



# NY STATE OF HEALTH: THE OFFICAL HEALTH PLAN MARKETPLACE

What It Means for New York — What It Means for You



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WHAT CARE FEELS LIKE.



**The Affordable Care Act (ACA) requires that most Americans obtain basic health insurance coverage beginning January 1, 2014 or pay a penalty. A key provision of the ACA was the creation of state-based health insurance marketplaces. These organized, online marketplaces are designed to make quality, affordable health insurance available to those who need it, and make it easier to shop for health coverage.**

**This brochure will give you a basic overview of NY State of Health, the Official Health Plan Marketplace, including who can use the marketplace to buy coverage, the financial assistance available, the requirements for plans sold on the marketplace, and much more.**



## TYPES OF MARKETPLACES

The ACA gives the states the option to choose the type of marketplace they prefer:

- **State-Based Marketplace** — States set up and run their own marketplaces.
- **State-Partnership Marketplace** — States run their marketplace in partnership with the federal government.
- **Federally Facilitated Marketplace** — The federal government runs the state's marketplace based on a U.S. Dept. of Health and Human Services (HHS) model.

## CREATION OF NY STATE OF HEALTH

New York is one of many states that have chosen to build and operate a state-based marketplace. In April 2012, Governor Cuomo signed Executive Order Number 42 establishing the New York Health Benefit Exchange, rebranded as NY State of Health, within the NYS Department of Health.

NY State of Health will be home to two marketplaces:

- **Individual Marketplace** — where individuals can shop for coverage and find out if they are eligible for federal financial assistance
- **Small Business Health Options Program (SHOP)** — where small businesses with less than 50 employees can shop for health coverage

An estimated 1.1 million uninsured New Yorkers are expected to enroll in health coverage through NY State of Health when it is fully implemented.\*

\*Based on a study conducted by the Urban Institute — from the *Invitation to Participate in the New York Health Benefit Marketplace*, published by the New York State Department of Health.



NY State of Health is an online marketplace that allows consumers to compare and purchase plans.

## WHAT THE MARKETPLACE MEANS FOR NEW YORK

Today nearly 2.7 million New Yorkers under age 65, or 16 percent of the total population, have no health insurance coverage. Once NY State of Health and other ACA provisions are fully up and running, the impact for the state is expected to be significant:\*

- An estimated 1.1 million uninsured New Yorkers will enroll in health coverage.
- The average premium for those who buy their own health coverage today is expected to decline dramatically on the new marketplace.
- An estimated 615,000 New Yorkers are expected to purchase coverage on NY State of Health. Together they will receive about \$2.2 billion in tax credits to help offset the cost of buying their health coverage on this new marketplace.

### April 2012

*Governor Cuomo signed Executive Order Number 42 establishing NY State of Health*

### January 1, 2014

*Coverage begins for those who enrolled through the marketplace*

### 2017

*New York State will determine whether the SHOP marketplace will be open to groups with 100 or more employees*



### October 1, 2013

*Marketplace goes live on the Web and begins accepting applications for coverage that is effective January 1, 2014*

### October 1, 2015

*SHOP marketplace opens to groups with 51 to 100 employees*

## WHO CAN BUY COVERAGE ON NY STATE OF HEALTH?

- Individuals who don't get health coverage from government programs or their employer will be able to buy a health plan on the marketplace.
- Individuals whose income falls between 133 and 400 percent of the Federal Poverty Level (FPL) may be eligible for premium tax credits, which can help them pay their monthly premiums.
- Individuals whose income falls between 133 and 250 percent of the FPL may also be eligible for subsidies, which can help them pay their out-of-pocket costs for care.
- Those who can't afford to buy coverage may be eligible for an exemption from the individual mandate to purchase coverage.
- Small businesses with 50 or fewer employees can also buy health coverage on the SHOP marketplace starting October 2013.

The marketplace has fact sheets for small businesses, as well as individuals and families, on the coverage offered through NY State of Health. You can find the fact sheets on the Resources page of the NY State of Health Web site — [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov).

\*Source: Blavin F. et al. Urban Institute – Health Policy Center. The Coverage and Cost Effects of Implementation of the Affordable Care Act in New York State. March 2012.



## CREDITS AND SUBSIDIES HELP OFFSET COSTS

Individuals and families with incomes between 133 and 400 percent of the FPL may be eligible for premium tax credits or subsidies when they buy their health coverage through NY State of Health. These credits will be tied to the second lowest-cost Silver plan in the area, referred to as the benchmark plan. Set on a sliding scale, premium tax credits are limited to the following:

Federal Poverty Level	2013 Income	Premium Tax Credit Limit
Up to 133 percent FPL	Up to \$15,282	2 percent of income
133–150 percent FPL	\$15,282–\$17,235	3–4 percent of income
133–150 percent FPL	\$17,235–\$22,980	4–6.3 percent of income
133–150 percent FPL	\$22,980–\$28,725	6.3–8.05 percent of income
250–300 percent FPL	\$28,725–\$34,470	8.05–9.5 percent of income
300–400 percent FPL	\$34,470–\$45,960	9.5 percent of income

Premium tax credits can be used to purchase most plans on NY State of Health. Those who earn up to 250 percent of the FPL may also qualify for a cost-sharing subsidy, but only when they enroll in a Silver plan. These subsidies will help qualifying individuals lower their out-of-pocket medical costs.

To find out if you qualify for credits, visit [www.emblemhealth.com](http://www.emblemhealth.com) and use our Affordable Care Advisor tool, or visit [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov).

