Health Reform 101
The Road Ahead for Healthcare in Utah

Hope Fox Eccles Health Library
October 8, 2014
Who is UHPP?

Utah Health Policy Project is a non-profit, non-partisan organization advancing sustainable health care solutions for underserved Utahns, through better access, education, and public policy.

www.healthpolicyproject.org

@UHPP

www.facebook.com/uthpp
What we’ll talk about...

• About the Affordable Care Act (U.S. and Utah)
• Inside Utah’s insurance marketplaces
• How ACA premium subsidies work
• How to access enrollment assistance
• Looking ahead to 2015
Insurance is sold in three markets

**Private**

An individual or family policy purchases a policy directly from a private insurance company.

**Small group**

Employer-based insurance often subsidized by the company for employees and their dependents.

**Self-insured / Self-funded**

A group health plan in which the employer assumes risk for providing health care benefits to employees.
Key Terms

ACA or Obamacare Insurance

Private insurance plans sold on healthcare.gov with monthly premiums subsidized for some people
The Affordable Care Act (ACA)

Also called Obamacare

• Initial enrollment period:
  
  **October 1, 2013  –  March 31, 2014**

• Special enrollment period (SEP) lasts from **April 1, 2014 to November 14, 2014**

**Next Enrollment Period (for 2015):**  

**November 15 2014  –  February 15, 2015**
How the ACA changed healthcare

- Adults under age 26 can stay on their parents' insurance plan.
- Insurance offers free preventative care like blood pressure checks, flu shots, and health screenings.
- No one can be denied or priced out of coverage for a pre-existing condition.
- Men and women pay the same for coverage.

Utah Uninsured Rate Ages 18-26:

- 2010: 29.0%
- 2013: 18.4%

No lifetime caps on insurance payments.
How the marketplaces work in Utah

Utah’s Split Model

Federal

Individual & Families Marketplace

State

Small Business Marketplace

Avenue Health Insurance Marketplace
Utahns signed up for coverage on healthcare.gov

October 1, 2013 – April 19, 2014

84,601

Source: HHS/CMS Health Insurance Marketplace – March Enrollment Report For the period: October 1, 2013 – April 19, 2014
How does the ACA affect you?

- **Large company**
  - Self-insured
  - No changes to coverage

- **Small company**
  - Carrier insurance
  - Policies must cover 10 essential health benefits

- **Senior citizen**
  - On Medicare
  - Prescription drug “donut hole” gone by 2020

- **Lost job / Part-time job**
  - Uninsured
  - Eligible to use the new insurance marketplaces to:
    1) Shop for coverage
    2) Qualify for Medicaid
    3) Receive tax credits

- **Small business / Self employed**
  - No or bad insurance

- **Young people**
  - Uninsured
What is the marketplace like?

Shopping for breakfast cereal...
All plans will have 10 essential benefits:

1. Ambulatory (ie. out-patient) services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including dental and vision care

Adult dental and vision can be purchased as extras.

Source: http://cciio.cms.gov/resources/factsheets/
How can premium prices vary?

1) Age  (new ratio of 3 to 1)
2) Tobacco use  (ratio of 1.5 to 1)
3) Geography  (by counties)

Area 1: Cache and Rich
Area 2: Box Elder, Morgan, and Weber
Area 3: Davis, Salt Lake, Summit, Tooele, and Wasatch
Area 4: Utah
Area 5: Iron and Washington
Area 6: Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Juab, Kane, Millard, Piute, San Juan, Sanpete, Sevier, Uintah, and Wayne
Insurance costs will differ by “metal tier”

- **Catastrophic**: <60%
- **Bronze**: 60%
- **Silver**: 70%
- **Gold**: 80%
- **Platinum**: 90%

**Premiums**:
- **Lower Premiums**
- **Higher Premiums**

**Cost-sharing**:
- **Higher cost-sharing**
- **Lower cost-sharing**
Salt Lake County’s marketplace

Medical
- Altius Health Plans
- Arches
- BridgeSpan
- Humana
- Molina Healthcare
- Select Health

91 plans

Platinum — 1 plan
Gold — 24 plans
Silver — 34 plans
Bronze — 26 plans
Catastrophic — 6 plans

