HEALTH INSURANCE

We make it simple

An interactive guide to what you need to know

alight

If you need to purchase health insurance, the information in this guide[1] will help you understand:

- what health insurance is
- how the Affordable Care Act (ACA) affects you
- what types of insurance are available and how they work
- which health insurance plan is right for you

Impartial advice you can trust

Alight Health Coverage Resources™ partners with leading national and regional insurance carriers to offer a wide variety of plans. Licensed agents, through our partner, eHealth*, help people narrow down their choices to find the best option to meet their individual needs. These services are provided at no additional cost to you.

*eHealthInsurance Services, Inc., is a licensed health insurance agency doing business as eHealth.

The Patient Protection and Affordable Care Act, also known as the Affordable Care Act (ACA) or Obamacare, which took effect in 2010, and has been amended since, was designed to make quality, affordable healthcare available to all Americans. Some people have healthcare coverage through their employer, but many do not. Those without employer-sponsored health coverage may include:

- Full-time employees at companies that do not offer health insurance benefits
- Unemployed adults (unable to find a job or recently terminated)
- Contractors working less than 30 hours per week
- Part-time employees
- Self-employed individuals
- Retirees who aren't eligible for Medicare
- Children

More good news: You cannot be turned down for insurance, regardless of medical conditions. Plus, based on your total household income, you may qualify for a tax credit to help pay for coverage. This makes it easier to find and afford insurance.

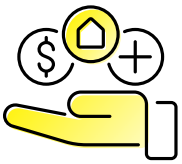
[1] This guide is for educational purposes only and is not intended as legal, tax, medical, or other professional advice. Please note that the laws and regulations impacting health insurance frequently change and therefore, some information contained herein may become inaccurate or outdated after publication. We recommend consulting with a licensed insurance agent and/or other professionals to help you understand the rules or regulations that may apply to your personal circumstances.

Understanding health insurance

Health insurance is a complex topic, with rules that are always shifting. So for people who want or need to buy coverage, we've broken it down into four areas that will help you understand:

Section 1:	**What** you're buying
Section 2:	**How** to choose a plan
Section 3:	**How** you can buy
Section 4:	**When** you can buy

Know what you're buying



Despite your best efforts, eventually you may get sick or injured. By spreading risk among large numbers of people, health insurance makes it possible to afford medical care—which can get expensive—when you need it.

What you get with health insurance

When you purchase a health insurance plan, you are eligible to receive medical benefits at a lower cost than you would pay if you had no insurance.

Medical benefits[2] may include:

- Visits to doctors' offices, including primary care physicians, specialists and surgeons when needed
- Care at hospitals, emergency rooms and urgent care centers
- Diagnostic laboratory and imaging
- Prescription drugs
- Preventive services like vaccinations and screenings

Financial benefits may include:

- Lower rates for medical services negotiated by insurance companies
- An upper limit on your cost for medical care

[2] Benefits may vary from plan to plan; please consult plan materials for descriptions of coverage.

What you pay for care

Health insurance plans differ, but they have a similar financial structure: when you need a medical service (like a doctor visit) your plan pays part or all of the cost for covered services. If you don't have health insurance, you must pay the full cost—which can be considerably higher. No matter which type of health insurance plan you buy, paying for it may involve some combination of these factors:

■ **Premium**	The cost of your plan, usually billed each month.
■ **Deductible**	The total amount you pay for covered medical services each year before your health plan begins to pay its share of the cost.
■ **Coinsurance**	The percentage of medical cost you pay after you've reached your deductible amount. Coinsurance is an example of cost-sharing, which defines how you and your plan will share the costs of your covered medical services.
■ **Copay**	A fixed amount (for example, $30) you pay for a covered healthcare service, usually when you receive the service. The amount can vary by the type of covered healthcare service.
■ **Annual out-of-pocket maximum**	The most you pay during a policy period (usually one year) for covered services before your health plan starts to pay 100% for covered healthcare services (includes deductibles, coinsurance, copayments, or other qualified expenditures).

Costs vary with each health plan. A licensed agent can advise you how these affect the pricing for plans you consider.

How the ACA shapes health insurance plans

The ACA requires health plans sold to individuals to cover certain types of services called essential health benefits, which at a minimum, include:

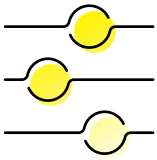
- Outpatient care—the kind you get without being admitted to a hospital
- Trips to the emergency room
- Treatment in the hospital for inpatient care
- Care before and after your baby is born
- Mental health and substance use disorder services, including behavioral health treatment, counseling and psychotherapy
- Prescription drugs
- Services and devices to help you recover if you are injured, or have a disability or chronic condition, such as physical and occupational therapy, speech-language pathology, and psychiatric rehabilitation
- Lab tests
- Preventive services including counseling, screenings, and vaccines to help keep you healthy, and care for managing a chronic disease
- Pediatric services, including dental care and vision care for kids, 18 years and younger.

