

THE PRACTICAL GUIDE TO PREMIUM SUBSIDIES

New York



CAN I GET A BREAK ON HEALTH INSURANCE COSTS?

Did you know there are tax credits available when you buy a health plan through the New York State of Health™ Marketplace? Many New Yorkers are surprised to learn they qualify for financial help.

Advance Premium Tax Credit =

A tax credit that may be immediately applied at purchase to lower the cost of your health insurance premium. (Otherwise, you may claim the credit when you file your taxes.)



You pay lower monthly premiums throughout the year

Cost-Sharing Reductions =

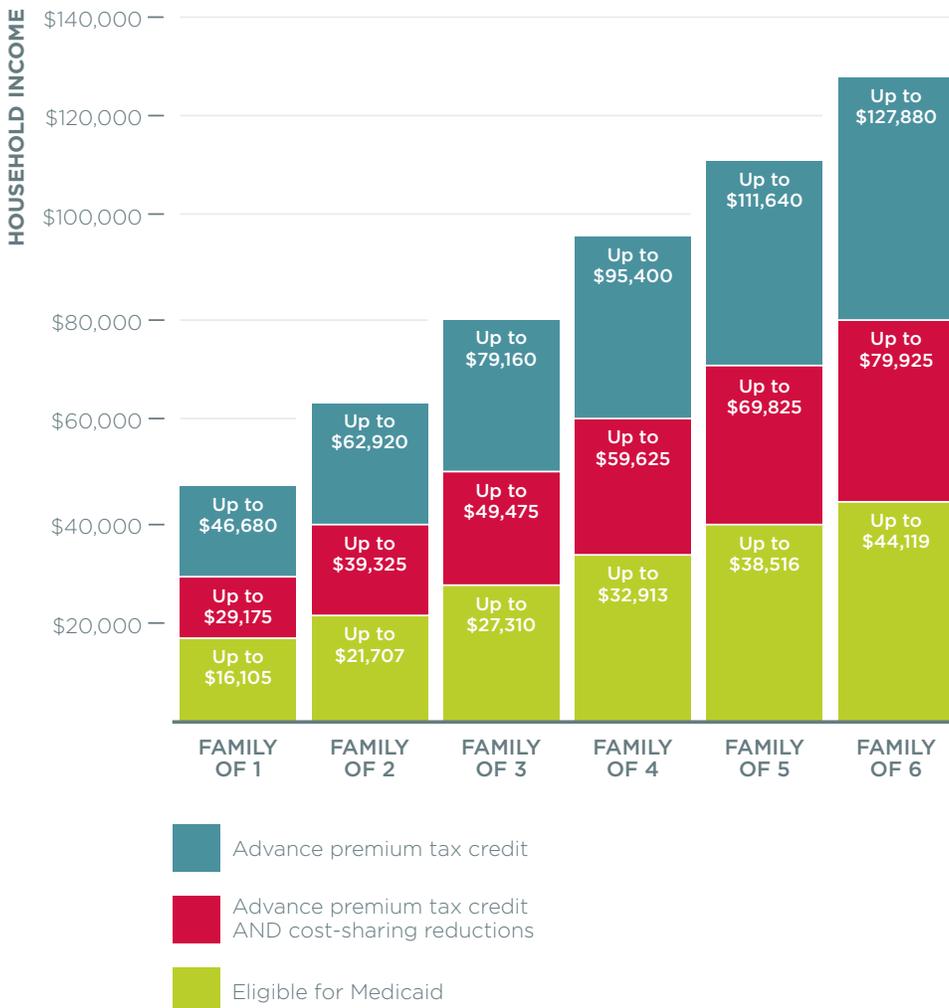
Reduced costs for the health services you use throughout the year—doctor visits, emergency room visits, prescription drugs and other services.



You pay less for health care services on the spot

AFFORDABILITY PROGRAMS BASED ON INCOME LEVELS FOR 2015 OPEN ENROLLMENT*

Find your family size and household income to see if you may qualify.



Low- and middle-income

New Yorkers who don't have affordable coverage through an employer, partner's employer or Medicare may qualify for health insurance affordability programs available through New York State of Health.

