



# AMERICA'S AFFORDABLE HEALTH CHOICES ACT

## QUALITY AFFORDABLE HEALTH CARE

### HEALTH REFORM AT A GLANCE: THE HEALTH INSURANCE EXCHANGE

America's Affordable Health Choices Act will reform the insurance marketplace to ensure that everyone can purchase quality, affordable health insurance coverage. A critical piece is a new Health Insurance Exchange (Exchange) for individuals and businesses to allow them to comparison shop for coverage. This Exchange will revolutionize health care choices and will help reduce the growth in health care spending by encouraging competition on price and quality, not benefit manipulation or efforts to exclude needy patients. Recognizing that many businesses want to continue providing their own health coverage as they do today, business participation in the Exchange is simply a new option for those that are eligible – no business is required to enter.

#### HEALTH INSURANCE EXCHANGE PROVISIONS IN THE BILL:

##### ABILITY TO COMPARISON SHOP

- Give people the ability to choose from a variety of plans — including a new public health insurance option.
- Provide standardized benefit packages so that people will be able to comparison shop and make informed choices based on cost and quality.
- Plans compete locally—so small plans and national plans have an equal opportunity to offer coverage.

##### AFFORDABILITY (SEE FACT SHEET “MAKING COVERAGE AFFORDABLE” FOR MORE DETAILS)

- To ensure that health care is affordable to people of all incomes, new affordability credits will be available for people purchasing through the Exchange. They will assist people with incomes up to 400% of the federal poverty level (\$43,000 for individuals or \$88,000 for families of four) and phase-out on a sliding scale basis.
- Includes a cap on premiums and out-of-pocket spending. Regardless of income, everyone will be protected, so no one will face bankruptcy due to medical expenses.

##### TRANSPARENCY

- Bring transparency to the health care marketplace, so that families know what benefits their plan covers and what it will cost them.
- Require plans to explain their coverage in plain language, so that consumers can make informed choices about their medical care.

##### STANDARDIZED BENEFITS (SEE FACT SHEET “BENEFITS” FOR DETAILS)

- Allow consumers to choose coverage among several standard benefit packages.
- Provide comprehensive health care services with different levels of cost sharing.
- Include a Premium Plus plan through which people will have options to purchase coverage for additional health care benefits that are not included in the core benefit standards.

##### ADVANTAGES FOR SMALL BUSINESSES

- Health Insurance Exchange is opened to small employers first (those with 10 or fewer employees in the first year, and 20 or fewer in the second year) and to larger employers over time.
- Offers opportunity to small employers through the Exchange to provide their employees with broad choices for coverage and to be able to eliminate the administrative costs of maintaining their own health plan contracts.