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Health Insurance Marketplaces/Exchanges Frequently Asked Questions

Q: Who can purchase coverage through the marketplace?

- Anyone can purchase coverage through the marketplace.

Q: What is the exchange (the marketplace)?

- The Affordable Care Act requires each state to establish health benefit exchanges by January 1, 2014. Exchanges are to be marketplaces where qualified individuals and small businesses can shop for private health insurance coverage. States can elect to establish and operate a fully state-based exchange as a governmental agency or a nonprofit entity, a federal-state partnership exchange or default into a federally facilitated exchange.

Q: Who is eligible for a financial assistance to purchase coverage through the marketplace?

- Financial assistance may be available to people who are not offered qualifying and affordable coverage through their employers, and not enrolled in any employer-based plan.
- If your household income is between 100 and 400 percent of the federal poverty level, you might be eligible for financial assistance. Financial assistance amounts vary based on household income.
- If your income is at or below 133 percent of the federal poverty level, you might be eligible for Medicaid.

Q: What type of plans will be offered through the marketplace?

- Every health insurance plan in the marketplace will offer comprehensive coverage fulfilling the health reform law's individual mandate.

Q: Is coverage through the marketplace free?

- No. Financial assistance in the form of tax credits may be available to people who are not offered qualifying and affordable coverage through their employer, are not enrolled in an employer-based health plan, and whose income is less than 400 percent of the federal poverty level. Individuals and families with incomes at or below 133 percent of the federal poverty level may be eligible for

Medicaid, and won't qualify for financial assistance to purchase an insurance policy in a Marketplace.

- Health insurance plans purchased through the marketplace are paid for on a post-tax basis.

Q: How can I buy coverage through the marketplace?

- You can apply for and enroll in coverage online, in person, by phone, fax, or mail.

Q: My employer offers family coverage, and the employee-only tier of coverage is considered qualifying and affordable. Is my spouse eligible for financial assistance through the marketplace?

- Generally, no. If an employer offers family or employee-plus-spouse coverage, and the employee-only tier of coverage is considered both qualifying and affordable, your spouse does not qualify for financial assistance in the marketplace. This goes for other of your dependents (such as children) as well.

Q: What are the differences between a public and a private exchange?

- Public Exchanges- Public exchanges make available plans that meet the statutory criteria to be considered a qualified health plan (QHP). A QHP provides essential health benefits, follows established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts), and meets other requirements. A qualified health plan will be certified by each exchange in which it is sold.
- Private Exchanges- Private exchanges are separate and distinct from the state and federal exchanges. Private exchanges are not subject to the Affordable Care Act. Private exchanges are typically established by insurance companies, benefits consultants or brokers and can offer more options and flexibility in terms of plan design, costs, and provider networks. It could be a single-carrier exchange with a variety of health plans available but through one insurance company or a multi-carrier option with many plan choices available through multiple carriers. In a private exchange the employer would typically adopt a defined contribution approach where the employer gives its employees a fixed contribution amount to purchase a health plan.