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Information You Need

In the last issue, we covered some of the health insurance changes coming in 2014 through the Affordable Care Act (ACA). You read about the new state exchange marketplaces and new sources for financial assistance. If you missed it, you’ll find the July/August issue online at PacificSource.com/reform (click the “I am a PacificSource member” link).

In this issue, we’ll cover new standards for health plans and let you know what to expect as your policy renews.

What Are Essential Health Benefits (EHBs)?

The ACA ensures that all health plans sold to individuals and small employers—both inside and outside of the new exchange marketplaces—cover certain items and services, known as essential health benefits or EHBs. This requirement begins in 2014 as policies renew. EHBs include the following general categories:

- Ambulatory care, which includes doctor office visits and other same-day outpatient care
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including dental and vision care for children under 19
- Chiropractic care



What this means for you:

Today’s individual and family plans don’t meet all the EHB requirements. When your plan renews in 2014, your new plan will include coverage for all these EHBs.

 You’ll find more details on EHBs in the consumer guides on our reform website, healthcarelawguide.com/ForConsumers.html. Search for “essential health benefits.”

What Are “Metal” Plans?

What this means for you:

You’ll soon see new plan names that include each plan’s metal level. The metal levels will make it easier for you to understand how costs and benefits compare with one another, even though the plans themselves will differ.

Today, health insurance companies offer many different plans, and the choices can be very different from company to company. In 2014, all individual and family plans will be categorized into “tiers” or “levels” called Bronze, Silver, Gold, and Platinum. As you might guess from their names, the metal levels reflect the relative cost and benefit levels. Platinum plans will offer the most generous coverage in exchange for the highest monthly costs, while bronze plans have the lowest monthly costs and least generous coverage.

These metal level categories are designed to make it easier for you to compare plans from different insurance companies. For example, if you compare all silver plans from all insurance companies, you’ll find different deductibles, copayments, and coinsurance levels. There will also be differences in provider networks, prescription drug lists, no-cost “extras,” and of course, customer service. But regardless of the health insurance company, what all silver plans have in common is that in total, they provide about the **same overall coverage for essential health benefits for the average pool of people**. The percent of covered benefits will be different for each person, based on what benefits are actually used. You’ll find these metal level labels on all individual and family plans, no matter where you shop for coverage.

 You’ll find more details on metal levels on our reform website, healthcarelawguide.com/ForConsumers.html. Search for “actuarial value.”

“Catastrophic” Plans: An Exception to the Metal Levels

The only exception to the metal level categories is the “catastrophic plan,” which provides coverage below the level of the bronze plans. It’s designed to be a low-cost, high deductible alternative for young adults and people who are exempt from the ACA’s coverage requirement due to unaffordability. To be eligible for a catastrophic plan you must be under age 30, or the cost of the least expensive bronze plan must be more than nine percent of your income. These plans will only be available through Idaho’s exchange marketplace, Your Health Idaho (yourhealthidaho.org), and no cost-sharing subsidies can be applied.

Premium Rates: What’s the Outlook?

What this means for you:

It might help to think of 2014 as when the health insurance system’s “reset” button is pushed. You’ll have different insurance benefits and new options for provider networks. Your costs will be different, and you may be eligible for financial assistance to help with those costs.

With all the upcoming changes to health insurance, it’s not surprising that the cost of coverage will be affected. Remember that with the ACA, health insurance plans will cover more benefits (EHBs) with no lifetime limits, and deductibles can be no higher than \$6,350 per year. Pre-existing condition limitations are going away, and many people will have access to financial help to pay for health insurance. Rating rules will change, and new fees and assessments will be collected to pay for new insurance marketplaces and other reforms.

Will your premium rates go up? It depends on many variables, but for most people, the new ACA-qualified health plans in 2014 will cost more than their current health plan.

- If you have a deductible of \$7,500 or more, your 2014 premium rates are likely to be higher (but your deductible will be lower).
- If you use tobacco, your premium rates are likely to be higher. You’ll be able to reduce your rates to the non-user premium by successfully completing a tobacco cessation program, though.
- If you’re young, you may see higher premium rates. While it’s difficult to pinpoint specific ages, in general, younger people may see higher rates, while older people may see lower rates because of new rating rules.

