLIC BENEFITS

The Affordable Care Act

This is an overview of the Affordable Care Act (ACA). The information applies to people with disabilities, including older Americans with physical, cognitive, sensory or mental impairments.

Many provisions of the ACA expanded health care coverage. Some of those provisions were effective before January 2014; others became effective in January 2014.

Expansions Effective Before January 2014

No more pre-existing condition exclusions

Before the ACA was law, insurance companies routinely denied people health coverage because of “pre-existing conditions.” Starting in September 2010, children could no longer be denied insurance coverage because of a pre-existing condition. Beginning in January 2014, insurance companies cannot deny insurance to adults with pre-existing conditions.

Young adults can stay on their parents’ health plan

If a plan covers children, they can be added to or kept on a parent’s health insurance policy until they turn 26. Children can join or remain on a parent’s plan even if they are:

- Married
- Not living with their parents
- Attending school
- Not financially dependent on their parents
- Eligible to enroll in their employer’s plan

These rules apply to both job-based plans and individual plans you buy yourself, inside or outside the marketplace.

Provisions Effective January 2014

The health insurance mandate

The Affordable Care Act requires most people to enroll in a health insurance plan. If you do not sign up for insurance, you might have to pay a penalty on your taxes. People who are ineligible for Medicaid or Medicare, VA healthcare or employer-based healthcare can enroll in a private health insurance plan through the Illinois Health Insurance Marketplace, Get Covered Illinois.

www.getcoveredillinois.gov

You can apply for financial help to buy private plans, compare health plan options and enroll in the plan of your choice through the marketplace.

If you are a U.S. citizen or a legal immigrant and you earn between 139 percent and 400 percent of the federal poverty level, you are eligible for financial help that reduces the cost of your monthly premiums.

You also will not have to pay a penalty if you already have quality health coverage. You may already be covered if you get insurance through your job, have insurance directly from an insurance company, or are a part of a government program including Medicaid, All Kids, Medicare or a Veterans Affairs (VA) health care program.

Financial help to obtain insurance

The ACA created new ways to make health insurance more affordable. The first is premium tax credits, which reduce the premium a person or a family must pay for coverage. People with incomes under \$45,960 for a single individual and \$94,200 for a family of four are eligible for these credits.

The second form of financial help provided by the ACA is cost-sharing reductions. These reduce out-of-pocket costs, such as deductibles, co-pays and co-insurance. Cost-sharing reductions are available to health insurance marketplace customers who make between 100 percent and 250 percent of the federal poverty level who purchase a Silver plan. For more information about the Silver Plan, go to: www.obamacarefacts.com/silver-plan

Essential health benefits

The ACA mandated that insurance plans, including Medicaid and marketplace health plans for individuals and small groups, must include 10 Essential Health Benefits (EHB). Under EHB, not only must plans include a range of free preventive services and screenings, they must include prescription drugs; lab tests; dental and vision care for children; and mental health and substance-use disorder services, among other critical services. The Essential Health Benefits package ensures comprehensive services are included in your policy so you aren't left paying premiums for shoddy coverage.

Medicaid expansion

The ACA created a Medicaid expansion to all qualified adults below 138 percent of the federal poverty level (about \$15,800 a year for a single individual). This mandate filled a huge coverage gap in Medicaid eligibility for low-income adults. Illinois chose to expand Medicaid to single adults, without disabilities, up to 138 percent of the poverty level.

Former foster care young adults

Young adults age 18 to 26 who were receiving Medicaid benefits when they aged out of the state foster care system at age 18, and who are not otherwise eligible under Family Health Plans or Medicaid, are eligible for free Medicaid until they reach age 26. They must have been receiving Medicaid when they aged out of the foster care system. There are no income or resource tests for this group.

What did the ACA do for Medicare?

The ACA included new preventive services for Medicare beneficiaries. The preventive screenings are free. In addition, you can receive a free annual wellness visit. You will not have to pay anything for these services – no co-pays or deductibles.

The ACA will phase out the Part D donut hole. Most Medicare prescription drug plans have a coverage gap (also called the “donut hole”). This means there's a temporary limit on what the drug plan will cover.

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Not everyone will enter the donut hole. The coverage gap begins after you and your drug plan have spent a certain amount for covered drugs. In 2015, once you and your plan have spent \$2,960 on covered drugs (the combined amount plus your deductible), you're in the coverage gap. This amount may change each year. People with Medicare who get Extra Help paying Part D costs won't enter the coverage gap.

Once you reach the coverage gap in 2015, you'll pay 45 percent of the plan's cost for covered brand-name prescription drugs. You get these savings if you buy your prescriptions at a pharmacy or order them through the mail. The discount will come off the price your plan has set with the pharmacy for that specific drug.

Although you'll pay only 45 percent of the price for the brand-name drug in 2015, the entire price (including the discount the drug company pays) will count as out-of-pocket costs, which will help you get out of the coverage gap. As a result of the ACA, the "donut hole" will be phased out as discounts on prescription drugs increase every year.

There will also be more assistance for people who have low incomes who qualify for the Extra Help program. This is a federal program that provides help with premiums, co-pays and deductibles.

People with higher annual incomes will pay higher Part D premiums.

Visit www.mymedicare.gov for more information. ■

For more information:

You can receive assistance from a Senior Health Insurance Program (SHIP) counselor: www.state.il.us/aging/SHIP/default.htm or call SHIP at **1-800-548-9034**

Contact your local Area Agency on Aging: www.state.il.us/aging/2aaa/aaa-main.htm

Call the Area Agency on Aging Senior Helpline: **1-800-252-8966**. There is also more information at www.healthcare.gov.



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1-800-537-2632
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Illinois Department on Aging
One Natural Resources Way
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1-888-206-1327 (TTY)
www.illinois.gov/aging

The Illinois Department on Aging does not discriminate in admission to programs or treatment of employment in programs or activities in compliance with appropriate State and Federal statutes. If you feel like you have been discriminated against, call the Senior HelpLine at 1-800-252-8966, 1-888-206-1327 (TTY).