Source: https://insurance.utah.gov/health/Health%20Reform/ACA_Rate_Individual_20131007_OnExchange.pdf
Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/07/2013)
Utah’s 2014 premiums were among the lowest in the country

$ Lowest-cost silver premium for a 40-year-old person

Note: Results based on lowest-cost silver premium for a 40-year-old person
Salt Lake County Premiums on Healthcare.gov

Lowest monthly premiums by age and plan level

Rates apply to:
• Single person
• Salt Lake County resident
• Non-smoker

$162

$248

Source: [https://insurance.utah.gov/health/Health%20Refrom/ACA_Rate_Individual_20131007_OnExchange.pdf](https://insurance.utah.gov/health/Health%20Refrom/ACA_Rate_Individual_20131007_OnExchange.pdf)
Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/7/2013)
These are the 2014 premiums...

Most expensive monthly premiums by age and plan level

Rates apply to:
- Single person
- Salt Lake County resident
- Non-smoker

$254

$389

Source: https://insurance.utah.gov/health/Health%20Refom/ACA_Rate_Individual_20131007_OnExchange.pdf
Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/7/2013)
Who will be helped?

After 2014, 270,000 Utahns will be eligible for premium subsidies

[1] “Help is at Hand: Health Insurance Tax Credits for Utah,” Families USA, based on analysis by the Lewin Group, April 2013
Who is eligible for premium subsidies?

Income as % of the Federal Poverty Level (FPL)

0% to 100%: NO

101% to 400%: YES

57,000 Utahns in the Gap
For 2015, a family of four can earn up to $95,400 a year and receive a premium subsidy.
Joe Ute
Income: $18,000
Residence: Salt Lake City, Utah
Age: 25

Annual income: $18,000
% of poverty level: 157%
Expected contribution: 4.31% of income

Benchmark Silver Plan
Monthly premium: $184
Subsidy pays: $119 per month
Joe Ute pays: $65 per month

Source: Kaiser Family Foundation Subsidy Calculator; http://kff.org/interactive/subsidy-calculator; Image source: Kaplan International
The Hernandez Family

Income: $26,000
Residence: Salt Lake City, Utah
Ages:
  Dad: 33
  Mom: 29
  Kids: 5, 3

Annual income: $26,000
% of poverty level: 110%
Expected contribution: 2% of income

Monthly premium (for 2): $393
Subsidy pays: $350 per month
The Hernandez's pay: $43 per month

Source: Kaiser Family Foundation Subsidy Calculator; http://kff.org/interactive/subsidy-calculator; Image source: CBPP
The Shumways
Income: $44,000
Residence: Draper, Utah
Ages:
Dad: 24
Mom: 23
Kid: On the way

Annual income: $44,000
% of poverty level: 225%
Expected contribution: 7.18% of income

Monthly premium: $438
Subsidy pays: $175 per month
The Shumway’s pay: $264 per month

Source: Kaiser Family Foundation Subsidy Calculator; http://kff.org/interactive/subsidy-calculator; Image source: JohnCropper
**Mr. and Mrs. Smith**

**Income:** $42,000  
**Residence:** Sandy, Utah  
**Ages:** 60, 62

<table>
<thead>
<tr>
<th>Annual income:</th>
<th>$42,000</th>
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<tbody>
<tr>
<td>% of poverty level:</td>
<td>271%</td>
</tr>
<tr>
<td>Expected contribution:</td>
<td>8.65% of income</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly premium:</th>
<th>$849</th>
</tr>
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<tbody>
<tr>
<td>Subsidy pays:</td>
<td>$546 per month</td>
</tr>
<tr>
<td><strong>The Smith’s pay:</strong></td>
<td>$303 per month</td>
</tr>
</tbody>
</table>

Source: Kaiser Family Foundation Subsidy Calculator; http://kff.org/interactive/subsidy-calculator; Image source: Creative Commons
Find out how much you would pay...

