Most Americans get health insurance through their employer or a family member’s company. However, nearly eight million people are now buying health coverage through an insurance marketplace. If you bought insurance through the exchange last year, or are considering buying from the exchange this year, the National Association of Insurance Commissioners (NAIC) has some information to make the process a little easier.

The Basics: Health insurance marketplaces, or exchanges, operate in every state. These online portals ask a series of questions to determine which plans meet your needs. They also determine if you are eligible for any subsidies or alternative coverage through Medicaid or the Children’s Health Insurance Program (CHIP). You can apply online, by mail or in person. If you get coverage through Medicare or an employer, you don’t need to apply for coverage through the exchange.

Open Enrollment is the period in which you can shop and sign up for insurance coverage in the exchange. Open enrollment for 2015 coverage starts November 15, 2014 and ends February 15, 2015.

If You Enrolled Last Year: If you purchased health insurance through the marketplace last year, you will be auto-enrolled in the same or similar plan unless you select a different plan by December 15th. However, you should still verify your information and look at the available policies. There may be a new option that is less expensive or better suits your needs. Even if you are auto-enrolled in a plan, you are able to choose a different plan at any time during the open enrollment period, which goes through February 15, 2015.

In addition, your eligibility for subsidies depends on your income and available policies in your area. Either of these may have changed from last year. Even if your income and chosen plan have not changed, if there is a less-expensive option it could affect the amount of subsidy you are entitled to. If you do not complete a new eligibility determination,
you may be responsible for repaying the difference between what you are currently receiving and what you should receive when you file your 2015 taxes.

New to the Exchange? If you had a plan that is no longer offered, you may have already gotten a cancelation notice. That means that the insurance company is either unable or has chosen not to renew that policy. Some plans were extended for one year and are no longer available. You should review all of your insurance options, including purchasing on the exchange. You can still purchase insurance “off” the exchange in the individual market, but you will not be eligible for subsidies if you go this route.

Multi-State Plans: There was some confusion with multi-state plans sold on the exchange. Carriers participating in the Multi-State Plan Program offer policies in many different states. Individuals who purchase insurance in one state are NOT guaranteed coverage of health care services provided in another, even if the carrier sells the same plan there. Be sure to understand which doctors and hospitals are covered, and which services and providers are “out of network.”

Coverage Options: Plans sold on the marketplace fall into one of four categories: bronze, silver, gold or platinum. The different categories represent what an average enrollee would pay out-of-pocket. All plans must cover 10 essential health benefits (EHBs). The levels of payment are:

- Bronze: the plan pays, on average, 60%; consumer pays 40%
- Silver: the carrier pays, on average, 70%; consumer pays 30%
- Gold: the carrier pays, on average, 80%; consumer pays 20%
- Platinum: the carrier pays, on average, 90%; consumer pays 10%

Consumers should note - if you purchase a bronze plan, you would pay a higher portion of the total cost of the care you receive than you would if you had gold. While bronze plans have lower premiums, they also have higher deductibles, co-pays and coinsurance levels. These all increase your costs if you need medical care.

The marketplaces also offer catastrophic plans. As the name suggests, they only cover you if you require extensive care. Catastrophic plans are available for individuals under 30 years old or for those with very low incomes who cannot afford other options. Consumers should be aware that catastrophic plans will not be eligible for use with a health savings account in 2015.

Finding Help: Each state has a program to assist consumers with understanding their options. While the actual names may vary by state, each state has some form of assistance available. It may be an individual or an organization, but trained navigators,
application counselors and in-person assisters are able to help you learn about the available choices and guide you through the application process. These assisters may not be licensed insurance agents and, if they aren’t, they cannot recommend a specific insurance plan or sell you insurance.

A trained and licensed insurance agent or broker can help you find the right policy. They can recommend a specific plan, but they may be limited to selling for a particular company.

**Rates on the Exchange:** Exact rates may depend on age, family size, geographic location and tobacco use. In addition, some people may qualify for subsidies based on their income. These subsidies come in the form of a tax credit, applied to your monthly premiums, and cost-sharing reductions, which increase the value of silver plans for those who qualify.

**More Information:** If you have questions about the health insurance marketplace in your state, contact your state insurance department. For more information on the NAIC’s activity on health care reform, visit the Healthcare Reform Special Section. You can find more information on the ACA on the HHS website.
insurance industry but the state based system of insurance regulation. “It has been a great honor to serve on behalf of my fellow state insurance regulators on FSOC,” said Huff. “We have made great progress, but we still have a ways to go before state insurance regulators are fully integrated into this important work and the FSOC fully understands the insurance sector and its regulation. After four years, I am still concerned that the non-banks designations remain the product of something other than robust analytics.”

To replace Huff, the NAIC appointed Hamm to a two-year term as the next state insurance commissioner representative on FSOC. Hamm’s selection was ratified in an NAIC Plenary meeting.

“I look forward to serving my fellow regulators on FSOC to represent our system of regulation,” said Hamm. “I assume this role with great respect for the work of Director Huff and I look forward to working with the other financial regulators as we take the next steps to promote a stable insurance marketplace and protect the broader financial sector.”

FSOC is a fifteen member body comprised of the nation’s chief financial regulators. The council was created by the Dodd-Frank Wall Street Protection and Consumer Protection Act in 2010 to monitor the safety and stability of the nation’s financial system, identify risks to the system, and coordinate a response to any threats. The council also has the authority to identify non-bank financial firms, financial market utilities and systemic payment, clearing, or settlement activities that could potentially pose a threat to the financial stability of the United States.

GLOBAL COOPERATION

NAIC Vice President and Pennsylvania Insurance Commissioner Michael F. Consedine (left) and International Association of Insurance Supervisors (IAIS) Secretary General Yoshihiro Kawai (right) celebrate the IAIS Multilateral Memorandum of Understanding (or MMOU) signing.

This week Pennsylvania became the 43rd signatory to the MMOU globally, and the 6th U.S. state signatory.

The MMOU establishes a formal basis for cross-border cooperation and information exchange amongst supervisors around the world. It involves a rigorous application and accession process whereby an independent evaluation assesses whether certain legal confidentiality requirements of a jurisdiction are met as a precondition for effective cooperation and coordination through the IAIS MMOU.