**Example:** Let's say the premium of the second lowest-cost Silver plan on NY State of Health is \$400 a month in your county. If you make about \$17,000 a year you will pay a premium of around \$60 a month for that product. Your premium tax credit would therefore be \$340. You can use this tax credit to purchase any metal on NY State of Health. To find out exactly what you may qualify for, visit the NY State of Health Web site.

NY State of Health will make **quality, affordable health care** available to individuals and families starting October 1, 2013.

## FOR THOSE WHO REMAIN UNINSURED

A penalty may be imposed on those who don't have employer- or government-provided insurance and refuse to purchase coverage.\* Penalties will apply for each month an individual remains uninsured in 2014. Individuals must pay these penalties when they file their income taxes the following April. (See the chart below for specifics.)

<b>2014</b>	The larger of \$95 per adult and \$47.50 per child, or 1 percent of the taxable household income
<b>2015</b>	The larger of \$325 per adult and \$162.50 per child, or 2 percent of the taxable household income
<b>2016</b>	The larger of \$695 per adult and \$47.50 per child, or 2.5% of the taxable household income
<b>2017 and beyond</b>	Annual adjustments

\*Some individuals will be exempt from the penalty, such as American Indians, prisoners, undocumented immigrants, some religious groups, groups that have historically been exempt from the Social Security system (such as the Old Order Amish), religious groups whose members pay for one another's health care instead of buying insurance, individuals whose family income is so low they don't have to file a tax return, and individuals who earn so little that health insurance premiums (after federal subsidies and employer contributions) would total more than 8 percent of their income.



## REQUIREMENTS FOR PLANS SOLD ON NY STATE OF HEALTH

By law, health plans sold on the marketplace must:

- Provide essential health benefits
- Follow established limits on cost-sharing, including deductibles, copayments and out-of-pocket maximums
- Have adequate networks
- Be certified by NY State of Health

## METAL LEVELS

Most health insurance plans sold on NY State of Health must provide four tiers of coverage that correspond to the “metal” values shown below:

Plan Type	Level of Coverage	Essential Health Benefits	Out of Pocket Limit*
BRONZE	60%	Yes	\$6,350 Individuals \$12,700 Families
SILVER	70%	Yes	\$5,500 Individuals \$11,000 Families
GOLD	80%	Yes	\$4,000 Individuals \$8,000 Families
PLATINUM	90%	Yes	\$2,000 Individuals \$4,000 Families

\*The out-of-pocket limit is equal to the Health Savings Account current law limit for 2013.

## ESSENTIAL HEALTH BENEFITS

NY State of Health must offer a comprehensive package of services known as “essential health benefits.” They include preventive, diagnostic and therapeutic services from the following ten care categories:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care



Most routine preventive services are available at no out-of-pocket cost to anyone who purchases a health plan.



## SERVICES PROVIDED BY NY STATE OF HEALTH

In order to help consumers compare and purchase health coverage, the marketplace will:

- Provide Navigators and in-person assistors to help consumers enroll.
- Manage the Web site and staff the call centers.
- Gather and review information about each applicant to determine eligibility for enrollment, tax credits or subsidies.
- Send consumers' information to the carriers.
- Help consumers determine their eligibility for a tax credit or subsidy from the federal government.

## THE ROLE OF NAVIGATORS

New York State will contract with community-based organizations to deliver free navigational services to individuals who are purchasing coverage on NY State of Health. Under the health care law, a Navigator has the following duties:

- Maintain expertise in eligibility, enrollment and program specifications, and conduct public education activities to raise awareness about plans sold on the marketplace.
- Distribute fair and impartial information concerning enrollment in a plan and the availability of premium tax credits and cost-sharing reductions.
- Facilitate the selection of a plan or, when appropriate, a public insurance plan.
- Provide referrals to appropriate agencies for enrollees with grievances, complaints or questions.
- Provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the marketplace, including those with disabilities or low income, as well as those who are disadvantaged or hard to reach.

NY State of Health provides a list of Navigators by county at [www.nystateofhealth.ny.gov/ipanavigatorMAP](http://www.nystateofhealth.ny.gov/ipanavigatorMAP).

## THE ROLE OF PRODUCERS

Brokers and Agents will be able to advise individuals and small groups about plans offered through NY State of Health, including information on small business tax credits, premium tax credits and cost-sharing arrangements. To do so, they must:

- Enter into an agreement with NY State of Health.
- Be licensed and in good standing with the NYS Department of Financial Services.
- Complete a state-approved training program.
- Pass a test to certify completion of the program.
- Comply with all applicable provisions of federal and state law related to assisting consumers, employers and employees in the marketplace.
- Have required privacy and security measures in place.



## COMPENSATION FOR PRODUCERS

The Affordable Care Act states that producers must receive the same commission for sales on and off NY State of Health for the same product.

## HOW EMBLEMHEALTH IS PREPARING FOR NY STATE OF HEALTH

We have already implemented several key mandates of the ACA:

- Extending coverage for dependents up to age 26
- Eliminating cost-sharing for certain in-network preventive services
- Removing annual and lifetime dollar limits, where applicable

For over 75 years, EmblemHealth has been a leader in providing innovative, affordable health care coverage solutions for the people of New York. We are committed to continuing in that role and working closely with the state as NY State of Health is implemented.



### FOR MORE INFORMATION

We understand that health care reform — particularly the NY State of Health marketplace — is complex and will change the way individuals and small employers buy health insurance in New York State. If you have questions, please visit the NY State of Health Web site at [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov) or our Web site at [www.emblemhealth.com](http://www.emblemhealth.com).





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