

Health Care Window Closes March 31

By Sue Marceau

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The best advice and smartest move for anyone who potentially could benefit from individual health insurance coverage under the Affordable Care Act (ACA) is to investigate options before March 31. If an individual or family likes what is online at www.healthcare.gov, they will need to lock in by that date or miss the 2014 boat. Fourteen states have their own exchanges and 36 – including Arizona – utilize the national “Marketplace” on the website.

On April 1, enrollment in the ACA health care program will stop until October, unless a “life change” occurs. Examples of life changes are loss of job, marriage, birth of child, death of spouse and other major alterations. Changes in health do not apply as exceptions, despite their potential implications to one’s lifestyle. A sudden or severe turn for the worse will merely be regarded as a bad choice by the consumer in the decision of whether or not to become insured. In general, anyone who wants insurance under the ACA for the remainder of 2014 absolutely must enroll before the end of March.

The one thing consistent across all affected by the ACA – consumers, medical professionals, tax experts and insurance companies – remains confusion about what it is, how it works, who is eligible and how it will be funded.

Questions about what is known can be answered by insurance experts who have trained themselves on the law and its implementation. One innovative agency in Prescott that has taken this approach is Weber’s Insurance. Owner Bill Weber determined once the bill was signed that he would gear up his team to be ready for the program’s launch. Weber hired six specialists whom he charged with knowing the ins and outs of the ACA and how to best help clients apply for it. At the same time, his regular staff was preparing for the annual Medicare enrollment window Oct. 15 through Dec. 7. Major tasks for the ACA specialists were to professionally navigate the website and take the educational message of the ACA to those eligible.



Owner Bill Weber of Weber’s Insurance discusses details of the Affordable Care Act (ACA) with ACA specialist Deanna Eder.

Photo by Sue Marceau

“Most people are confused,” said Deanna Eder, one of Weber’s ACA specialists. “[They] come into the office and say they ‘don’t want that Obamacare thing.’ We have to explain to them that it is the insurance companies providing the insurance [and not President Obama].”

Eder’s colleague, Lisa Staltari, agreed: “They think Obamacare is a separate company. They honestly believed that (President) Obama was making money selling health insurance, that he was selling insurance and this would be his ticket out. They were very, very, very upset about it.”

The most significant ACA advantages likely will be seen in the Quad Cities by people in their late 50s or 60s who are just on the brink of retirement and make up a substantial portion of the area’s population, Eder says. These mature adults may have left or lost a full-time job, are downsizing their income and the way they live, take medications for various health conditions and may have pre-existing condi-

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tions. Other big winners, she says, are small business owners with children. She has seen monthly insurance premiums go from \$1,600 a month to \$600 a month for families under the ACA subsidy. Additional assistance may be triggered, resulting in lower co-pays and deductibles, mirroring higher priced premium policies.

Parents can insure their children until age 26, but income earned by the children is included when determining the parents' income bracket. One couple, whose 18-year-old son makes \$20,000 a year, encouraged their son to get his own insurance at \$100 a month and they are not claiming him on their tax return, she noted. Another family has a daughter in college with a part-time job and the parents have decided to include her under their policy.

Bill Weber estimates that the firm has signed up about 300 clients into ACA health care insurance plans. Among them also are grandparents raising grandchildren, another significant market in Yavapai County. What is missing is the youthful component.

"Young people are not signing up and that's who we need to fund this thing," Eder said. "They do not see the need for it. They certainly can afford it now if they get on the site and find out what kind of subsidy they qualify for. A lot are willing to pay the fine this year, being that it's only one percent of their income [or \$95, whichever is greater]. Young people whose parents are pushing it are signing up."

Nothing about the program is "black and white", Eder says, rather there are many "gray areas. No one really knows where they fall in the program – [getting a subsidy or not] – unless they go online and go through the process."

Additionally, the ACA's impacts on employment, taxation and the healthcare industry remain in flux. Damage control by the federal government has added to the confusion, with deadline extensions for signups after the failure of the online system to work effectively. Consumers appear to be polarized about the ACA, either strongly resisting or waiting in line.

"Oct. 1 was monumental when we finally went live – and didn't," Staltari said, referring to the problems that plagued the website at the outset. "There is a lot we did not know about how it would work. By virtue of riding the bike, we got to know more. Anyone who touched it became an expert. Everyone was at the same level of learning and they kept changing the rules all the time. By December, we had it down pat."

Staltari said she navigated her first client through the system the first or second week in October, but other consumers started in October and consistently kept trying until December.

The Weber's specialists have found "so many" small businesses in the area that previously offered health insurance to their employees, but now have discontinued it. These firms now are directing their employees to the ACA's online marketplace. Some are giving their employees a pay raise to help, Eder explained, "because it's less expensive to give a pay raise than pay for health insurance."

Eder, Staltari and their colleagues are gearing up for a March rush as the deadline for 2014 coverage looms. Currently, they are helping a number of people who tried to navigate the website on their own and later discovered that they had signed up for the wrong plan or whose applications were hung up in the online system. Those erroneous signups were a result of consumers not understanding that only two insurance companies – Blue Cross Blue Shield of Arizona and Health Net of Arizona, Inc. – from the seven on the website – actually have contracted with medical providers in Yavapai County. The other five companies and multiple plans offered through them require consumers to utilize health care providers in other areas, such as Maricopa County.

In addition to providing insurance to people who could not obtain coverage in the past at reasonable prices because of pre-existing conditions, the ACA "frees up five or six or seven thousand dollars a year," Staltari said. She gave the example of an \$800 a month payment being reduced to \$284 a month for a family of three, and enabling the savings to go back into the economy through the purchase of other goods and services.

Eder recounted her own experience with the online system, explaining how she started her quest when the marketplace opened Oct. 1, 2013, and days later, ultimately realized that her application was going nowhere. The solution to her situation and that of many others arrived in the form of a reapplication button on the website. The button itself appeared on the site at the time the federal government realized that the back end system was not working properly. This button and faster navigation of the application process were two fixes occurring at that time.

"Nevermind the tax credits and all that," Staltari said. "One thing to take away is the absolute joy of being able

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to say to someone who has never [before] been able to get health insurance that they finally are able to get it. They are now a human being and now able to have health insurance in this country.”

The question of how the subsidies will be funded remains a mystery, according to both Eder and Staltari. “My family alone has been given a \$12,000 a year subsidy,” Eder noted. “That’s a lot of money, and where is this coming from? Will there be changes for 2015? Absolutely! New insurance companies will come to the marketplace. We will see the rates on some companies go up and others go down, meeting more in the middle. There will be a difference in subsidies, too. I tell my story all the time because I am a prime example of why the Affordable Care Act came out. I have a family of five, a small business in town, trying to make ends meet sort of thing.”

Eder emphasized that the new program will require every individual to shop each year in October for annual health insurance starting the following January. Part of that process is anticipating the family’s insurance needs for the following year and planning how to optimize the plan benefits.

“Most people are able to get [ACA health insurance] for below \$500 a month,” Staltari said. “They need me and people like me to help them. For the first year or two, there is a need for experts and professionals to guide people through. It’s a wonderful experience to be able to educate, inform and empower. It is a privilege for me to help people in that respect. It’s really all about getting them the information and not letting them be fearful.”

For more information, contact the Weber’s Insurance ASA specialists at their office, 928-445-8720. Another source would be Yavapai County Community Health Care Services Eligibility Assistance at 928-442-5208. The county sets up half-hour appointments for individuals or small business owners at locations in Prescott, Prescott Valley and Cottonwood.