Eligibility for advance premium tax credits is based on your household income—the sum of taxable income for each person claimed on your tax return.

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? *What's my "taxable income"?* Taxable income starts with adjusted gross income on your IRS Form 1040—this is the amount after certain deductions are subtracted.

? *Why it matters:* Taxable income is used as an estimate of expected income when determining subsidy eligibility.

? *What income is used for estimating my premium subsidy?* Give your best estimate of your income for the current year (or the next year, if coverage is for 2015).

* Subsidy levels for purchase of 2015 Marketplace plans during open enrollment. Subsidy levels do not apply to special enrollment period during 2014. 2014 Poverty Guidelines issued by the Department of Health and Human Services. Federal Poverty Level (FPL) thresholds are for 2014 and are adjusted annually. The guidelines referenced here are for the 48 contiguous states and the District of Columbia. View 2014 Poverty Guidelines: <http://aspe.hhs.gov/poverty/14poverty.cfm>.

HOW MUCH CAN I SAVE?

Advance premium tax credits bring down the cost of monthly health insurance premiums. To take advantage of a premium tax credit, adults have to buy a Marketplace plan and children will be covered separately under Child Health Plus.

When you enroll in a qualified health plan, the premium tax credit may be immediately subtracted from your monthly premium, so you pay a lower amount.



EXAMPLE

Monthly Premium	\$500
Advance Premium Tax Credit	\$400
Monthly Amount You Owe	\$100

PREMIUM SUBSIDY EXAMPLES

Income
\$17,000



1 ADULT

Example 1: 1 adult, \$17,000 income, Seneca County, bronze plan

\$292 monthly premium (without subsidy)

- \$252 estimated subsidy amount

\$40 monthly premium owed



Use the MVP Premium Subsidy Calculator to

find out your estimated

subsidy amount and health plan rates. Start here: discovermvp.com/consumers/ny/plans/find/

Income
\$20,000



1 ADULT, 1 CHILD

Example 2: 1 adult, 1 child, \$20,000 income, Schenectady County

Eligible for free or low-cost coverage through Medicaid and Child Health Plus

Income
\$40,000



1 ADULT, 3 CHILDREN

Example 3: 1 adult, 3 children, \$40,000 income, Yates County, silver plan with cost-sharing reductions

\$353 monthly premium (without subsidy)

- \$143 estimated subsidy amount

\$210 monthly premium owed (with subsidy) for adult

+ \$27 monthly cost for three dependent children under age 19 covered under Child Health Plus

\$237 total monthly cost for adult and child coverage



Income
\$50,000



2 ADULTS

Example 4: 2 adults, \$50,000 income, Montgomery County, silver plan

\$804 monthly premium (without subsidy)

- \$353 estimated subsidy amount

\$451 monthly premium owed (with subsidy)

Income
\$120,000



2 ADULTS, 3 CHILDREN

Example 5: 2 adults, 3 children, \$120,000 income, Monroe County, silver plan

\$1,005 monthly premium (without subsidy)

- \$0 estimated subsidy amount

\$1,005 monthly premium owed

Note: In this situation, there may also be the option to simply purchase the plan directly from the insurer (outside the Marketplace) because no subsidy payments are involved (Qualified Health Plans may sell plans directly to consumers in New York).



HOW TO APPLY FOR AFFORDABILITY PROGRAMS

The New York State of Health™ Marketplace is the place to go to find out if you qualify for insurance affordability programs. When you enter your information and apply for coverage, the Marketplace checks your eligibility for premium tax credits, cost-sharing reductions, Medicaid and Child Health Plus. If you don't qualify for premium subsidies, you can buy a plan in the Marketplace or directly from the insurer off-Exchange.

Connect with the Marketplace to apply for coverage at nystateofhealth.ny.gov or by calling **1-855-355-5777** (TTY **1-800-662-1220**). Visit nystateofhealth.ny.gov/agent/hx_brokerSearch or call the help line to locate a broker, Navigator or Marketplace Facilitated Enroller in your community.

