Preparing for Health Care Reform: What You Need to Know About Exchanges

Health care providers throughout the country are turning their attention to preparing for the impact of Health Care Reform in 2014 and beyond. Blue Cross of Northeastern Pennsylvania (BCNEPA) is dedicated to giving you information to help you prepare for the changes Health Care Reform brings. One of the most significant changes will be the creation of a public health insurance exchange, also known as the Federally Facilitated Marketplace (FFM). As part of our commitment to help you and your patients prepare, following is an overview of health insurance exchanges.

What are exchanges?
Exchanges are online stores that allow you to purchase health insurance.

There are 2 types of exchanges:
public and private.

What are private health insurance exchanges?
Private exchanges already exist, such as Blue Cross of Northeastern Pennsylvania’s online store, www.bluecrossstore.com. Today, customers can shop on our online store, where they can select from a variety of affordable health care plan options that fit their needs and budget.

What is the FFM?
Pennsylvania’s public exchange will be run by the Federal Government and will offer health insurance plans from multiple health insurance companies, including Blue Cross of Northeastern Pennsylvania. You will hear this exchange referred to as the Federally Facilitated Marketplace or FFM. Premium tax credits and cost-share subsidies will only be available on the FFM. Pennsylvania’s FFM is scheduled to open October 1, 2013. One way you will be able to access the FFM is through the Blue Cross Store at www.bluecrosstore.com.

Who can shop on the FFM?
Anyone who is purchasing his/her own individual health insurance coverage and small employers (with fewer than 50 employees) can shop on the FFM.

When can my patients shop for these new plans?
Starting October 1, 2013, when they visit the Blue Cross Store, www.bluecrosstore.com, they will be able to see all of our new plans and also will have access to our plans on the FFM. Since your patients will be able to access the FFM through our Blue Cross Store, they will be able to determine if they are eligible for a premium tax credit or cost-share subsidy to help in paying all or a portion of the cost of their health insurance—all from our website. Either way, we’ve got them covered.

How can my patients use premium tax credits and cost-share subsidies to help purchase health insurance on the FFM?
Your patients may qualify for a premium tax credit or cost-share subsidy if:
• Their employer doesn’t offer health insurance
• Their employer’s health insurance plan costs more than 9.5% of their income
• Their household income is between 100% and 400% of the federal poverty level

Your patients may qualify for a cost-share subsidy if:
• Their employer doesn’t offer health insurance
• Their household income is between 100% and 250% of the federal poverty level (currently $28,725 for an individual and $58,870 for a family of four)
• They purchase a Silver plan
This cost-share subsidy can be used to help reduce a patient’s cost-share amounts, such as deductibles, coinsurance or copayments. The amount of the cost-share subsidy for which a patient is eligible for depends on his or her family’s size and income.

**Will my patients receive any notice about the FFM coverage?**
Employers must give each new employee (at the time of hiring) and all current employees written notice about the FFM, as well as a description of services provided and how to reach the FFM for help. Although notices were originally required to be distributed by March 1, 2013, the U.S. Department of Labor (DOL) has delayed the notice deadline until October 1, 2013. Your patients can also visit our [health care reform website](http://www.bcnepa.com/healthcareform) at [www.bcnepa.com/healthcareform](http://www.bcnepa.com/healthcareform) to learn more about public and private exchanges.

**What else can we do to help you and your patients?**
- BCNEPA’s individual plans are available on the [Blue Cross Store](http://www.bcnepa.com/bluecrossstore). We have a variety of affordable health insurance plans with quality health care benefits and the largest network of providers. New plans will be available by October 1, 2013, when open enrollment for the exchanges begins.
- At that time, your patients can access the FFM right from our store, to see if they are eligible for a premium tax credit or cost-share subsidy. No matter what they need, we have them covered!
- For more information on the FFM, you and your patients can visit the U.S. Department of Health & Human Services (HHS) website at [www.healthcare.gov/marketplace/index.html](http://www.healthcare.gov/marketplace/index.html).

**Where can I learn more about health care reform?**
If you would like to talk about how health care reform may affect your practice, please contact your Blue Cross of Northeastern Pennsylvania Provider Relations Consultant, weekdays, between 8 a.m. and 5 p.m. As we learn more, we will continue to pass information along to you and post updates on our [Health Care Reform website](http://www.bcnepa.com/healthcareform).

**Fast Facts**
- The federal government will run Pennsylvania’s FFM.
- The exchange open-enrollment period starts October 1, 2013.
- The effective date for exchange coverage through open enrollment is January 1, 2014.
- Individuals who apply for CHIP or Medicaid can also do so through the exchanges.