

Getting Financial Help



Making Health Insurance Affordable

Covered California™ will make it simple and more affordable for millions of Californians to get health insurance.

Legal residents of California will be able to get health coverage through a new marketplace established by Covered California. Starting in 2014, there will be several new and expanded government programs, including Medi-Cal, that offer financial assistance to reduce the cost of health insurance.

- 1. Premium assistance** — Federal help will be available to reduce the cost of an individual's or family's monthly health insurance payments.
- 2. Cost-sharing assistance** — Cost-sharing subsidies reduce the amount of health care expenses an individual or family has to pay at the time of medical care.
- 3. Medi-Cal assistance** — Starting in 2014, Medi-Cal will cover more people under age 65, including people with disabilities and those with incomes \$15,856 or less a year for a single individual and \$32,499 or less for a family of four. Medi-Cal is free for those who meet the requirements and is part of the changes included in the Patient Protection and Affordable Care Act (Affordable Care Act).

Qualifying for Premium Assistance

Premium assistance is available for individuals and families who make less than a certain amount a year and who do not have other options for obtaining affordable health insurance, such as through their employer.

The amount of premium assistance depends on an individual's income and age and where the person lives. The Affordable Care Act sets a monthly maximum that people will pay for health care, based on where their income falls in the federal poverty level scale. In general, the less income someone makes, the less he or she will have to pay for health insurance and the more the federal government will help. In certain cases, individuals and families will qualify for free insurance through Medi-Cal.

For example, individuals who make \$45,960 or less and families of four that make \$94,200 or less may qualify for financial assistance.

Here are some key facts about premium assistance.

- Premium assistance reduces the cost of an individual's or family's health insurance plan premium.
- Premium assistance (a federal subsidy) is applied directly to the premium at the time an individual or family enrolls in health insurance. Enrollees do not need to wait until they file a tax return at the end of the year.
- Premium assistance is only available through Covered California. Californians must purchase their health insurance plan from Covered California if they want to get premium assistance.
- Premium assistance is paid to the health plans. The assistance is paid by the federal government directly to the health plan an individual or family chooses through Covered California.

Estimating Premium Assistance

The amount of premium assistance provided depends on household income and family size. Below are some examples of potential costs to families in California. Covered California now has offered the exact premium and plan choices, so everyone can know exactly what their insurance will cost.

Premium assistance is available when people buy insurance, so no one has to pay all of the premium costs up front and wait for reimbursement. The premium assistance will be available to everyone who is eligible for it, whether they file taxes or not.

Covered California has an online tool at www.CoveredCA.com that can help people shop for and compare health insurance coverage and see the amount of any federal financial support.



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Qualifying for Cost-Sharing Subsidies

While premium assistance can help reduce premium payments, cost-sharing subsidies protect lower-income people from high out-of-pocket costs at the time of service. Those with incomes that are \$28,725 or less for a single person and \$58,875 or less for a family of four in 2013 may be eligible for those subsidies. Anyone who qualifies for cost-sharing subsidies will pay less for health care expenses, including costs incurred when they receive medical care.

Covered California can help people find out whether they qualify for assistance or free coverage in person, by phone and online.

For more information, visit www.CoveredCA.com or call (800) 300-1506.

CoveredCA.com

Covered California is the new online "marketplace" that will make it simple and affordable to purchase quality health insurance and get financial assistance to help pay for it. If your income is limited, you may be eligible for free coverage through Medi-Cal.

