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For All Your INSURANCE Needs Since 1983

Understanding the Affordable Care Act: the Individual Mandate

In 2011, 16 percent of Americans, 49 million people, had no health insurance. The Affordable Care Act is intended to make health insurance available to more people. One of the changes from the Affordable Care Act is an "individual mandate" that requires most U.S. citizens and legal residents to have health insurance starting Jan. 1, 2014, or pay a fine.

What Does the Individual Mandate Mean for Me?

If you already have health insurance coverage that meets the minimum requirements as of Jan. 1, 2014, through your employer, you don't need to make any change. The requirement is already satisfied.

Those who don't have coverage through an employer or a government program like Medicaid or Medicare, or qualify for an exemption will have to purchase individual coverage.

In October 2013, new online shopping sites called exchanges (also called health insurance marketplaces) will open. They are designed to make comparing and buying health insurance easier and cheaper. For those who qualify, tax credits and financial assistance (or subsidies) to offset health insurance costs may be available. There will be two types of exchanges, Public and Private. We at JZA have partnered with Blue Cross Blue Shield, United HealthCare, Cigna, Humana, Aetna and Assurant to create our own Private Health Insurance Exchanged called Health Care Access TX www.hcatx.com for individual and family medical insurance.

****Starting with the 2014 federal tax return, people will have to prove they have health insurance or pay a penalty. For 2014, the penalty is the higher of \$95 or 1 percent of your income.**

To learn more about health care reform, visit James Zander & Associates website www.jzainsurance.com contact James Zander, CLU, RHU at 214.269.3030.



New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved
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PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by your employer.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.¹

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution—as well as your employee contribution to employer-offered coverage—is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact our Human Resource Department.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

¹ An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.