

# Individual/Family Health Insurance

## THE BACKUP PLANS

*Speaker: Troy Albrecht from Action Benefits*

*Milford native, health insurance nerd and ordinary nerd*





- >1,200 clients
- 9 years working in health insurance
- 4 years as a full-time agent
- ~28 years of health insurance
- 4 days fitting images onto a slide



Carriers: Priority Health, Blue Cross Blue Shield of Michigan, Blue Care Network, UnitedHealthcare, GTL, Wellabe, Aetna, SilverScripts, U of M Health Plan, HAP Caresource, GeoBlue, McLaren, LifeSecure, RMHP, HAP, Ambetter, Blue Cross Blue Shield of Illinois, Mutual of Omaha, Anthem, PHP, Wellcare, Humana, MDWise and Delta Dental.

-Currently licensed in 17 States.



# What do these coverage types have in common?

- ▶ Individual/Family plans
- ▶ ACA plans
- ▶ Healthcare.gov plans
- ▶ Obamacare
- ▶ On-Marketplace health insurance plans
- ▶ Off-Marketplace health insurance plans\*
- ▶ Under-65 plans
- ▶ Exchange plans

# What do these coverage types have in common?

They are all terms for the same plans.

I will use these terms:

- ▶ Individual/Family plans
- ▶ Marketplace plans
- ▶ Healthcare.gov plans

*\*a couple exceptions (Off-Market)*



# Who are they for?

In general, it is for those who do not get health insurance through an employer, are not 65 years old or older and have a household income too high to qualify for Medicaid (the “Backup Plans”)

- ▶ Self-employed
- ▶ Work for an employer that does not provide health insurance
- ▶ In-between jobs
- ▶ Retiring before 65 years old
- ▶ College students over 26 years old

*\*there are other situations not mentioned: disability, COBRA, retiree coverage, etc.*

# Healthcare.gov

- ▶ To view all of the plans available:
  1. Go to Healthcare.gov
  2. Click "Browse Plans & Costs"
  3. Enter zip code, age(s), gender(s) and estimated household income

1 **Enter your ZIP code** ✓ Completed  
You'll see plans available in the ZIP code you enter. If you change the ZIP code you'll restart your search. [Restart](#)

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2 **Tell us about you & your household** ✓ Completed  
Answer questions about your current plan, household, and income to see more accurate prices and estimated savings.  

- Your current plan [Add](#)
- Your household [Edit](#)
- Your household income [Edit](#)
- View estimated savings [View](#)

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3 **View health & dental plans** [Start](#)

**Optional**

- Estimate your total yearly costs
- See if doctors, facilities, & drugs are covered

## View health & dental plans

**Viewing plans for this group** [Edit](#)

- You (age 28)

Your total estimated tax credit: **\$237**

**Plan type**

Health Plans

**Filters** [Add filters](#)

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**108 plans** (no filters added) [No saved plans](#)



# Estimating Income and Subsidies

- ▶ Use an estimate of your household Adjusted Gross Income (AGI) for the entirety of the current calendar year. You should not just use your last tax returns.
  - August retirement, 8 months of pay vs. 12 months
- ▶ You can adjust throughout the year if your estimate changes
- ▶ This determines what subsidy you qualify for
  - Subsidy does not mean low-income
  - Married 61yo couple: subsidy eligibility up to \$208k



# Tax Time

- ▶ Form 1095-A
- ▶ Form 8962
- ▶ Estimated income too high
- ▶ Estimated income too low

Whether it be while you pay your monthly plan Premium or at tax time, you will end up paying the correct total amount.

When people think they outsmarted the system, they just haven't received their tax return yet.

Receive the 1095-A in the mail in the spring

Form 1095-A Health Insurance Marketplace Statement. This form is used to report information about the health insurance coverage provided through the Marketplace. It includes sections for Recipient Information, Covered Individuals, and Coverage Information. The form is for the year 2024 and is issued by the Department of the Treasury, Internal Revenue Service.

Use it to fill out Form 8962 on taxes

Form 8962 Premium Tax Credit (PTC). This form is used to calculate the Premium Tax Credit (PTC) based on the information provided on Form 1095-A. It includes sections for Annual and Monthly Contribution Amount, and the calculation of the PTC. The form is for the year 2022 and is issued by the Department of the Treasury, Internal Revenue Service.



# 2026 Changes

- ▶ 2025 rate increases
- ▶ 2026 rate increases
- ▶ Income documentation?
- ▶ Qualified Life Event documentation
- ▶ Adjustment limits
- ▶ 400% FPL "Subsidy Cliff"
  - a. 1 person: \$62,600
  - b. 2 people: \$84,600
  - c. 3 people: \$106,600
  - d. 4 people: \$128,600





# Tips and Tricks

- ▶ Part One: Why Marketplace HMO > PPO
- ▶ Part Two: Metal levels (Bronze, Silver and Gold)
- ▶ If time allows: Carrier gossip

*\*The remaining slides are specific to Michigan rules and plan options*



# Tips and Tricks – Part One

## Health Maintenance Organization (HMO)

- ▶ Requires referrals to see specialists
- ▶ No out-of-network coverage

## Preferred Provider Organization (PPO)

- ▶ Does not require referrals to see specialists
- ▶ Can see any doctor; generally pay a bit higher cost share out-of-network

