

Healthcare Reform's Promise Fulfilled

Don't Believe All the Negative Press about the Affordable Care Act

Health insurance provides a way for everyone in the chain of healthcare to get paid whenever you are sick or injured. Everyone except you and your family. Under healthcare reform that could all change for the better.

Think about it. When you open your wallet and spend thousands of dollars for health insurance you are providing a guarantee that your doctors, clinics, hospitals, and pharmacists will be paid any time that you are sick or hurt. Nowhere in a health insurance policy is there any money for you. And yet, when you need medical care you almost always suffer from a loss of income and an increase in expenses. Unreimbursed expenses like transportation and parking at medical facilities, time off from work, special foods or vitamins, extra childcare or pet care, modifications to your home are expenses that are not covered by health insurance.

A solution to this problem is on the way. Big changes are coming to health insurance in 2014, particularly for those who are responsible for providing their own coverage. For moderate income individuals those changes could truly fulfill the promise of the Affordable Care Act, also known as Obamacare. Starting this October health insurance exchanges will open throughout the country. The exchanges will offer four different health insurance plans. All four of the plans will contain a package of Essential Health Benefits, offering no-cost preventive care, comprehensive, unlimited coverage, and caps on out-of-pocket medical expenses. For those with moderate incomes (in 2013, less than about \$46,000 for an individual, \$62,000 for a couple, \$94,000 for a family of four), plans purchased on the exchanges will be far less expensive than other plans. Through the exchanges, the less you earn, the less you pay for health insurance.

	Coming January 1, 2014....			
	Insurance Exchange Health Insurance Policy Forms			
	Bronze Plan	Silver Plan	Gold Plan	Platinum Plan
Covered percentage of average healthcare expenses	60%	70%	80%	90%

In addition, plans purchased through the exchanges will:

- Guarantee acceptance to all applicants regardless of pre-existing conditions
- Charge rates that cannot be increased because of pre-existing conditions, obesity, prescription drug use, or any reason other than tobacco use

The changes coming in 2014 present an outstanding opportunity for moderate income individuals to insure their paychecks, insure the indirect costs of healthcare, and spend less than the current cost of health insurance alone.

Over the years we have worked with thousands of members of trade associations who are engaged in work that they love, but work that does not always result in high earnings. Maintaining basic health insurance has long been a challenge for these clients. Soon there could be significant health insurance savings available through the health insurance

exchanges and it is our suggestion that a portion of those savings be directed into coverage that insures your paycheck and the indirect costs of healthcare when you are hurt or sick or unable to work.

What if you could have an insurance plan that not only covers your medical bills, but that also replaces your income if you can't work, pays you cash if you have an accident or a severe medical condition?

What if the cost of all this coverage was less than you pay for health insurance alone in 2013?

Under the Affordable Care Act you may be able to do exactly that.

Below is an example of changes coming in 2014. The example is based on a female non-smoker, living in Charlotte, North Carolina, earning \$30,000 per year. The paycheck protection package pays up to \$1,750 per month for up to two years in tax-free benefits if you cannot work because of an injury or a sickness, up to \$5,000 for treatment of an accidental injury, and up to \$25,000 for life threatening cancer, heart attack, or stroke. The 2013 health insurance rates shown in the table are based on a \$1,000 deductible, 70% coverage plan from UnitedHealthcare, a plan that is comparable to the Silver plans coming on the exchanges.

The insurance package for 2014, shown in the table below has the potential to pay up to \$72,000* in tax-free benefits directly to you while costing less, possibly much less, than today's cost of health insurance alone. The health insurance plans on the exchanges will be available for quoting and applications on October 1, 2013 for coverage beginning January 1, 2014. The paycheck protection policies are now available in most states from WorldWide.

Before January 1, 2014		After January 1, 2014		
Health Insurance Only		Comprehensive Insurance Package**		
Age	2013 Monthly Cost of Health Insurance Plan Similar to Silver Level Exchange Policy (\$1,000 deductible, then 70% coverage)	Age	Total Monthly Cost of a Silver Level Health Insurance Exchange Policy, <u>and</u> Paycheck Protection Package	Your Yearly Savings versus 2013 Health Insurance Only
25	286.00	25	283.09	34.92
35	379.00	35	307.32	860.16
45	494.00	45	322.78	2,054.64
55	690.00	55	387.14	3,634.32

* \$42,000 in disability insurance payments over a two-year period, \$5,000 in accident coverage payments paid as expenses are incurred, \$25,000 upon occurrence of a critical illness covered by the policy.

** These premium calculations are based on estimates of premiums under healthcare reform. The portion of the premium that is allocated to health insurance has been prepared by the Congressional Budget Office. The balance of the premium is calculated by using the discounted (for association members) cost of a paycheck protection policy from Illinois Mutual Insurance Company and a \$500 deductible Accident Plus policy issued by American General. Actual premiums will vary by location, subsidy, and age. Examples shown are for illustrative purposes only.

As the table above shows, for many of you, starting in 2014, healthcare and paycheck protection will cost less, possibly far less than today. The savings in health insurance costs plus the added security of protection for your paycheck and the indirect costs of healthcare will deliver on the promise of the Affordable Care Act for millions of Americans.

For information, quotes, or answers to your questions please contact Health Insurance Express, Inc. at (855) 798-9887 or by e-mail at info@h-ie.com