

# Getting Financial Help



## Making Health Insurance Affordable

**Covered California™ will make it simple and more affordable for millions of Californians to get health insurance.**

Legal residents of California will be eligible to buy health coverage through a new marketplace established by Covered California. Starting in 2014, there will be several new and expanded government programs that offer financial assistance to reduce the cost of health insurance.

- 1. Premium assistance** — Federal help will be available to reduce the cost of an individual's or family's monthly health insurance payments.
- 2. Cost-sharing assistance** — Cost-sharing subsidies reduce the amount of health care expenses an individual or family has to pay at the time of medical care.
- 3. Medi-Cal assistance** — Starting in 2014, Medi-Cal will cover more people under age 65, including people with disabilities and those with income of less than \$15,860 a year for a single individual and \$32,500 for a family of four. Medi-Cal is free for those who meet the requirements and is part of the changes included in the Patient Protection and Affordable Care Act (Affordable Care Act).

## Qualifying for Premium Assistance

Premium assistance is available for individuals and families who make less than a certain amount a year and who do not have other options for obtaining affordable health insurance that meets certain coverage requirements, such as health coverage offered through their employer or another government program.

The amount of premium assistance depends on an individual's income and age and where the person lives. The Affordable Care Act sets a monthly maximum that people will pay for health care, based on where their income falls in the federal poverty level scale. In general, the less income someone makes, the less he or she will have to pay for health insurance and the more the federal government will help.

For example, individuals who make up to \$45,960 and families of four that make up to \$94,200 may qualify for financial assistance.

### Here are some key facts about premium assistance.

- Premium assistance reduces the cost of an individual's or family's health insurance plan premium.
- Premium assistance (a federal subsidy) is applied directly to the premium at the time an individual or family enrolls in health insurance. Enrollees do not need to wait until they file a tax return at the end of the year.
- Premium assistance is only available through Covered California. Californians must purchase their health insurance plan from Covered California if they want to get premium assistance.
- Premium assistance is paid to the health plans. The assistance is paid by the federal government directly to the health plan an individual or family chooses through Covered California.

## Estimating Premium Assistance

The amount of premium assistance provided depends on household income and family size. Below are some examples of potential costs to families in California. Later this year, Covered California will make available the exact premium and plan choices, so everyone can know exactly what their insurance will cost.



Annual Income for a Family of 4	Monthly Premium After Federal Subsidy
\$23,550 – \$35,325	\$39 – \$118
\$35,326 – \$47,100	\$119 – \$247
\$47,101 – \$58,875	\$248 – \$395
\$58,876 – \$94,200	\$396 – \$746

Premium assistance is available when people buy insurance, so no one has to pay all of the premium costs up front and wait for reimbursement. The premium assistance will be available to everyone who is eligible for it, whether they file taxes or not.

Covered California has an online calculator at [www.CoveredCA.com](http://www.CoveredCA.com) that can help people estimate how much they will pay per year for health insurance coverage and the amount of any federal financial support.

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## Qualifying for Cost-Sharing Subsidies

While premium assistance can help reduce premium payments, cost-sharing subsidies protect lower-income people from high out-of-pocket costs at the time of service. Those with incomes that are less than about \$28,725 for a single person and less than about \$58,875 for a family of four in 2013 may be eligible for those subsidies. Anyone who qualifies for cost-sharing subsidies will pay less for health care expenses, including costs incurred when they receive medical care.

Covered California can help people find out whether they qualify for assistance in person, by phone and online.

For more information, visit [www.CoveredCA.com](http://www.CoveredCA.com) or call (888) 975-1142.



### CoveredCA.com

Covered California is the new online “marketplace” that will make it simple and affordable to purchase quality health insurance and get financial assistance to help pay for it.