

Health Insurance Marketplaces 101

What is a health insurance Marketplace?

- Health insurance Marketplaces (you may hear them called Exchanges) are state-based competitive online marketplaces where people and small businesses can shop for and buy private health insurance. The Marketplaces are not private insurance companies or government-run health plans.
- The Marketplace is a destination where consumers can easily compare insurance options based on price, benefits, quality and other factors with a clear picture of premiums and other costs to help them choose the insurance that best fits their needs.

What is the current status of health insurance Marketplaces?

- Congress failed to repeal and replace the Affordable Care Act, so Marketplaces are still the best place to shop for insurance.
- Marketplaces are stabilizing. Some states have rates for 2019 are only slightly higher than 2018 and other states are reporting rate decreases. For the 83 percent of people who received Marketplace financial support last year, their payments will likely decline this year.
- There are more consumer choices for 2019. Every U.S. county has at least one insurer selling insurance through the Marketplace. Some insurers who previously exited the Marketplace have recently returned.

Who can enroll through a Marketplace?

- Use the Marketplace if you do not have job-based (also called employer provided) insurance, Medicare, Medicaid or the Children's Health Insurance Program (CHIP).
- If you get insurance from your employer, you can buy through the Marketplace, but you'll pay full price unless your employer's insurance doesn't meet certain standards. Most job-based plans do meet those standards.
- If your job-based plan isn't affordable or doesn't meet the standards, you may be eligible for financial assistance to help you afford the cost of a Marketplace plan.
- You must live in the U.S. as a citizen or be here legally.
- You may not be in prison. Once you are granted parole, you will have the opportunity to purchase health coverage on the exchange.

Why should I enroll through the Marketplace?

- You'll get coverage for pre-existing health conditions that may have kept you from getting coverage in the past.
- You can compare costs and coverage between different health insurance plans.
- You can see your premium, deductibles and out-of-pocket costs before you decide to enroll.
- The Marketplace is the only place to access financial support to help make insurance more affordable. The majority of people who enroll through the Marketplace receive some level of financial support.

How can I find the Marketplace for my state and where do I sign up?

- Information is available on the website, [Healthcare.gov](https://www.healthcare.gov) where you can also find resources, videos, and checklists and live web chat available 24/7 in English and Spanish.

What can I buy through the Marketplace?

- There are four categories of plans – Bronze, Silver, Gold and Platinum. They balance coverage and out-of-pocket costs. This [video](#)ⁱ provides a brief explanation about the trade-offs between different plans and this [website](#)ⁱⁱ provides additional information to help you shop.
- In general, the more you pay in premiums, the less you will pay in deductibles and other costs.
- Marketplace catastrophic insurance plans have low premiums and very high deductibles. They are required to cover the same essential health benefits as other Marketplace plans, including certain preventive services provided in-network. However, you cannot receive financial support for them. They are only available to people under 30 or with a [hardship exemption](#).ⁱⁱⁱ

What will a Marketplace health plan cover?

- All health plans offered on the Marketplace must cover a comprehensive set of benefits, including physician visits, preventive care, hospital stays, and prescriptions. Plans must also treat everyone fairly; discrimination against preexisting conditions is prohibited.
- Short-term health plans may be available [outside of the Marketplace](#). They are less expensive but much less comprehensive than Marketplace plans because they do not have to cover the same set of benefits as Marketplace health plans, they have benefit limits which are not allowed on the Marketplace, they can deny coverage altogether if you have a preexisting condition, or say they will not cover any costs associated with that preexisting condition. Experts warn “**buyer beware.**” Before you purchase a short-term plan, see our [fact sheet here](#).^{iv}

What if I cannot afford insurance?

- Through a health insurance Marketplace, financial help to lower costs is available for people who qualify. Consumers may be eligible for premium tax credits that help pay the monthly premium or premium tax credits plus cost sharing reductions which lower the amount you pay when you receive care.
 - Cost sharing reductions are only available to eligible consumers enrolled in designated silver plans.
- A free web-based calculator that provides estimates of insurance premiums and subsidies through the Marketplaces can be [accessed here](#).^v
- Subsidies do not apply to catastrophic plans or any plan not purchased through the Marketplace.
- Your state Marketplace will check your income to confirm your eligibility.

When can I enroll?

- Anyone can enroll through the Marketplace during open enrollment. In 2019, open enrollment runs from November 1 to December 15. California, Colorado, DC, Massachusetts, Minnesota, New York, and Rhode Island have extended the deadline for open enrollment beyond December 15.^{vi} Check with your state marketplace to learn more.
- You might qualify to enroll outside of open enrollment because of a “qualifying life event” which allows you to access a Special Enrollment Period. Find out if you are eligible [here](#).^{vii}

ⁱ <https://www.healthcare.gov/youtube-videos/xokpaang3r8.html>

ⁱⁱ <https://www.healthcare.gov/choose-a-plan/comparing-plans/>

ⁱⁱⁱ <https://www.healthcare.gov/health-coverage-exemptions/hardship-exemptions/>

^{iv} <http://www.lung.org/assets/documents/lung-health/short-term-plans.pdf>

^v <https://www.kff.org/interactive/subsidy-calculator/>

^{vi} <https://www.kff.org/health-reform/fact-sheet/aca-open-enrollment-if-you-are-low-income/>

^{vii} <https://www.healthcare.gov/glossary/qualifying-life-event/>