



With the Healthcare Exchange Open Enrollment deadline of March 31 fast approaching, it is important to have all the facts about who is and who is not required to have health insurance in 2014.

Under the Affordable Care Act (ACA), most Americans are required to have health insurance or pay a penalty. However, there are many exemptions to this requirement. For example, individuals may qualify for an exemption from the penalty if they are uninsured for less than 3 months of the year, if the lowest-priced coverage available would cost them more than 8% of their household income, or if they are not required to file taxes because their income is below the threshold. There are several other situations that would qualify an individual for a waiver from the penalty. A full list of exemptions is available at <https://www.healthcare.gov/exemptions/>.

Additionally, many individuals may qualify for a “hardship exemption” if they experience certain circumstances that would affect their ability to purchase affordable health coverage. In December, President Obama announced that those Americans whose health insurance policies have been cancelled would be allowed to purchase catastrophic health insurance plans or claim a hardship exemption and avoid the ACA’s insurance mandate entirely. Earlier this month that waiver was extended through 2016.

The broadest circumstance for a hardship exemption was also added in late December for individuals who "experienced another hardship in obtaining health insurance." Many believe that the vagueness of this exemption would allow it to be claimed by millions of Americans. A full list of hardship exemptions is available at <https://www.healthcare.gov/exemptions/>.

Special Enrollment Periods in the Marketplace

If you have a qualifying life changing event after March 31, 2014, you and your family will be allowed to enroll in a health plan under the special enrollment period.

Generally, the special enrollment period is up to 60 days following certain life changing events. Enrollment in Medicaid or Children’s Health Insurance Programs (CHIP) in your state is available at any time through your state agency.

Qualifying events are:

- Marriage
- Birth, adoption, or placement of a child
- Moving permanently to a new area which requires a different plan option
- Loss of health coverage due to divorce, job loss or reduction of hours, expiration of COBRA, eligibility for Medicaid or CHIP, or health plans being decertified
- A change in income or household status that effects your eligibility for tax credits or cost sharing reductions on your current Marketplace plan.

It is important to note that voluntarily quitting other major medical coverage (including non-payment of premium) does not qualify as loss of coverage. If your health plan did not include the minimum essential coverage, the loss of this plan is also not considered loss of coverage under the special enrollment period.

For those applying for coverage by March 31, 2014, coverage will begin on May 1, 2014. Once the March 31st Open Enrollment passes, only those with a Special Enrollment exception will be allowed to purchase coverage through the Marketplaces.