

OPEN ENROLLMENT IS COMING SOON

By Ed Gaelick, CLU, ChFC

The Affordable Care Act (ACA), more commonly known as Obamacare, requires virtually everyone to have health insurance. However, there are only certain instances when insurance may be obtained for the first time or changes may be made to existing coverage.

The most common time for these things to happen is during the Annual Open Enrollment Period when there are no restrictions on who may enroll, what plan design to select, or which carrier to choose. This is your opportunity to research options for the coverage that best fits your needs and/or budget for the upcoming year.

Individuals and Families

The 2016 Open Enrollment starts on November 1, 2015. January 1, 2016, is the earliest your new coverage can start. Open Enrollment ends on January 31, 2016. If you do not enroll in a plan during this time, you may not be able to obtain insurance until next year's Open Enrollment for a January 1, 2017, effective date.

Coverage may be purchased through a Marketplace (aka On-Exchange) or directly from a carrier (aka Off-Exchange). Subsidies for qualified persons are only available On-Exchange. If you are not eligible for a subsidy, you will most likely have a wider array of options Off-Exchange.

Small Businesses

While it is not required for companies with less than 50 full time equivalent employees to offer company sponsored group health coverage, many recognize that by doing so they can attract and

retain good employees which lowers turnover, motivates employees to be more productive, creates higher morale in the workplace, and secures greater loyalty; all desirable goals for a business to be successful. That being said, many State laws allow health insurers to refuse coverage to groups who do not meet certain employee participation and/or employer contribution requirements which can present challenges in establishing or maintaining a plan.

During the Annual Employer Open Enrollment, participation and contributions requirements are waived. Assuming that all other eligibility criteria have been met, this little known provision under the ACA mandates health insurance carriers to allow small group employers the opportunity to purchase a policy once a year even if they do not meet the minimum participation and/or employer contribution requirements.

The 2016 Open Enrollment starts on November 15, 2015, and ends on December 15, 2015, (no exceptions). Your company's new coverage will start on January 1, 2016.

Again, coverage may be purchased through a SHOP Marketplace or directly from a carrier. Tax credits for qualified businesses are only available On-Exchange. If you are not eligible for a credit, you will most likely have a wider array of options Off-Exchange.

So what happens if you miss the Open Enrollment Period?

Individuals and families will need to wait until the following year's Open Enrollment

Period unless they have a "triggering event". Occasions such as moving to a new service area, getting married as well as having or adopting a child would qualify you for a Special Enrollment opportunity. After 60 days your Special Enrollment period will end and you may not be able to enroll, so you should take action right away.

Businesses can implement a plan at any time throughout the year as long as all of the carriers' requirements, including participation and contributions, are met.

Navigating all of the various insurance rules and regulations by yourself can be overwhelming. There are State and Federal guidelines to consider as well as how the health insurers' are interpreting and implementing these guidelines. It is important to work with a professional you trust who will present all of your options and recommend the best alternative for your specific situation.

In 1985, Ed Gaelick established PSI Consultants, LLC where he specializes in company sponsored employee benefits, business planning and personal insurance. Throughout his career, Ed has received many of the highest professional honors awarded in the insurance industry. His dedication, integrity and fortitude have earned him great respect from his clients, staff and peers.

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