By standardizing these services, the ACA helps make it easier to compare one plan to another—so you can make an informed decision.

How do health insurance plans differ?

Since all plans sold to individuals cover the same basic types of services, one notable difference is the cost of buying and receiving covered services under the plan. These costs include the premium, deductible and the other factors listed on page 6.

Generally, plans with lower monthly premiums come with a higher deductible (the point at which the plan starts paying benefits) and cost-sharing (coinsurance and copays). The reverse is true, too. Plans with a lower deductible and cost-sharing often have higher premiums.



It's all about balance

⬆$ Higher premium = ⬇$ Lower deductible and cost-sharing

$⬆ Higher deductible and cost-sharing = ⬇$ Lower premium

Provider networks

Health insurance plans come with a list of network providers, which includes doctors, specialists, labs, hospitals and other places you go for medical services. Health insurance companies contract with these providers to help get the best possible rates. These negotiated rates help keep costs low for members who purchase health insurance.

As a consumer, you're encouraged to use providers who are in your plan's network, except in a life-threatening emergency. If you use a provider who is not in your network for non-emergent care, your plan may cover less of or none of the cost. So, it's a good idea before you make your health plan purchase decision, to check if a plan's network includes your primary care physician (PCP). If you don't have a PCP, some plans may ask you to choose one.

It’s not unusual for a single insurance company to offer plans with different provider networks. One plan may use a large network that includes lots of doctors and hospitals in your area. Another plan might use a smaller network, giving you fewer doctors and hospitals to choose from.

Confused about provider networks?

We can help you choose a plan that includes quality providers near you.

Check the provider network.

- Does it include doctors, hospitals and labs near you?
- Is your doctor in the network?

Other things to think about

Evaluating a health insurance plan is not purely a financial decision. When shopping for health insurance, pay attention to these other considerations:

- How stable and reliable is the insurance company that issues the plan?
- What other services (discount programs, prevention and wellness programs, informative and easy-to-use website) come with the plan?
- How responsive is the customer service department?

There's a lot to consider. A licensed agent can explain the factors that go into making a decision and help you find a plan that gives you the right coverage—at the right price.

Choosing a plan

Now that you've reviewed the basics of health insurance, it's time to consider some actual plans.

Under the ACA there are 5 insurance categories:

■ Platinum	■ Gold	■ Silver	■ Bronze
pays approx. 90% of covered services after you meet the deductible	pays approx. 80% of covered services after you meet the deductible	pays approx. 70% of covered services after you meet the deductible	pays approx. 60% of covered services after you meet the deductible
■ Catastrophic	On average, catastrophic plans pay less than 60% of the total average cost of care. They're available only to people who are under 30 years old or qualify for a "hardship exemption."		

Each plan category comes with wide variations in premiums and deductibles. For example, an insurance company may offer several Silver-level plans—some with lower monthly premiums and a higher deductible, others with higher monthly premiums and a lower deductible.

There may also be some variety in provider networks. As a general rule, plans with larger provider networks (which give you a wider range of doctors and hospitals to choose from) have higher costs.

Additional types of plans

Some insurance companies offer other types of plans that protect against risks not covered under the ACA plans. These may include life insurance, as well as supplemental plans that cover:

Dental care

Vision care

Critical illness

Accident

Long-term care

Strategies for choosing your coverage

When deciding which health insurance plan to buy, it's smart to consider your own situation. Take a look at your current income and expenses, the cost of living for your area, your lifestyle, career goals and other factors that affect your life. Consider these strategies if they apply to you:

- **Younger people** who are relatively healthy usually need fewer medical services because they have less need to visit the doctor or hospital. So they might choose a plan with a lower monthly premium, even though the deductible and cost-sharing may be more expensive.
- **Young families** usually need more medical services than single adults because kids (even healthy ones) tend to need more medical care than adults. The more kids they have—or plan to have soon—the more medical services they can expect to need. So a plan with a lower deductible and cost-sharing might make sense, even if the premium is a little higher.
- **Middle age people** usually have some combination of these extremes. Whether they're in great shape because they exercise regularly and eat a healthy diet, or they're starting to develop medical issues, they may prefer a plan with a balance of monthly premium, deductible and cost-sharing.
- **Older people** who have health conditions often need to use medical services more often. They may need to visit the doctor regularly and be hospitalized more often. So an older person in fair or poor health may want to consider a plan with a higher premium but lower deductible and cost-sharing.

We can walk you through these buying strategies and show you how to factor your own situation into choosing a plan that's right for you.

How to buy a plan

If you don't have health insurance, you're at risk for much higher medical costs—especially for hospital, surgery and emergency services—than you would pay if you had a health plan.

But there's also good news. The ACA, and a newer law called the American Rescue Plan Act (ARPA), have built-in programs that help many low- and moderate-income people pay for health insurance.