We’ve done our very best to keep your rates as low as possible. One way we’re addressing the cost of health insurance is through new “coordinated care” partnerships with doctors and other healthcare providers. The doctors and facilities who participate in these new networks have agreements with us that make all of us more accountable for quality of care, keeping costs down, and most importantly, working with you to help you maintain your health. You’ll receive more information about these new network options in your 2014 renewal kit.

What to Expect: Your Policy Renewal

When your coverage renews in 2014, your existing individual health plan will no longer be available. You'll need to move to a new plan that meets the ACA standards at your 2014 renewal date.

We'll make the change as easy for you as possible, starting with a renewal kit you'll receive by mail about 90 days before your renewal date. Your kit will include everything you need to stay with PacificSource without a break in coverage.

You'll be able to move onto the "best match" plan—the 2014 plan that's most like your current PacificSource plan—without any effort, or let us know if you'd prefer another option. Your kit will show the benefits and rates for the best match plan, along with another option or two that would cost less. You'll also get a plan catalog with information and rates for all available 2014 plans and clear information on next steps.

If you currently pay your premium through automatic withdrawals and want to continue that method, just let us know. Because premium rates may change significantly this year, we want to help you avoid any unpleasant financial surprises. If we don't hear from you, we will begin mailing your monthly bills when your new plan starts.

Easy renewal and no need to re-enroll

If you renew directly through us using your renewal kit, you won't need to complete a new enrollment application, and your access to member services like InTouch will continue seamlessly. If you qualify for financial assistance and enroll through Your Health Idaho (Idaho's exchange marketplace), you'll have access to the same member services you have today, but as a "new" PacificSource member. Once you re-enroll in coverage through Your Health Idaho, you'll receive a new PacificSource member ID number and can register for a new InTouch account.



Need more time to transition?

If you need to continue your current coverage a little longer, you may be able to extend your current plan coverage by changing your plan's renewal date. For example, if your policy renews on February 1, changing your renewal date to December 1 would allow your current plan to remain until December 1, 2014. Talk with your health insurance agent or contact a PacificSource Coverage Advisor if you feel this is necessary for your ongoing care. This option is only available until October 22, 2013.



Will you qualify for financial assistance?

Have you checked into whether you're likely to qualify for financial assistance to help with premium costs? You can do this by visiting YourHealthIdaho.org. If you qualify, you'll need to enroll in a 2014 plan through YourHealthIdaho.org to access that financial assistance, but we can help with that transition. Our Coverage Advisors (see back page for info) can help you explore your plan options before you enroll, so you'll know just how to select the coverage you want.

Timeline: What's to Come

September 2013 and beyond:

2014 renewal kit mailings begin. Watch for your packet about 90 days before your renewal date. Your current coverage will continue until your renewal date, when your new reform-qualified health plan is effective. If you're interested in changing your renewal date, talk with your insurance agent or a PacificSource Coverage Advisor.

October 2013 and beyond:

Exchange marketplace, Your Health Idaho, opens, and enrollment begins. If you qualify for financial assistance, you'll need to apply through YourHealthIdaho.org.

January 2014 and beyond:

New plans go into effect based on your renewal date. For example, if your current plan renews in January of 2014, you will receive your 2014 renewal packet in the mail in September. If you choose to renew with us, your new plan will be effective in January 2014.

You'll find more details on how ACA impacts the cost of insurance on our reform website, healthcarelawguide.com/ForConsumers.html. Search for "short term rates."



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What's Next?

In the next issue of *Reform and You*, we'll share answers to frequently asked questions and next steps to help you get the coverage you need. In the meantime, if you have a question you'd like us to answer, email us at reform@pacificsource.com. Watch for the next *Reform and You* in November.

We're here to help.

The good news is, you won't have to navigate all of this change on your own. We're ready to answer your questions now, and we'll help you explore coverage options at renewal time. We look forward to talking with you.

PacificSource Coverage Advisors

(855) 330-2792 or reform@pacificsource.com

Online resources:

PacificSource.com/reform

Here you'll find information about how healthcare reform will impact you as a PacificSource member.

HealthcareLawGuide.com

Our site with general information for all consumers about how healthcare reform may impact them.

YourHealthIdaho.org

Idaho's exchange marketplace.

Insurance Agents: A No-Cost Resource

Independent health insurance agents can be a great resource for sorting through health insurance options, and their services won't cost you a dime. If you already have a health insurance agent, he or she can help you understand your choices and enroll in a 2014 plan. If you don't have an agent but would like to find one, let us know and we'll be happy to refer you to a top-notch agent in your area.