



You May Get Help Paying for Health Insurance

Beginning in 2014, the new health care law will help many people pay for health insurance. Based on your income, family size and the health plan you choose, you may qualify for tax credits and help paying for coverage.

People will likely be eligible for a tax credit if:

# of Family Members	Income is at or below
1	\$45,960
2	\$62,040
3	\$78,120
4	\$94,200

There are two ways eligible people may get help paying for coverage – tax credits and cost-sharing assistance. These funds become available with the new health care law – the Affordable Care Act – beginning January 1, 2014. You can enroll

for health insurance beginning on October 1, 2013, on the Health Insurance Marketplace. The new Marketplaces provide a way for you to compare and buy a health insurance plan that best fits your needs.

Tax Credits

These credits will help eligible people pay for insurance premiums – the monthly cost of coverage. They are available to people who purchase coverage on their own (not with an employer) through the Marketplace. The credit is designed so even those who have little or no income or do not file an income tax return can still benefit. If you qualify, the credit can be paid in advance to your insurance company.

Cost-Sharing Assistance

Most health insurance plans have out-of-pocket costs that you pay at the time you receive medical treatment. You may pay part of the cost for a doctor visit, or a medical procedure or test. Cost-sharing assistance helps lower these out-of-pocket costs.

If you qualify for a premium tax credit and your income is below \$28,725, you will also be eligible for cost-sharing assistance.



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Example – Family of Four Eligible for a Tax Credit:

- The Moreno's **household income is \$64,500**
- From the chart below, we see that the Morenos would **expect to pay between 8.05 – 9.5% of their household income for health insurance.**
- Let's assume that they have shopped for an insurance plan and chosen one with an **annual premium of \$11,091.**
- Paying **8.63% of income** for the plan – **their portion of the annual premium would be \$5,568.**
- **Their estimated tax credit will be \$5,523** – the difference between the premium \$11,091 and their payment of \$5,568.
- Those with a household income below \$23,550 would likely be eligible for health insurance from the Medicaid program.

If your income is between...	You pay this % of income toward your insurance premium
\$23,550 – 31,322	2%
\$31,322 – 35,525	3 – 4%
\$35,525 – 47,100	4 – 6.3%
\$47,100 – 58,875	6.3 – 8.05%
\$58,875 – 70,650	8.05 – 9.5%
\$70,650 – 94,200	9.5%

See if You Qualify for Assistance

It will be easy to find out if you are eligible for help paying for insurance coverage. Check our website this fall when we'll have an online financial assistance estimator to help you calculate what help you might qualify for. Visit **ReformAndYouOK.com**.

How Much Cost Assistance Should You Expect?

Financial assistance is determined by your income and the level of the health insurance plan you choose. If you meet income requirements, your health plan will pay a greater amount of covered costs, reducing how much you pay. For example, you may pick a plan for which you pay from 10 to 40% of covered costs.

The amount is also based in part on any medical procedure or tests you have – each may have a deductible or coinsurance cost.

Penalties for Not Getting Health Insurance

The new law requires almost all U.S. citizens and legal residents to get and keep a minimum level of health coverage.* Failing to obtain insurance may result in a tax penalty on your annual income tax return.

Tax penalties for failure to get health insurance: A percent of your income or a flat fee – whichever is higher.		
Year	% of Income	Flat fee per person
2014	1% of taxable income or	\$95 per adult and \$47.50 per child, up to \$285 per family
2015	2 % of taxable income or	\$325 per adult and \$162.50 per child, up to \$975 per family
2016	2.5 % of taxable income or	\$695 per adult and \$347.50 per child, up to \$2,085 per family
After 2016	The tax will increase each year following the cost-of-living adjustment	

* A few groups/individuals are exempt: certain religious groups, American Indians and people who are incarcerated or in financial hardship.

You may compare and buy a health care insurance plan on the Health Insurance Marketplace beginning October 1, 2013. Enrollment continues through March 31, 2014.