WHAT DOES REFORM MEAN FOR YOU?

Your GUIDE to the new Health Care Law

You’re hearing lots of talk about the new health care law and changes that are coming in 2013... But what does it all mean for you and your family?

This Guide will help you with the big things you need to KNOW about the Affordable Care Act (ACA)—known as “Obamacare” to many Americans—and what you need to DO as major pieces of the law are put in place this year...

5 THINGS YOU NEED TO KNOW INSIDE →
5 THINGS YOU NEED TO KNOW

1 IT’S THE LAW OF THE LAND

The health care law is here to stay. It was passed in 2010, and was challenged and upheld by the U.S. Supreme Court in 2012. A major provision of the law, known as the individual mandate, requires all Americans to have health insurance by Jan. 1, 2014, if they don’t get health insurance from their employer already. Beginning next year, you will be penalized on your income tax if you don’t have health insurance.

A summary of the penalties:

2 INSURANCE IS CHANGING

One of the most significant changes to take effect in 2014 will be that every health insurance plan for individuals, families and small employers (2-50 employees) must include 10 Essential Health Benefits, as defined by the federal government.

THE BIG 10:

1. Outpatient 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

PENALTIES BY YEAR

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Parents</th>
<th>Maximum Adults</th>
<th>Maximum Child</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$285 maximum</td>
<td>$95 per adult</td>
<td>$47.50 per child</td>
</tr>
<tr>
<td>2015</td>
<td>$975 maximum</td>
<td>$325 per adult</td>
<td>$162.50 per child</td>
</tr>
<tr>
<td>2016+</td>
<td>$2,085 maximum</td>
<td>$685 per adult</td>
<td>$347.50 per child</td>
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IMPORTANT DATES

FALL 2013
Watch for information in the mail from Blue Cross and Blue Shield of Nebraska (BCBSNE) about your health insurance.

OCTOBER 1, 2013
You’ll hear a lot about this date—but as a current Blue member, you won’t have to do anything then. This is the date Open Enrollment begins for people without health insurance. We’ll walk you through the changes to your Blue coverage in the fall—watch the mail.
You’ll be hearing plenty about the new Health Insurance Marketplace as a place to shop for and purchase health care coverage. But as a BCBSNE member, the process will be much simpler for you to keep the safety and security you’ve come to trust. You will get a renewal packet in a few months that will explain all the options available to you, and what you need to do. We’ll walk you through it step by step!

You’re likely eligible for cost assistance if:

- Your annual income is between
  - Singles: $15,295 → $46,000
  - Family of 4: $31,255 → $94,000
- You are not eligible for public coverage—including Medicaid, the Children’s Health Insurance Program, Medicare or military coverage
- You do not have access to affordable health insurance through an employer

169,000 Nebraskans will be eligible for new premium tax credits.

Families USA

Government tax credits will lower the costs of health insurance for many beginning in 2014. Tax credits will reduce monthly premium costs immediately upon buying health insurance, but it will be reflected in your tax return the next year.
The new law will give millions of Americans access to health insurance, and insurance plans will cover more medical services than in the past.

But, there are significant costs with having a system in which everyone can obtain health insurance regardless of age or health condition, and a system which pays for more services.

Costs will increase for most people, due to three main components of the law:

**ESSENTIAL HEALTH BENEFITS**
Health insurance companies must provide a comprehensive package of benefits which may be greater than what a policyholder has now (see page 2).

**GUARANTEED ISSUE**
Health insurance companies will be required to accept anyone who applies, regardless of pre-existing medical conditions or history. More sick people getting health insurance will increase costs for nearly everyone.

**TAXES AND FEES**
The new law includes a broad range of taxes and fees, which will contribute to increased insurance cost for most people.

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**MONEY MATTERS**

80% of young Americans earning over $16,000 will pay more out of pocket than they do today.

Oliver Wyman actuarial consultants

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**THE BOTTOM LINE**

You’ll be hearing a lot about the new health care law, and it could get confusing. But we plan to help you every step of the way (with pieces like this) about what you need to KNOW, and what you need to DO next.

Watch for more information coming to you over the next few months as we get closer to the start of the new health care law. Rest assured, Blue Cross and Blue Shield of Nebraska is here for you.

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**NEXT STEPS**

1. Go to NebraskaBlue.com or healthcare.gov to learn more about the basics of the health care law.
2. Gather basic information about your household income, past year’s tax return, etc.
3. Watch your mail for more information about what you need to know about your Blue Cross and Blue Shield of Nebraska coverage!

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Blue Cross and Blue Shield of Nebraska is an independent licensee of the Blue Cross and Blue Shield Association.

All statistics cited are according to BCBSNE unless otherwise noted.