



MNsure & the Affordable Care Act: What do they mean & where do I fit in?

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Helpful hints and useful definitions for understanding health insurance reform in Minnesota.

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Key Terms

◆ Affordable Care Act (ACA)

The Patient Protection and Affordable Care Act is the federal healthcare reform law that passed through Congress and was signed into law by President Barack Obama in 2010. It is often referred to as “Obamacare.”

◆ MNsure (pronounced “Minn-sure”)

This is the new “health insurance exchange” for Minnesota. This is where people can enroll in public healthcare programs, like Medicaid and MinnesotaCare, as well as get access to health insurance subsidies. The website is www.mnsure.org. From now through December 15, 2015, Minnesotans can enroll in health insurance plans for coverage starting Jan. 1, 2016. Minnesotans can continue to enroll in insurance plans for coverage starting later in 2016 through the “open enrollment period,” which ends Jan. 31, 2016.

◆ Federal Poverty Line (FPL)

Eligibility for healthcare programs and subsidies depends on a family’s income. The ACA simplifies some of the old formulas for calculating income and assets by making it all about income as it compares to the federal poverty line and the size of your family. See the “Healthcare Programs and Income” hand-out to figure out how your family’s income compares to the federal poverty line.

◆ Income

For all intents and purposes, when we talk about income in the context of healthcare reform we’re talking about your family’s taxable income. With a few minor exceptions,

your eligibility for any of the health insurance programs should be determined based on your declared “adjusted gross income” or “modified adjusted gross income.”

◆ Employer-Offered Health Insurance

The other major factor in determining whether or not you are eligible for public health insurance programs and subsidies is whether or not your employer offers you quality, affordable insurance. Here’s what we mean by “quality” and “affordable”:

- **Quality:** The insurance your employer offers must have at least 60 percent “actuarial value.” That means the insurance should, on average, pay 60 percent of your healthcare costs.

- **Affordable:** This is where it gets tricky. To be considered affordable, the insurance your employer offers must cost no more than *9.5 percent* of your household income to cover just you, their employee. If your employer offers to insure your spouse, it similarly must cost no more than *9.5 percent* of your household income to cover just your spouse.

Note: If your employer-offered health insurance meets the quality and affordability standards, but is still not a good fit, you may opt-out of that coverage. In that case, you can buy insurance through MNsure or on the private market but you will not qualify for public programs (Medicaid or MinnesotaCare), nor will you be eligible to receive subsidies through MNsure.

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◆ Navigators

Navigators are people who are trained to help Minnesotans figure out their health insurance options, and who can also help them enroll in MNsure programs. Many social services agencies, clinics and community organizations are training to serve as “navigators.” For example, many Minnesota Community Action Partnership (CAP) agencies around the state have applied to become navigators. You can find a list of currently certified navigators on the MNsure website at www.mnsure.org/individual-family/find-assister (note: this list includes insurance agents and brokers).

Public Programs Available

◆ Medicaid (often referred to as Medical Assistance or MA)

Medicaid is public health insurance for lower-income people with no premiums and very low out-of-pocket costs. Adults who aren’t offered health insurance through their employer, and whose income is below 138 percent of the federal poverty line; and children and pregnant women whose income is below 275 percent of the federal poverty line will qualify for Medicaid. There is no asset test to enroll in Medicaid.

◆ MinnesotaCare

MinnesotaCare is public health insurance for people who make too much to qualify for Medicaid but still have relatively low income. MinnesotaCare has low premiums and low out-of-pocket costs. In 2012, nearly 130,000 Minnesotans used MinnesotaCare to get affordable health insurance. Under healthcare reform, an estimated 54 percent of currently uninsured Minnesotans will qualify for MinnesotaCare or Medicaid.

Adults who aren’t offered health insurance through their employer, and whose income is above 138 percent of the federal poverty line and below 200 percent of the federal poverty

line, qualify for MinnesotaCare.

Starting in 2014, a number of significant barriers to participation in MinnesotaCare were removed. There will be no more hospital cap, no more four-month waiting period and no more asset test. Premiums will also be reduced by up to 50 percent.

◆ MNsure Marketplace & Subsidies

MNsure’s marketplace is what the Land Stewardship Project has often referred to as “the exchange.” This is where people whose income is a little higher—200 percent to 400 percent of the federal poverty line—can purchase health insurance plans with the help of federal subsidies. Subsidies will be based on a person’s income, and will be set-up to keep families’ health insurance premiums under 9.5 percent of their income. See separate “MNsure Marketplace and Subsidies” handout for more information on the way the marketplace and subsidies will work.

Contacts & Resources

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- **LSP Affordable Healthcare for All** web page: www.landstewardshipproject.org/organizingforchange/affordablehealthcareforall
- **MNsure website:** www.mnsure.org
- **MNsure call center:** The center’s telephone number is 1-855-3-MNSURE (1-855-366-7873). It operates Monday through Friday from 8 a.m. to 6 p.m.; Saturdays from 8 a.m. to 4:30 p.m., and Sundays from 10 a.m. to 3 p.m.
- **mnformation:** This online guide takes users through a step-by-step process to determine the best healthcare options when navigating the MNsure exchange: www.mnformation.org.