

# Affordable Care Act Vocabulary

## Individual Mandate

Under the Affordable Care Act, you must be enrolled in a health insurance plan that meets basic minimum standards. If you aren't, you may be required to pay a tax penalty. You won't have to pay the tax penalty if you have very low income and coverage is unaffordable to you, or for other reasons including your religious beliefs. In most cases, you will need to apply for an exemption from the penalty. If you think you should get an exemption, you can contact a Navigator or Assister.



## Federal Poverty Level (FPL) = %FPL

A measure of income level issued annually by the Department of Health and Human Services. Federal poverty levels are used to figure out your eligibility for certain programs and benefits.

## The Health Insurance Marketplace

The Marketplace is a place where individuals and small businesses can buy affordable health insurance. The Marketplace gives you a choice of health plans that meet certain benefits and cost standards.

You can visit the Marketplace online at [www.healthcare.gov](http://www.healthcare.gov), by phone at 1-800-318-2596, through paper applications, or through an in-person Navigator or assister.



## Navigator or Assister

These are workers who help people apply for health insurance and determine what options and plans are best for them. They are trained and certified and their services are free. You can find an assister near you by visiting [www.enroll207.com](http://www.enroll207.com), or calling 1-800-965-7476.

## Premium + + → =

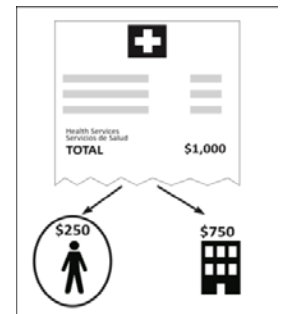
The amount that you must pay for your health insurance. You usually pay it monthly. If you get insurance through work, your employer might pay it. You have to pay your premium every month, even if you don't use your health insurance that month.

## Subsidy or Tax Credit + → =

When you get insurance from the Marketplace you can get a subsidy or tax credit. A subsidy is money from the government to help make the cost of health insurance more affordable. The amount of the subsidy depends on your annual income and is paid by the government directly to your health insurance company. Depending on your income, you can get a tax credit that makes your monthly premium payment lower. You can also get a subsidy that makes your out-of-pocket costs lower.

## Deductible

The deductible is the amount you have to pay for your health care services before your plan will “kick-in,” or begin to cover certain services. For example, if your deductible is \$1000, your plan won’t pay anything for services that require you to reach your deductible until you’ve spent \$1000 of your own money on health care services. The deductible does not apply to all services, so your plan will still cover some of your health care services right away, such as a wellness visit every year at no out-of-pocket cost to you.



## Co-pay or copayment



A fixed amount (for example, \$15) you pay for a covered health care service, usually when you receive the service. The amount can vary by the type of covered health care service.

## Coinsurance

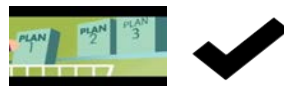
Your share of the costs of a covered health care service, calculated as a percent (for example, 20%) of the allowed amount for the service. You pay coinsurance plus any deductibles you owe. For example, if the health insurance or plan’s allowed amount for an office visit is \$100 and you’ve met your deductible, your coinsurance payment of 20% would be \$20. The health insurance or plan pays the rest of the bill.

## Out of Pocket

Your expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, and copayments for covered services plus all costs for services that aren't covered.



## Qualified Health Plan



Qualified Health Plans have to cover all 10 essential health benefits and follow other rules that limit how much your insurance company can charge you for premiums or make you pay out-of-pocket for services. All plans in the Marketplace are Qualified Health Plans.

## Essential Health Benefits

All private health insurance plans on the Marketplace and most plans outside of the Marketplace must offer the same set of essential health benefits. These are services all plans must cover:

- Ambulatory patient services (outpatient care you get without being admitted to a hospital)
- Emergency services
- Hospital stays (such as surgery)
- Maternity and newborn care (care before and after your baby is born)
- Mental health and substance use disorder services, including behavioral health treatment (this includes counseling and psychotherapy)
- Prescription drugs
- Rehabilitative and habilitative services and devices (services and devices to help people with injuries, disabilities, or chronic conditions gain or recover mental and physical skills)
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including dental and vision care

