



Affordable Health Insurance Fact Sheet

The Affordable Care Act (ACA) was signed into law in March 2010. The Act makes it possible for millions of people in the United States to qualify for affordable medical insurance when they do not have access to insurance through an employer, self-employment or before they become eligible for Medicare. The federal government operates [HealthCare.gov](https://www.healthcare.gov), ensuring that the insurance options available through the ACA marketplace cover pre-existing conditions and preventive care, as well as mental and behavioral health treatment.

COVID-19 has highlighted the importance and the right of all people to be able to have affordable medical insurance that covers unforeseen expenses associated with illness, providing effective treatment and preventative medicine. **More help is available now!** In most states, the [enrollment period](#) for ACA health coverage has been extended through August 15, 2021 due to COVID-19. Please note, in some situations an insurance plan may be selected at any time. If you have an ACA plan now, you may qualify for more savings than you are getting currently if you update your present plan's application or wait for the credit to be applied when 2021 taxes are filed. To see your options and secure **health insurance for everyone in your family**, visit the [Get ready to apply for 2021 coverage](#) webpage. [Visit the Find Local Help page](#) and search by city and state or ZIP code to find trained helpers in your community.

Many ACA Insurance Options Are Free and People May Apply at Any Time:

Through [Child Health Plus Medicaid \(CHIP\)](#) millions of families can apply for free or low-cost health coverage for their children, including unborn children, even when an employer health insurance option may be offered. CHIP can help families with children save significant money. This may be an option for people with disabilities who have insurance for themselves, but need insurance for their children who are under age 19. A person can apply for CHIP at any time.

Medicaid:

In many states, **Medicaid** has been expanded, making it possible for millions of people who have resources and assets, but limited income, to get medical insurance with no cost for premiums and small co-payments for prescription coverage. This is important for someone who may have lost their job.

Medicaid may be an affordable alternative in various situations: instead of COBRA which may be offered when employment is terminated; for those who are in the process of applying for disability benefits with the Social Security Administration; or for those who have begun to receive Social Security Disability Insurance (SSDI), but are in the 24-month waiting period for **Medicare** eligibility, or for those who retire before age 65. Once a person is eligible for Medicare due to disability, they are prohibited from participating in the ACA plan for themselves, but other family members may participate. Note: some people may be able to drop **COBRA** coverage outside Open Enrollment and enroll in a Marketplace plan instead; contact [your local ACA helpline to know your options](#).

Persons who have Medicaid coverage and are offered employer-sponsored health insurance, but cannot afford to pay the premiums, may be eligible for through their Medicaid agency for a Medicaid Health Insurance Premium Payment (HIPP) program.

Medicare:

Medicare is a federal health insurance program for people age 65 or older, certain people with disabilities who are under age 65 and people of any age who have kidney failure. **Medicare Part A** covers a portion of hospitalization costs and is free for most people, so it is generally wise to accept or enroll in this free coverage. It is also important that a person age 65 or older, or someone who has been receiving SSDI for 24 months, enroll in Medicare Part B unless they have other creditable coverage.

The [Medicare Prescription Drug, Improvement and Modernization Act](#) requires insurers to notify Medicare-eligible policyholders whether their coverage is considered creditable coverage. Creditable coverage means that the plan benefits are as good as Medicare. It includes health insurance benefits under a veterans' health care program, a job-based plan including a retiree plan, most Medicaid coverage and others.

Although [TRICARE](#) is also qualifying coverage, in most cases you must have Part B to keep this coverage.

Medicare Part B covers doctors and outpatient care. A person who has Medicare Part B may temporarily stop their Medicare premium payments to save money when they are offered group health plan coverage through their employment or their spouse's current employment. However, they may want to discuss the decision with their [State Health Insurance Assistance Program](#). Each situation varies. [Read more about different situations that may affect when you decide to get Part B.](#)

If a person, who does not have other qualifying or creditable coverage, declines coverage when first eligible, their Part B monthly premium may go up 10 percent for each 12-month period that they wait. Their Part D premium is subject to a late-enrollment fee and penalty of one percent of the national base premium for the number of months they went without coverage. In most cases, the person will have to pay their premium penalty surcharge for life.

The effective date of Medicare enrollment or re-enrollment depends upon a variety of technical factors, including age, the type of benefit received, the policy pertaining to that benefit and whether enrollment or re-enrollment occurred during the initial, general or special enrollment period. It is recommended that the Social Security Administration be consulted in all instances. If a person decides to re-enroll, [Form CMS 40B](#) must be completed by the employer.

If a person has limited income and resources, the state may help pay for Part A and Part B premiums, co-pays and deductibles under a [Medicare Savings Program](#). The person may also qualify for [Extra Help](#) to pay for their Part D expenses. If they have prescription drug coverage through an employer or union, before they sign up for Part D, they should check with their benefits administrator about how current coverage would be affected. Medicare must be notified also about other coverage.

An employee may choose to:

- Accept the employer health plan and delay Medicare enrollment;
- Decline the employer coverage and rely wholly on Medicare; or
- To have employer and Medicare insurance at the same time.

Special conditions may apply and further research is recommended.

Special Medical Insurance for People with Disabilities Who Work:

Many people who receive Supplemental Security Income (SSI) and/or Social Security Disability Insurance may work and receive Medicaid such as **Medicaid 1619(b) or Medicaid Buy-In** that allows for increased income and resources (countable savings). Medicaid Buy-In may even be available for a person who has a disability and has never received SSI or SSDI benefits. Some states have a premium for the Medicaid Buy-In Program and some states do not offer Medicaid Buy-In; check with your county Health and Human Services Department. A person who receives SSI (based upon disability) and/or SSDI who is working or pursuing employment, may request free benefits counseling services to learn what work supports, including medical insurance, they are eligible for by going to the [Find Help section](#) on the SSA Ticket to Work webpage.

ACA Private Insurance Options:

If a person is **not** eligible for Medicaid, Medicare or Veterans' TRICARE, they may apply for private insurance through the ACA marketplace. During enrollment, a person will be asked about the members in their household and the type of insurance each person may already have. In addition, the person enrolling will be asked about the household income projected for the calendar year or from this point forward.

Through the ACA, private insurers have been contracted and they offer reduced premiums, credible standards of coverage, co-pays, deductibles and maximum out-of-pocket expenses; the government reduces cost to the consumer with premium assistance based upon the household's income and Medicare, as appropriate. If a household's income is too high for premium assistance, the person and household can still apply for the ACA private insurance options. The ACA rates can save families significant money over options available directly through private insurers.

ACA Enrollment and Open Enrollment:

A person can enroll through the ACA for Medicaid and Child Health Plus at any time. Open Enrollment through the ACA for private insurance is usually from November 1st through December 15th; options and costs are updated each year. People who have insurance through COBRA may select a plan through ACA during open enrollment or if they meet special conditions.

People can enroll through August 15, 2021 due to the [coronavirus 2019 \(COVID-19\) emergency](#). More people than ever before qualify for help in paying for health coverage, even those who weren't eligible in the past.

[Learn more about new, lower costs.](#)

People can also get ACA health insurance if they qualify for a [Special Enrollment Period](#) due to a [life event](#) like losing other coverage, getting married, moving or having a baby; they can enroll any time.

If a person qualifies for [Medicaid or the Children's Health Insurance Program \(CHIP\)](#) they can apply through the ACA at any time.

[Visit Healthcare.gov to apply](#) for 2021 coverage.