Frequently Asked Questions
Affordable Care Act Health Benefit Exchanges
October 7, 2014

Since January 2014, the Patient Protection and Affordable Care Act (ACA) has provided a new option for purchasing health insurance coverage. You will see these health care options referred to as the “health insurance marketplace,” the “health benefit exchange,” or simply “the exchange.” To assist you in evaluating options for you and your family, this ACA notice provides some basic information about health care options available through the exchange.

1. What is the health benefit exchange and how does it work?
The health benefit exchange was established to increase access to affordable health care for individuals who may not qualify for health care benefits offered through employers.

Many states, including Washington, are offering their own health benefit exchange. Individuals in states not offering an exchange have access to a health benefit exchange operated by the federal government. The exchange offers a single place to find and compare private health insurance options.

2. Can I save money on health insurance premiums in the exchange?
Possibly, depending on the needs of you and your family. There are many different levels of coverage offered through several different insurance companies at varying premium rates.

In addition, you might be eligible for a new tax credit that lowers your monthly premium, but only if you aren't eligible for medical coverage through an employer or if the employer-provided coverage doesn't meet certain affordability and coverage standards. (Both university-sponsored medical plans comply with all ACA-required changes. If you are enrolled in a university-sponsored medical plan, your health care coverage meets the ACA-mandated affordability and coverage requirements.)

3. Does the medical coverage offered by University of Puget Sound affect my eligibility for premium savings through the exchange?
Yes. If you are eligible for University of Puget Sound medical benefits and you choose to buy insurance through the exchange, Puget Sound will not provide funding to purchase the exchange insurance. Because University of Puget Sound pays 100 percent of employee-only coverage on the high deductible medical plan and the coverage meets ACA requirements, it is unlikely that coverage through the exchange will be an attractive option for your own coverage.

In addition, since University of Puget Sound offers medical coverage to spouses/partners and dependent children, and the university medical plans meet the ACA-mandated affordability and coverage requirements, you will not be eligible for a financial subsidy from the government to help pay for any family coverage you may purchase through the exchange.

Should you choose to elect coverage through the exchange, your payments for such coverage will be made on an after-tax basis, as opposed to the pretax basis afforded for spouse and dependent child coverage on the university-sponsored plans. With federal tax rates in double digits, this is a significant consideration.
4. **What if I’m not eligible for University of Puget Sound medical benefits?**

Whether or not you are eligible to participate in the University of Puget Sound medical plan, you may choose to obtain medical coverage through the health benefit exchange. Depending on your household income, you may also be eligible for a tax credit and/or premium assistance to help reduce the cost of health coverage obtained through the exchange (but only if you are not eligible for university-sponsored medical benefits). The premium savings for which you may be eligible depends on your household income.

5. **How can I sign up for coverage through the exchange?**

Beginning November 15, 2014, you and your family members have the option to use an online marketplace to enroll for coverage that starts on January 1, 2015.

- You can choose from four plan levels: Bronze, Silver, Gold and Platinum. Each plan provides different levels of coverage to meet different needs.
- You can also choose from a variety of insurance companies. Each will offer its own price for each plan level. You can compare plans on the exchange website ([www.wahbexchange.org](http://www.wahbexchange.org)) and see which option might be best for you.
- You can fill out an application on the Washington Health Exchange website to find out if you or your family members qualify for financial assistance in the form of premium discounts, subsidies for out-of-pocket expenses, or coverage under programs such as Medicare or Medicaid. Please keep in mind that these discounts and subsidies will not apply to you or your family members if you are eligible for coverage on a university-sponsored medical plan.

Open enrollment for 2015 university-provided benefits is November 3-21. This means that if you are eligible for the university’s medical plan and you want to explore options available under the Washington Health Exchange, you need to evaluate those options and make a decision **no later than November 21.** After the open enrollment period, you will not have the opportunity to make changes to your university benefit elections until next year’s open enrollment (fall 2015, with a January 2016 effective date), unless you have a mid-year qualifying status change.

6. **Where can I go for more information about the exchanges?**

Because the University of Puget Sound does not sponsor the plans offered in the new health benefit exchanges, Human Resources will not be able to answer questions or provide guidance regarding the exchange offerings. The best place to get more information is at [www.wahbexchange.org](http://www.wahbexchange.org) or 1.855.923.4633. An alternative is to contact Jeff Johnson, independent insurance broker, at 253.249.7846 or jeff@jbjinsurance.com.

For additional information on Puget Sound’s benefits, please contact Human Resources at hr@pugetsound.edu, 253.879.3296, or Howarth 016.