# Tips and Tricks – Part One

## Health Maintenance Organization (HMO)

### ~~▶ Requires referrals to see specialists~~

- 9 out of the 10 Marketplace HMO carriers do not require referrals to see specialists (it's Blue Care Network)

### ~~▶ No out-of-network coverage~~

- ▶ Emergency and urgently needed services are covered as in-network on every plan anywhere in the country

## Preferred Provider Organization (PPO)

- ▶ Does not require referrals to see specialists
- ▶ Can see any doctor; generally pay a bit higher cost share out-of-network



# Tips and Tricks – Part One

*For the same Bronze plan medical benefits; 48381, \$60k income, 61yo male*

- ▶ *Ambetter HMO: \$272.15 monthly premium*
- ▶ *HAP CareSource HMO: \$444.09 monthly premium*
- ▶ *Priority Health HMO: \$505.97 monthly premium*
- ▶ *Blue Care Network HMO (referrals): \$540.95 monthly premium*
- ▶ *Blue Cross Blue Shield PPO: **\$701.74** monthly premium*

*\*No Molina equivalent and two additional carriers not listed*



# Tips and Tricks – Part One

## Preferred Provider Organization (PPO)

- ▶ Does not require referrals to see specialists
- ▶ Can see any doctor; generally pay a bit higher cost share out-of-network

## *Blue Cross Premier PPO Bronze Extra Out-of-Network Coverage*

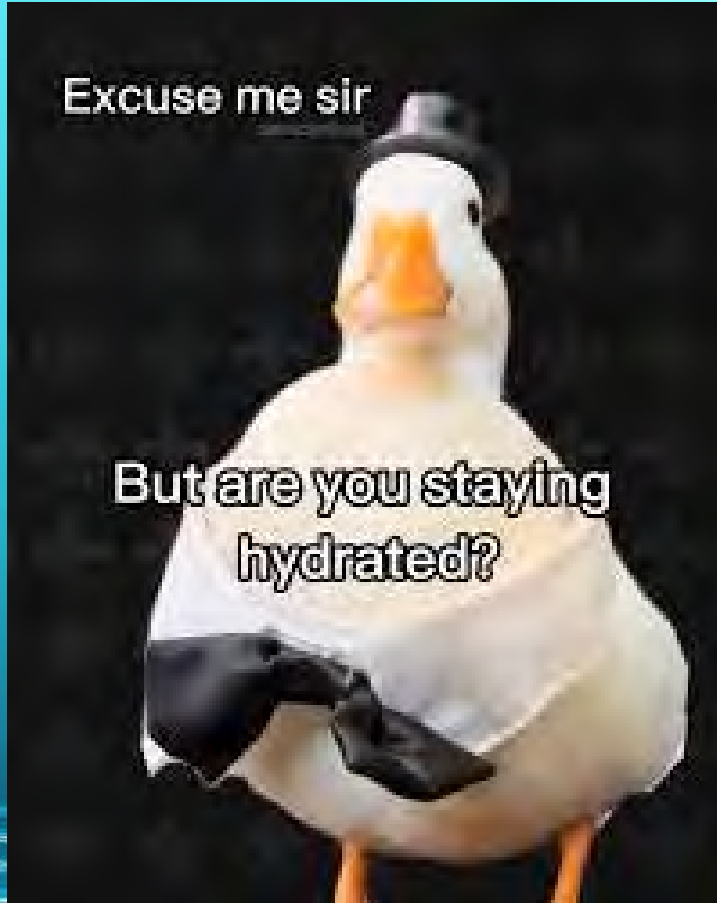
- ▶ *\$15,000 individual out-of-network deductible*
- ▶ *You pay 70% coinsurance after out-of-network deductible* 🤔
- ▶ *\$18,400 individual out-of-network out-of-pocket maximum*
- ▶ *No pre-deductible out-of-network coverages*



~pause for water~

Excuse me sir

But are you staying  
hydrated?





# Tips and Tricks – Part Two

- ▶ Bronze for most (~60%)
- ▶ Silver for some (~33%)
- ▶ Gold for a niche (~5%)
  - and “the customer is always right” (~2%)



# Tips and Tricks – Part Two

## Bronze – Most People

- ▶ Expect minimal-average utilization + no expensive medications
  - Pre-deductible copays
  - ACA Preventative services

or

- ▶ Expect very high costs and/or very expensive medications
  - Common Bronze plan maximum: \$9,200
  - Common Gold plan maximum: \$8,100
  - A lower deductible and 20% coinsurance won't be relevant if a \$50k surgery is scheduled or you take \$10k of medications per month

# Tips and Tricks – Part Two

## Silver – Some People

- ▶ Brand-name or pricey medications (\$100 - \$400 per month)
  - Pre-deductible medication coverage
  - Jardiance, Wegovy/Ozempic/Zepbound/Mounjaro, Januvia, Eliquis, etc.



# Tips and Tricks – Part Two

## Gold – Niche or Overpaying

- ▶ High enough costs for the low deductible and coinsurance to help but not high enough to hit the out-of-pocket maximum

or

- ▶ A few specialty drugs
  - Oral cancer medications
  - Severe conditions
  - Rare diseases