Healthcare.gov
www.healthcare.gov/find-premium-estimates

Kaiser Family Foundation
kff.org/interactive/subsidy-calculator/
87% of Utahns qualified for premium subsidies

October 1, 2013 – April 19, 2014

% by Subsidy Status

- Yes: 87%
- No: 13%

% by Insurance Type

- Catastrophic: 3%
- Bronze: 1%
- Silver: 18%
- Gold: 16%
- Platinum: 62%

Source: HHS/CMS Health Insurance Marketplace – March Enrollment Report For the period: October 1, 2013 – April 19, 2014
64% of Utahns received $50 or more in monthly subsidies to purchase insurance.

Source: ASPE Premium Affordability, Competition, and Choice In the Health Insurance Marketplace, 2014 (6/18/14)
The new enrollment calendar

2014

Open Enrollment
JANUARY 1

Special Enrollment
APRIL 1

Open Enrollment
NOVEMBER 15

2015

Open Enrollment
JANUARY 1

Special Enrollment
FEBRUARY 16

Open Enrollment
NOVEMBER 15

We Are Here
What happens if you need coverage now?

**Qualify for a Special Enrollment Period (SEP)**

- Sign up for ACA insurance on healthcare.gov
- Could be eligible for subsidies

**No Special Enrollment Period (SEP)**

- Apply for Medicaid (if eligible)
- Apply for Utah’s Primary Care Network (PCN) (if eligible)
- Purchase non-ACA coverage direct from insurer
- Wait for November 15, 2014
- Pay tax fine (if required)
What is a Qualifying Life Event?

*It triggers a Special Enrollment Period*

- Marriage
- Having a baby
- Adopting a child or placing a child for adoption or foster care
- Moving outside your insurer’s coverage area
- Losing other insurance due to loss of job, divorce, the end of an individual policy, COBRA expiration
- Aging off a parent’s plan (at age 26), losing eligibility for Medicaid or CHIP, and similar circumstances.
- Gaining citizenship
- Leaving incarceration
- Gaining status as member of an Indian tribe.

Source: healthcare.gov ; https://www.healthcare.gov/sep-list/
What is **Not** a Qualifying Life Event?

- Getting sick
- Forgetting to sign up for insurance before March 31, 2014
- **Voluntarily ending insurance coverage**
- Losing coverage that doesn’t qualify as minimum essential coverage under the ACA
What ACA enrollment looks like
Who are the navigators?

Navigators are...

...people trained to help others evaluate their insurance options on the new insurance marketplaces...
Who are the helpers?

Experts trained to help others evaluate their insurance options on the new insurance marketplace.
Salt Lake County: Outreach to other counties, grants

Office of Health Disparities (engage CBOs serving communities of color)

Other statewide networks

Legal service groups

Library Networks

Refugee Assistance networks

2-1-1 / UWSL
Call center, point of entry, enrollment

UHPP
Outreach, education, policy interface, hub support

AUCH
Administration, enrollment, primary care access points

Health Clinics

Anti-poverty groups
Where can Utahns find help?

www.takecareutah.org
Where can Utahns find help?

Dial 2-1-1
Where can Utahns find help?

Community Health Clinics

Health Center Locations

www.auch.org

Association of Utah Community Health
Where can I get help?

Insurance brokers

www.utah.gov/agent-search/search.html

Brokers are trained and certified to help individuals and businesses with enrollment

www.utah.gov
Getting the message out: Get Covered
The Role of Providers and Professionals in Health Reform
Providers are a trusted source for patients

Most Trusted on ACA: Doctors and Nurses, Federal and State Agencies, Pharmacists

Percent who say they would trust information about the health care law from each of the following ‘a lot’:

- Your doctor or nurse: 44%
- Federal agencies: 34%
- State agencies: 33%
- Your local pharmacist: 30%
- An employer: 21%
- Your local church or place of worship: 21%
- Non-profit or community organization: 20%
- Friends and family: 18%
- A health insurance company: 15%
- The news media: 8%
- Social networking sites: 3%

[Chart] Kaiser Health Tracking Poll, August 2013
Providers are a trusted source for patients

