

Cost-Sharing Reductions Available in NY State of Health

For Individuals & Families Buying in NY's Individual Marketplace



Starting January 1, 2014, the Affordable Care Act (ACA) requires you to have health insurance, or pay a penalty when you file your taxes (unless you can claim an exemption).

Some individuals and families who buy insurance in the state-run NY State of Health, The Official Health Plan Marketplace, will be able to get cost-sharing reductions that will allow them to pay less when they receive health care.

You can find out if you qualify for free or lower cost health insurance through the state-run NY State of Health by visiting nystateofhealth.ny.gov

What Are Cost-Sharing Reductions and How Do They Work?

Cost-sharing reductions lower how much you pay when you receive health care services. They can lower your deductibles, copayments, co-insurance, and total out-of-pocket spending – but only if you enroll in a “silver” level plan in NY State of Health.

The amount of the cost-sharing reduction you may receive depends on your income. The lower your income, the more help you may get.

- Individuals and families with incomes between 138% and 250% of the Federal Poverty Level (FPL) can get help with their deductibles, copays and co-insurance, so they can pay less each time they go to the doctor or need other health care services.
 - For example, 138% - 250% of the FPL equals income between \$15,856 - \$28,725 for an individual, and \$32,499 - \$58,875 for a family of four.
 - Individuals with lower incomes (below 138% FPL) will qualify for free public health insurance.

To learn more about health care reform and see if you qualify for cost-sharing reductions, visit the NY State of Health at nystateofhealth.ny.gov, or call 1-855-355-5777.

NYC
Human Resources
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You Can Shop Now For Health Insurance in The NY State of Health



What Does Cost-Sharing Mean?

“Cost sharing” is how much you pay towards the health care you receive while insured. It includes **deductibles**, **copayments**, and **coinsurance**. It does not include premiums or the cost of services not covered under your health plan.

Deductibles are what you must pay for most types of care before your health plan begins to pay. For example, if your deductible is \$1,000, your plan will not pay anything for most of the care you receive until you have met the \$1,000 deductible.

- Under the federal health care law, newly purchased plans must cover certain preventive care services fully – you will not have to pay a deductible or other cost-sharing amount when you receive these services.

- **Copayments** are fixed dollar amounts (for example, \$20) that you pay for covered health care services. The copay can vary depending on the type of covered health care service.
- **Coinsurance** represents your share of the costs of a covered health care service. It is calculated as a percentage of the amount the insurer determines can be charged for the service.
 - For example, if your coinsurance is 20%, an office visit is \$100, and you have met your deductible, your coinsurance payment would be 20% of \$100, or \$20. Your health insurance plan would pay the rest of bill, 80% or \$80.

Are Cost-Sharing Subsidies Available For Any Health Plan?

No, you must be enrolled in a “Silver-Level” plan through the NY State of Health in order to have your cost-sharing amounts lowered. You must also qualify for a premium tax credit.

When you qualify for a premium tax credit at or below 250% of the Federal Poverty Level (FPL) and enroll in a Silver Plan through the NY State of Health, cost-sharing reductions will automatically be applied to your coverage.

Make sure you have insurance by January 1, 2014.
Most people must have insurance or pay a penalty.