



Your Guide to the Affordable Care Act (ACA)

Health Care Reform 101

Health care reform is in the news because most residents of the U.S. must have health coverage and 2015 Open Enrollment is coming soon. You're probably hearing a lot about it, including some terms like the Affordable Care Act (ACA). The ACA offers you some options, discussed here, but you may choose not to make changes.

UC SHIP's medical plan already meets—and often exceeds—all the legal requirements of the ACA, so you don't need to take any action if you're enrolled in UC SHIP.

Affordable Care Act (ACA) Basics

In 2010, President Obama signed the ACA, also known as the Health Care Reform law. Some provisions went into effect immediately, but those that affect most U.S. residents went into effect on January 1, 2014. Enrollment for 2015 health care coverage begins November 15.

The ACA makes important changes to the way U.S. health care works.

- **Citizens and other lawfully present residents of the U.S. can get coverage.** Health insurance exists to protect people from the financial consequences of a serious illness or injury. Before the ACA, some U.S. residents were denied health insurance because they had pre-existing health conditions that insurers refused to cover. As of January 1, 2014, all eligible U.S. residents were able to join any medical plan.
- **Citizens and other lawfully present U.S. residents (including students) must have coverage,** with very few exceptions. As of January 1, 2014, nearly everyone residing in the U.S. must have medical coverage or pay a fine. To make that possible, health insurance marketplaces (also known as “exchanges”) have been set up to offer affordable coverage options. **You do not have to shop for new coverage unless you want to. As long as you are enrolled in UC SHIP, you'll meet the requirements for coverage.**
- **Coverage is affordable.** The ACA provides financial assistance for individuals who meet certain income requirements and purchase insurance through the new “exchanges.” Eligibility is based on income level and family size. If you meet income requirements, tax credits are available to reduce the amount you pay for insurance. You may also be eligible for cost-sharing subsidies to reduce the amount you pay when you get care. Lastly, Medi-Cal, a federally subsidized plan for needy residents of California, is being expanded so that more people have access to it.

Health Insurance Marketplace—“Exchanges”

The ACA created a health insurance marketplace where you can purchase affordable coverage through an insurance “exchange.” In California, the exchange is called Covered California.

While you already have affordable, convenient coverage through UC SHIP, you can compare the costs and benefits of the exchange plans to determine whether buying coverage through the exchange, or staying in UC SHIP, will best meet your needs.

What You Can Do Right Now

UC SHIP didn't wait for the ACA to be introduced to take the lead on essential, affordable care that emphasizes prevention. Students have been able to obtain free preventive care since UC SHIP began, with the list of covered services growing more comprehensive every year. As you learn about the law and think about what it means to you and your family, make the most of the great health care that you have through UC SHIP.

- **Take care of yourself.** Take advantage of free preventive care (like annual physicals, immunizations such as flu shots, and well-woman visits) available to you at the student health center on campus.
- **Use your student health center as a convenient resource.** Your student health center is here to help you navigate the health care system, both on and off campus. Drop by or give the center a call if you have questions or need advice.
- **Understand your benefits.** A full summary of UC SHIP's benefits can be found online at www.ucop.edu/ucship.



Your Guide to the Affordable Care Act (ACA)

Frequently Asked Questions

What is Health Care Reform?

The Affordable Care Act (ACA), a health care law passed in March 2010, is designed to reform the health care payment system in the U.S. The law requires most employers to provide coverage and contains hundreds of provisions on topics like what insurance plans need to include. The provision that has the most obvious and widespread impact requires most lawful residents of the U.S. to have health insurance coverage.

Does the ACA affect me?

The ACA affects all lawfully present residents of the U.S. The specific impact on you depends on whether you already have coverage, plus your employment situation and level of family income. **If you're enrolled in UC SHIP, you're already covered and you don't have to take any action.**

What does the "individual mandate" mean?

It means that individuals are required to have health insurance or pay a fee. This rule went into effect on January 1, 2014. There are additional rules about what kind of plan meets the individual mandate, whether you can get help paying for your coverage, and the fee you pay for not having coverage. **If you're enrolled in UC SHIP, you're already covered and you don't need to take any action.**

Why does the ACA require everyone to purchase health insurance coverage?

Before the ACA became law, Americans who didn't have access to coverage through their jobs were often uninsured—some were denied coverage because they were sick and others couldn't afford coverage. Just as with auto insurance, the new requirement to have health insurance means the costs are shared more equitably because everyone is protected.

Who can buy insurance through the health insurance marketplace?

The health insurance marketplaces are most valuable for workers who can't get affordable coverage through their jobs and also for employees of small businesses. However, anyone can shop in the marketplace. Since you already have affordable coverage through UC SHIP equivalent to the highest levels of coverage available through the marketplace (in either the "Gold" or "Platinum" plan), it may be hard to find a plan on the exchange that meets your needs better than UC SHIP. Find a full description of your UC SHIP coverage at www.ucop.edu/ucship.

Is there a plan through the marketplace that will help me pay for coverage?

There are several government programs that help pay for health insurance including Medi-Cal, CHIP (Children's Health Insurance Program), and the marketplace premium and cost-sharing subsidies. Eligibility for all these programs is based on household income and family size. To learn more, visit www.coveredca.com.

What if I can't afford insurance?

What is affordable to one person may not be affordable to another. People who cannot afford coverage can apply through Covered California to determine whether or not they are eligible for financial assistance to help pay for a plan purchased through the marketplace. To see if you qualify for a subsidy and determine how much it would be, check out Covered California's website at www.coveredca.com.

How can I help family members who need to get coverage?

For those friends and family who need to find health insurance, use the overview of the health insurance marketplace to help you get started at www.coveredca.com. UC SHIP offers an optional dependent plan for families of student members.

Are there specific dates when people can buy from exchanges?

Yes. From November 15, 2014 through December 15, 2014, you can enroll for coverage that will start on January 1, 2015. From mid-December through March 31, 2015, you can enroll by the 15th of the month and be covered starting the following month. After this, there will be special enrollment periods for people to buy coverage through an exchange—for example, 60 days after the loss of other coverage, getting married, having a baby, or other major life events.

If I buy coverage through the exchange, can I waive enrollment in UC SHIP?

Yes. Since long before the ACA, University of California (UC) students have been required to have health insurance coverage that satisfies the coverage criteria established by UC as a condition of enrollment. While many plans available on the exchange will meet the UC coverage criteria, check with your student health center if you choose to purchase a plan through the marketplace.

If I buy coverage through the exchange, can I continue to use the student health center on campus?

Yes, but your coverage and fees will work in a different way. You'll have to pay your fees out of your own pocket; you'll have to submit claims for reimbursement of your fees on your own every time you receive care; and your reimbursement may be limited because you received care outside of your plan's network of providers.

Why should I consider keeping UC SHIP?

- The plan makes medical, dental and vision care coverage available for all students.
- If UC SHIP were available in the marketplace, it would be categorized as a Gold or Platinum plan (the highest levels of coverage available) although you pay reasonable Bronze-level rates, which are the lowest available on the exchange.
- Your health care providers specialize in student care and understand campus life.
- You'll receive care at a student health center where many services are free; they are convenient to your classes; and you don't have to deal with any claims paperwork.
- If you need to go off-campus for care, you'll have access to Anthem Blue Cross' full network of providers. There are no narrow provider networks, as there are with many exchange plans.
- Insurance specialists at your student health center help you navigate the health care system, both on and off campus.