Most Trusted on ACA: Doctors and Nurses, Federal and State Agencies, Pharmacists

<table>
<thead>
<tr>
<th>Source</th>
<th>Percent (44%)</th>
<th>Percent (22%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your doctor or nurse</td>
<td>44%</td>
<td>22%</td>
</tr>
<tr>
<td>Federal agencies</td>
<td>34%</td>
<td>16%</td>
</tr>
<tr>
<td>State agencies</td>
<td>33%</td>
<td>14%</td>
</tr>
<tr>
<td>Your local pharmacist</td>
<td>30%</td>
<td>NA</td>
</tr>
<tr>
<td>An employer</td>
<td>21%</td>
<td>19%</td>
</tr>
<tr>
<td>Your local church or place of worship</td>
<td>21%</td>
<td>NA</td>
</tr>
<tr>
<td>Non-profit or community organization</td>
<td>20%</td>
<td>12%</td>
</tr>
<tr>
<td>Friends and family</td>
<td>18%</td>
<td>49%</td>
</tr>
<tr>
<td>A health insurance company</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>The news media*</td>
<td>8%</td>
<td>81%</td>
</tr>
<tr>
<td>Social networking sites</td>
<td>3%</td>
<td>23%</td>
</tr>
</tbody>
</table>

[Chart] Kaiser Health Tracking Poll, August 2013
What health professionals can do...

(1) healthcare.gov

(2) Being sick doesn’t matter anymore

(3) It’s private insurance (and it’s good insurance)

(4) Subsidies will make premiums more affordable

(5) Navigators will help you sign up

No one can be denied or priced out of coverage for a pre-existing condition

<table>
<thead>
<tr>
<th>Household Size</th>
<th>100%</th>
<th>133%</th>
<th>200%</th>
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<tbody>
<tr>
<td>1</td>
<td>$11,490</td>
<td>$15,282</td>
<td>$22,980</td>
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<tr>
<td>2</td>
<td>$15,510</td>
<td>$20,628</td>
<td>$31,020</td>
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<tr>
<td>3</td>
<td>$19,530</td>
<td>$25,975</td>
<td>$39,060</td>
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<tr>
<td>4</td>
<td>$23,550</td>
<td>$31,322</td>
<td>$47,100</td>
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<tr>
<td>5</td>
<td>$27,570</td>
<td>$36,668</td>
<td>$55,140</td>
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<tr>
<td>6</td>
<td>$31,590</td>
<td>$42,015</td>
<td>$63,180</td>
</tr>
<tr>
<td>7</td>
<td>$35,610</td>
<td>$47,361</td>
<td>$71,220</td>
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<tr>
<td>8</td>
<td>$39,630</td>
<td>$52,708</td>
<td>$79,260</td>
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</table>

60% 70% 80% 90%

Bronze Silver Gold Platinum
Looking ahead to 2015
Challenges in 2015

• **Shorter (3-month)** enrollment period
• Potential ACA consumers **didn’t sign up the first time**
• No solution for **coverage gap population**
• Utah’s **uninsured rate above** national average
• Heathcare.gov glitches will continue
• Auto-renewal process **is complicated**
2015 Enrollment Targets

Utahns who need to renew their ACA insurance

Utahns who are underinsured or uninsured

Branding Take Care Utah and Enrollment
Forecasting Utah’s 2015 Insurance Premiums
Nationally, individual market premiums were rising before the arrival of the ACA...

Average increase in individual market premiums (United States, 2008-2010)

- 2008: 9.9%
- 2009: 10.8%
- 2010: 11.7%

Salt Lake County’s private insurance rates are rising less than the national average.

![Change in Individual Rates (2014-15) (On & Off Exchange)](chart)

Note: Salt Lake County rates are unweighted by enrollment; only plans available in 1Q of both 2014 and 2015 included.
Estimate of Rate Changes for Individual Medical Plans (2014-15)

- **All plans in Salt Lake County (On & Off Exchange):**
  - Increased premiums (2014-2015): 75%

- **Silver-level plans in Salt Lake County (On & Off Exchange):**
  - Decreased premiums (2014-2015): 32%
  - Increased premiums (2014-2015): 68%

Note: Estimates are made from visual analysis of scatterplots on pages 10 and 12 in 9/18/14 Dol presentation. Source: “2015 Individual And Small Employer Markets”; Utah Insurance Department; 9/18/14 Health Reform Task Force
Estimate of Rate Changes for Individual Medical Plans (2014-15)

