



Federal Health Care Law Frequently Asked Questions—Renewal Process

1. I bought my individual health insurance policy with a January 1, 2014, effective date (or later) and now I have received a letter from my insurer with a price change. Is this correct?

Yes. Under the Affordable Care Act (ACA), all insurance policies renew each year on January 1.

2. Am I required to keep my current health insurance policy?

No. Open enrollment both on and off the exchange begins on November 15, 2014, for January 1, 2015, effective dates and continues through February 15, 2015 (for a March 1 effective date). You may keep your current plan, or choose a new plan. You should contact your insurance agent to discuss the best option for you.

3. Do I have to use the federal health insurance exchange to purchase a new plan?

No. Open enrollment applies to both on and off exchange. However, the only way to receive federal subsidies is to purchase a plan through the exchange. You may purchase on the exchange by using an agent, navigator, certified application counselor, or just do it yourself.

4. How do I change my benefit plan?

Contact an insurance agent, an insurer, a navigator, or certified application counselor to help you enroll in a new plan. However, only a licensed insurance agent may provide advice on which plan is best for you. You may also enroll directly through the federal health insurance exchange. For more information, please read our Frequently Asked Questions for Consumers.

5. If I want to keep my current health insurance policy, should I just pay my premium?

Yes, but that may not be sufficient to keep coverage in place. You should contact your insurance agent or insurer to verify that you want to continue coverage. In some cases, federal regulators are telling insurers to cancel coverage if they do not hear from their clients. As a result, it is important to contact the insurer to verify that you want to continue coverage.

6. I receive federal subsidies for my insurance. Will the amount I pay change?

Most likely, yes. Your subsidy is based on your income and the cost of the second least costly silver plan in your county. If your income changed or the

cost of the second least costly silver plan changed, it is likely you will pay a different rate. In order to ensure your subsidy will be correct, you should verify your income on the exchange and compare the cost of your plan to the second least costly silver plan in your county. This will help you estimate the amount you will pay. If you used an agent to purchase your plan, you should check with your agent on this process.

7. The renewal letter from my insurer has a subsidy estimate. Is this amount accurate?

No. The insurer estimated your subsidy based on last year's income and without knowing the cost of the second least costly silver plan in your county. You should check with your agent, your insurer, or the exchange after November 15, 2014, to get a better estimate. You will need to re-verify your information on the exchange.

8. If I want to change plans, do I need to contact my current health insurer to cancel coverage?

Yes. In order to avoid duplicative billing, it is a good idea to contact your current insurer to let them know you changed health insurance plans. It is important not to cancel coverage before your new coverage begins. If you changed plans between November 15 and December 15, the effective date of your new plan will be January 1, 2015. If you changed plans between December 16 and January 15, your effective date will be February 1, 2015. If you changed plans between January 16 and February 15, your effective date will be March 1.

9. What are the most important steps to remember?

- Contact your agent. Your agent should be able to help you through the renewal process. If you want to choose a new plan, an agent can give you advice on choosing the best plan for you. If you want to reenroll in your current plan, your agent can help you with that as well.
- Contact your insurer. If you want to keep your current coverage and do not have an agent, your insurer may be able to help you through the process or refer you to an agent who specializes in their plans.
- Update your information through the exchange. If you are receiving a subsidy, you should update your information through the exchange. A number of changes may impact your subsidy. Your agent, a certified application counselor, or navigator may be able to help you with this process.
- Verify your coverage. Last year, insurers had trouble receiving necessary information from the exchange. Hopefully all the kinks are worked out, but it never hurts to verify your coverage.
- Check your accounts. If you pay your bills automatically, you will want to make sure that only one insurance company at a time is billing you for coverage. If you are using a bank account, make sure the insurer did not collect premium automatically. If you pay by credit card, make sure to check your statement.

10. I purchased my plan with an effective date before January 1, 2014. Does this process apply to me?

No. Those plans (known as “grandmother or grandfather plans”) will renew under the old process. You will receive a letter from your insurer detailing any change in premium, and you may continue to pay the insurer for coverage. Under federal guidance, insurers are allowed to renew those plans through 2016. If you would like to change your plan to an ACA-compliant plan, you may choose to do so during open enrollment. It is important to note that you cannot reenroll in your “grandmother or grandfather” plan once your plan is terminated.