The ACA, enacted in 2010, provides tax credits that help many Americans who struggle to afford the premiums. And the more recent ARPA, signed into law in 2021, temporarily expands eligibility for those tax credits. As a result, many who would earn too much income to qualify for the original credits will now receive them. This change makes health insurance more affordable for about 10 million Americans impacted by the financial crisis triggered by the COVID-19 pandemic.

Eligibility requirements for a premium tax credit

To be eligible, you must:

- Live in the United States
- Be a U.S. citizen, U.S. national or otherwise lawfully present in the country
- Not be incarcerated
- Meet new income thresholds established under the ACA and ARPA

The amount of tax credit is determined by a formula based on your family size and income, as compared with the Federal Poverty Level (FPL)—a benchmark established every year by the federal government. For coverage in 2024, the FPL ranges between $14,580 for an individual and $30,000 for a family of four.[1]

- If you earn *between 100 and 400 percent* of the FPL for your family size, you may qualify for a tax credit.
- If you earn *more than 400 percent* of the FPL for your family size, you may still qualify for a tax credit.
- If you earn *less than 150 percent* of the FPL, you may qualify for a tax credit that offsets your premium entirely or reduces it to nearly $0.

In some circumstances, you may be eligible for other, non-Marketplace coverage. Remember that simply meeting the income requirements does not mean you're eligible for the premium tax credit.

[1]Alaska and Hawaii have different guidelines.

Calculating the tax credit

If you meet the income and other criteria to qualify for a tax credit, there's a complicated formula that determines how much money from the government you'll receive to help pay for your plan. It's based on the plan you select, your income level and other factors.

Purchasing a health insurance plan

Because the process is complicated, most people need a little more guidance. That's why we offer our Health Coverage Resources website—it lets you select the type of insurance that applies. Then, just answer a few questions. You'll find a wealth of information, and have access to experienced, licensed agents (through eHealth) who can walk you through the details—at no additional charge. Our goal is to help you find the health insurance plan that works best for you.

The federal government has a website that lists all the available plans in your area. It also explains most of the ACA's provisions and terms and lets you compare plans. If you find a plan that meets your needs, you can also purchase it there.

When to buy

The Open Enrollment Period runs November 1 through December 15 every year, for coverage that takes effect January 1. If you do not enroll in a plan by the December 15 deadline, you cannot purchase coverage without a qualifying event.

Generally, you can't enroll in a health insurance plan outside these dates. However, the ACA also has a Special Enrollment Period for people who are eligible to purchase coverage before or after the Open Enrollment Period due to a Qualifying Life Event. Qualifying Life Events include:

- Getting married
- Divorcing (if it results in a loss of coverage)
- Having a baby
- Adopting a child or placing a child for adoption or foster care
- Losing other qualifying health coverage
- Moving to a new permanent residence after purchasing coverage
- Gaining citizenship or lawful presence in the U.S.
- Leaving incarceration
- Death
- An increase in income that moves you out of the Medicaid coverage gap
- For people already enrolled in Marketplace coverage: Having a change in income or household status that affects eligibility for premium tax credits or cost-sharing reductions

Note: Members of federally recognized Indian Tribes or Alaska Native corporation shareholders may have other enrollment period opportunities.

If you experience one of these events, you can apply for a Special Enrollment Period. If approved, you get a 60-day window to purchase a plan.

Let us help you get covered

Between the ACA itself and all the agency regulations that relate to it, thousands of pages have been written about health insurance plans. This guide is just a summary of the most important topics, intended to give you a background about the law's major provisions.

We can help you apply what you've learned — so you can review your options and select a plan that's right for your needs and your budget. Our website provides important details, an easy-to-use coverage calculator and other helpful resources.

More importantly, licensed agents, through our partner, eHealth, are highly trained to help you sort through your choices and help you find the best coverage for your needs. The service is confidential and available **at no additional cost**. Licensed insurance agents have an obligation to help select the coverage that's right for you. Our focus is always on you.

Ready to get started?

Our website has the tools and information you need to make an informed decision. And you can visit anytime, as often as you like, from the convenience of your home, office or any other location. Simply select the type of insurance that applies, answer some questions and review your selections. You can also connect to a licensed agent. Soon you'll have the health insurance you need — and the peace of mind that comes with it. To review plans, visit **healthcoverageresources.com/alight/home**.

About Alight Solutions

Alight is a leading cloud-based human capital technology and services provider that powers confident health, wealth and wellbeing decisions for 36 million people and dependents. Our Alight Worklife® platform combines data and analytics with a simple, seamless user experience. Supported by our global delivery capabilities, Alight Worklife is transforming the employee experience for people around the world. With personalized, data-driven health, wealth, pay and wellbeing insights, Alight brings people the security of better outcomes and peace of mind throughout life's big moments and most important decisions. Learn how Alight unlocks growth for organizations of all sizes at alight.com.

HCR_eBook_0124