Complete an application to find out if you are eligible for insurance affordability programs. You'll need:

- ✓ Social Security numbers for everyone in your household (or document numbers for legal immigrants)
- ✓ Employer and income information for everyone in your household who is claimed on your tax return (your best estimate of income for the upcoming year)
- ✓ Policy numbers for any health insurance you have now, including health coverage from jobs

Select a plan(s) for you and your family members. You and your family members may qualify for different plans and programs.

Pay the premium, if any, for your health plan.

Report health plan and subsidy information on your taxes. When you file your taxes, you will include information about your health plan and premium subsidy amounts.

- ✓ Married couples have to file taxes jointly in order to get the premium tax credit, unless there are special circumstances such as legal separation. Consult a tax advisor if you have questions about your situation.

? *What happens when I file my taxes?* Advance premium tax credits are based on an estimate of your income. This means that the subsidy amount could change when you report your actual income for the year on IRS Form 1040. In that case, you may be required to pay back some of the subsidy in taxes, or get a credit, depending on whether your income was higher or lower than expected.

Advance premium tax credits are only available on plans purchased through the Marketplace. **Cost-sharing reductions** are only available when you buy a **silver level** plan in the Marketplace.



TAX EXAMPLE



John's advance premium tax credit **\$50/month** in 2014

Good news! John's **income doubles** in 2014

Time for taxes: Since John's income was much larger than expected, he no longer qualifies for the tax credit. He will **pay back \$600** in taxes. If John had contacted the Marketplace right away when his income changed, his subsidy amount could have been adjusted so he wouldn't owe a big tax bill.



WHEN CIRCUMSTANCES CHANGE

? *What if there are changes in my family or income?* You may be newly eligible for health insurance affordability programs, or you may no longer qualify for these programs.

WHAT IF ...

“My income went down ...” You may be eligible for financial help to pay for premiums in a Marketplace plan. Or, you may be newly eligible for Medicaid or Child Health Plus. You can enroll in these programs at any time.

“My income went up!” If you are no longer eligible for Medicaid, you may move to a Marketplace plan when it’s time to enroll for the next year. Or, if you’re already on a Marketplace plan and receiving subsidies, the subsidy amount may change based on your income level. Contact the Marketplace right away if your income changes. If you are no longer eligible for subsidies, you should review your options for the next plan year—you may buy a plan on the Marketplace (with no subsidy) or off-Exchange through an insurer.

“We had some big changes in our family.” If you have a baby, adopt a child, get married or divorced, or move outside of the service area of your health plan, you can make changes to your plan or enroll in a plan during a *special enrollment period* through the Marketplace.

“I lost my coverage through work ...” If you lose job-based coverage for any reason, you have the right to keep your insurance for a limited time through state or federal (COBRA) continuation coverage. Or, you can enroll in a plan through the Marketplace—which may be more affordable than COBRA, especially if you qualify for a premium subsidy to help pay for the coverage.

BE READY FOR THE ROAD AHEAD



Review your options with MVP’s Find a Plan comparison tool at discovermvp.com/consumers/ny/plans/find/.



Enter your information and view MVP plans available on New York State of Health and directly from MVP.



It only takes a few minutes!

When income or family circumstances change, contact the New York State of Health™ Marketplace to make changes or enroll in the program that’s right for you.

Next open enrollment starts November 15, 2014, for plans effective in 2015.

A special enrollment period is a time outside of open enrollment when individuals and families can sign up for coverage or make changes to coverage if they have certain qualifying events (e.g. marriage, birth, adoption, job loss, etc.).

Have questions?

Call the toll-free hotline for New York State of Health™ at **1-855-355-5777** or find a trained broker, Navigator or other assistor to guide you through your options. Help is free and available in many different languages. You can also call **1-800-TALK-MVP (825-5687)** to reach MVP for assistance.



WHY CHOOSE MVP?

For more than 30 years, MVP Health Care has been a regional not-for-profit company committed to our members, our employer groups and the communities we serve. With innovative options and a focus on wellness, we work hard to deliver great value and great customer service.



Discover what we can do for you.
www.discovermvp.com



1-800-TALK-MVP (825-5687)



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