- **Benchmark Silver Plan**
  - 2015: $145
  - 2014: $141 (Increase of +2%)

- **Lowest-cost Silver Plan**
  - 2015: $133
  - 2014: $117 (Increase of +14%)

- **Lowest-cost Bronze Plan**
  - 2015: $115
  - 2014: $103 (Increase of +12%)

- **Lowest-cost Catastrophic Plan**
  - 2015: $100
  - 2014: $79 (Increase of +26%)

Note: Estimates are made from visual analysis of scatterplots on page 11 in 9/18/14 DoI presentation. Source: “2015 Individual And Small Employer Markets”; Utah Insurance Department; 9/18/14 Health Reform Task Force
Medicaid Expansion in Utah

Figure 2

Eligibility for Coverage as of 2014 Among Currently Uninsured Utahans

- Ineligible for Coverage Due to Immigration Status: 11%
- Medicaid-Eligible Adult: 2%
- Medicaid/CHIP Eligible Child: 13%
- Unsubsidized Marketplace or ESI: 28%
- In the Coverage Gap: 14%
- Eligible for Tax Credits: 19%

Total: 407,000 Uninsured Nonelderly Utahans

Notes: Shares may not sum to 100% due to rounding. People who have an affordable offer of coverage through their employer or public programs (such as Medicare or CHIP) are ineligible for tax credits. Unauthorized immigrants are ineligible for Medicaid/CHIP or Marketplace coverage.

383,000 Utahns received Medicaid in 2013

- Medicaid in Utah provides health insurance primarily to children, pregnant women, and disabled adults.
- Utah adults without children are not eligible for Medicaid at any income level.

In June 2012, the Supreme Court declared Medicaid expansion optional for states. Utah is among 24 states that have not expanded coverage.
Who falls in the coverage gap?

Parents
Annual income for a family of three

<table>
<thead>
<tr>
<th>Medicaid</th>
<th>Coverage Gap</th>
<th>ACA Tax Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% FPL</td>
<td>$0 Annual Income</td>
<td>$9,765</td>
</tr>
<tr>
<td>50% FPL</td>
<td>$0 Annual Income</td>
<td>$9,765</td>
</tr>
<tr>
<td>100% FPL</td>
<td>$0 Annual Income</td>
<td>$9,765</td>
</tr>
</tbody>
</table>

Adults without kids
Annual income for a single adult

<table>
<thead>
<tr>
<th>Coverage Gap</th>
<th>ACA Tax Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% FPL</td>
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<tr>
<td>100% FPL</td>
<td>$0 Annual Income</td>
</tr>
</tbody>
</table>
Where states stand on Medicaid Expansion

Where the States Stand on Medicaid Expansion
27 States, DC, Expanding Coverage—August 28, 2014

Considering Expansion: Utah; Missouri; Indiana
The latest news...

Utah gov: We have a ‘conceptional’ deal on Medicaid

Health care » The governor’s hoped-for work requirement will become a ‘work effort,’ with details to come.

Herbert reaches understanding 'conceptually' on Medicaid expansion

By Lisa Riley Roche, Deseret News

Published: Tuesday, Sept 9 2014 6:59 p.m. MDT
Updated: 3 hours ago

September 9, 2014
“[T]he best-case scenario is that the Healthy Utah Plan will be debated and voted on during a special legislative session, or more likely during the 2015 Legislative General Session that begins in late January.

But we all know that best-case scenarios rarely happen. Especially in Utah. Especially in the state legislature.”
Want to learn more?

Call or email UHPP to schedule a presentation just like this one

Jason Stevenson
Education and Communications Director
cell. 617-290-8188
work. 801-433-2299 ext. 7
stevenson@healthpolicyproject.org
Helpful Resources

[Image showing a glass jar filled with pencils]
How the ACA is funded: Cuts (in billions)

Uncompensated care for hospitals (DSH) $56
Medicare Advantage $156
Other $114
Medicare / Medicaid payment rates $415

Total: $741 billion

[2013-2022]

[Chart] CBO / Washington Post Wonkblog
How the ACA is funded: Taxes (in billions)

Total: $893 billion [2013-2022]

- Medical devices tax: $87
- High-earners capital gains taxes: $318
- ‘Cadillac’ health plans: $111
- Cost-savings: $216
- Penalties (individuals): $55
- Penalties (employers): $106

[Chart] CBO / Washington Post Wonkblog
What are the penalties for remaining uninsured in 2014?

