

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

You'll see plans available in the ZIP code you enter. If you change the ZIP code you'll restart your search.

✓ Completed [Restart](#)

2 Tell us about you & your household

Answer questions about your current plan, household, and income to see more accurate prices and estimated savings.

- Your current plan
- Your household
- Your household income
- View estimated savings

✓ Completed

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

- You (age 28)

Your total estimated tax credit: \$237

Edit

Plan type

Health Plans

Filters [Add filters](#)

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

Receive the
1095-A in the mail
in the spring

1095-A Health Insurance Marketplace Statement VOID CORRECTED OMB No. 1545-2232

Do not attach to your tax return. Keep for your records.
Go to www.irs.gov/Form1095A for instructions and the latest information.

2024

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name
4 Recipient's name	5 Recipient's SSN	6 Recipient's date of birth
7 Recipient's spouse's name	8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)
13 City or town	14 State or province	15 Country and ZIP or foreign postal code

Part II Covered Individuals

A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16				
17				
18				
19				
20				

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
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*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.*

Use it to fill
out Form
8962 on taxes

8962 Premium Tax Credit (PTC) OMB No. 1545-0074

Department of the Treasury Internal Revenue Service Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Form8962 for instructions and the latest information.

2022 Attachment Sequence No. 73

Your social security number

A. You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception. See instructions. If you qualify, check the box.

Part I Annual and Monthly Contribution Amount

1 Tax family size. Enter your tax family size. See instructions.	2 Modified AGI. Enter your modified AGI. See instructions.	2a	2b	1	2
2a	2b			3	
b Enter the total of your dependents' modified AGI. See instructions.					
3 Household income. Add the amounts on lines 2a and 2b. See instructions.					
4 Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3. See instructions. Check the appropriate box for the federal poverty table used. a Alaska b Hawaii c Other 48 states and DC				4	
5 Household income as a percentage of federal poverty line (see instructions)				5	%
6 Reserved for future use				7	
7 Applicable figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions					
8a Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount. 8a				b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount. 8b	

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~



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