Starting in 2014

- $95/adult, $47.50/child (1% income)
- $325/adult, $162.50/child (2% income)
- $695/adult, $347.50/child (2.5% income)

Max per family

- 2014: $285
- 2015: $975
- 2016: $2,085

[Chart] Kaiser Family Foundation
2014 Premiums* by Age: Salt Lake County

Cost of Benchmark Plan Premiums by Age: 2014
Salt Lake County

<table>
<thead>
<tr>
<th>Age</th>
<th>Premium</th>
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<td>60</td>
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(*) Before premium subsidies

Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/7/2013)
2014 Premiums* by Age: Utah County

Benchmark Plan Premiums: 2014
Utah County

<table>
<thead>
<tr>
<th>Age</th>
<th>Premium</th>
</tr>
</thead>
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<tr>
<td>30</td>
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<td>$223</td>
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<tr>
<td>50</td>
<td>$320</td>
</tr>
<tr>
<td>60</td>
<td>$451</td>
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</table>

(*)) Before premium subsidies

Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/7/2013)
2014 Premiums* by Age: Grand County

Benchmark Plan Premiums: 2014
Grand County

<table>
<thead>
<tr>
<th>Age</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>$132</td>
</tr>
<tr>
<td>30</td>
<td>$232</td>
</tr>
<tr>
<td>40</td>
<td>$242</td>
</tr>
<tr>
<td>50</td>
<td>$347</td>
</tr>
<tr>
<td>60</td>
<td>$490</td>
</tr>
</tbody>
</table>

(*) Before premium subsidies

Utah Individual on Exchange Rates - Medical Plans - Non-smoker Rates for plans currently approved (10/7/2013)
Which post-tax income is counted as MAGI?

**Yes**
- Wages, salaries, tips, etc.
- Taxable interest (1099-INT)
- Ordinary dividends (1099-DIV)
- Taxable amount of pension, annuity or IRA distribution (1099-R) and Social Security benefits (SSDI but not SSI)
- Business income, farm income, capital gain or loss
- Unemployment compensation
- Alimony
- Rental real estate, royalties, partnerships, S corporations, trusts, Taxable refunds
- Other miscellaneous income

**No**
- Veterans’ disability payments,
- Workers’ compensation
- Child support received
- Self-employed expenses
- Student loan interest
- IRA deduction (trad. IRAs)
- Moving expenses
- Penalty on early withdrawal of savings
- Health savings account ded.
- Alimony paid
- Domestic prod. activities ded.
- Certain business expenses of reservists, performing artists, and fee-basis gov’t officials

How do I calculate my MAGI?

(in billions)

Step #1) Start with gross income (GI)

Your adjusted gross income is the money you earned through wages, interests, dividends, rental and royalty income, capital gains, business income, farm income, unemployment and alimony.

Step #2) Calculate Adjusted Gross Income (AGI) by subtracting qualified deductions from gross income. AGI is used to determine your tax liability

Adjustments can include items like some contributions to IRAs, moving expenses, alimony paid, self-employment taxes, and student loan interest.

How do I calculate my MAGI?

(in billions)

Step #3) Add back items excluded from AGI

• Deductions for IRA contributions.
• Deductions for student loan interest or tuition.
• Excluded foreign income.
• Interest from EE (employee) savings bonds used to pay higher education expenses.
• Employer-paid adoption expenses.

Step #4) The result is your Modified Adjusted Gross Income (MAGI) – used to calculate eligibility for premium subsidies on the new insurance marketplaces

For most people, MAGI is the same as AGI.

## What is catastrophic coverage?

<table>
<thead>
<tr>
<th>Available to</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Anyone who is eligible to buy a plan on the new health insurance marketplace.</td>
<td>Only those under age 30, or people who cannot find coverage for less than 8 percent of their income.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Premium tax credits</th>
<th>Available</th>
<th>Not available</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Covered services</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Covers 60 percent of health care costs for the average person, and specified preventive services at no cost.</td>
<td>Covers 3 primary care visits and specified preventive services before the deductible. Only covers additional services after the plan deductible – $6,350 for a self-only plan or $12,700 for a family plan – has been met.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deductible</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maximum of $6,350 for a self-only plan ($12,700 for a family plan), but actual deductibles are likely to be significantly lower</td>
<td>Deductible will be $6,350 for a self-only plan ($12,700 for a family plan).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Out-of-pocket limits</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Out-of-pocket expenses are capped at $6,350 for self-only plans ($12,700 for family plans).</td>
<td>Out-of-pocket expenses are capped at $6,350 for self-only plans ($12,700 for family plans).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preventive services</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Covers specified preventive services at no cost.</td>
<td>Covers specified preventive services at no cost.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Essential health benefits</th>
<th>Bronze Plans</th>
<th>Catastrophic Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Covers 10 categories of “essential health benefits.”</td>
<td>Covers 10 categories of “essential health benefits.”</td>
</tr>
</tbody>
</table>

How do I calculate my MAGI?

Step #1) Start with gross income (GI)

Your adjusted gross income is the money you earned through wages, interests, dividends, rental and royalty income, capital gains, business income, farm income, unemployment and alimony.

Step #2) Calculate Adjusted Gross Income (AGI) by subtracting qualified deductions from gross income. AGI is used to determine your tax liability

Adjustments can include items like some contributions to IRAs, moving expenses, alimony paid, self-employment taxes, and student loan interest.

How do I calculate my MAGI?

**Step #3)** Add back items excluded from AGI

- Deductions for IRA contributions.
- Deductions for student loan interest or tuition.
- Excluded foreign income.
- Interest from EE (employee) savings bonds used to pay higher education expenses.
- Employer-paid adoption expenses.

**Step #4)** The result is your **Modified Adjusted Gross Income (MAGI)** – used to calculate eligibility for premium subsidies on the new insurance marketplaces.

For most people, MAGI is the same as AGI.

The CBO forecasts the ACA will cost $104B less by FY 2024.
Support for the ACA has never exceeded 51%

As you may know, a health reform bill was signed into law in 2010. Given what you know about the health reform law, do you have a generally favorable or generally unfavorable opinion of it?

September 2014: 35% Favorable

Employment Status and Coverage Status Are Linked in Utah


<table>
<thead>
<tr>
<th>Year</th>
<th>Utah Uninsured Rate</th>
<th>Utah Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>9.1%</td>
<td>10.2%</td>
</tr>
<tr>
<td>2004</td>
<td>10.2%</td>
<td>11.6%</td>
</tr>
<tr>
<td>2005</td>
<td>11.6%</td>
<td>11.9%</td>
</tr>
<tr>
<td>2006</td>
<td>11.9%</td>
<td>10.6%</td>
</tr>
<tr>
<td>2007</td>
<td>10.6%</td>
<td>10.7%</td>
</tr>
<tr>
<td>2008</td>
<td>10.7%</td>
<td>11.2%</td>
</tr>
<tr>
<td>2009</td>
<td>11.2%</td>
<td>10.6%</td>
</tr>
<tr>
<td>2010</td>
<td>10.6%</td>
<td>13.4%</td>
</tr>
<tr>
<td>2011</td>
<td>13.4%</td>
<td>13.2%</td>
</tr>
<tr>
<td>2012</td>
<td>13.2%</td>
<td>11.6%</td>
</tr>
<tr>
<td>2013</td>
<td>11.6%</td>
<td></td>
</tr>
</tbody>
</table>
How much will Utah’s uninsured rate drop?

U.S. uninsured rate is down 21% since 4Q 2013

Sources: (1) Utah Healthcare Access Survey (UHAS) (2003-08); Utah Behavioral Risk Factor Surveillance System (BRFSS) (2009-13); (2) U.S. Census Bureau/SAHIE (2006-12); (3) Gallup-Healthways Well-Being Index (2008-14)