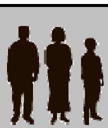
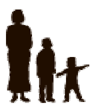
HOW HEALTH CARE REFORM WILL IMPACT YOU

HOUSEHOLD	CURRENT HEALTH CARE SITUATION	UNDER THE NEW HEALTH CARE REFORM LAW
Employed married couple ANNUAL HOUSEHOLD INCOME **$75,000** AGE **Husband 33, Wife 35** DEPENDENT CHILDREN **None** HEALTH STATUS **Healthy**	**Insured.** The couple receives health benefits from the wife's employer.	The couple could keep their current insurance. After a transition period, their plan would have to meet certain standards of coverage, including eliminating lifetime and annual caps on benefits.
Unemployed, single man ANNUAL HOUSEHOLD INCOME **$18,000** AGE **34** DEPENDENT CHILDREN **None** HEALTH STATUS **He has asthma**	**Uninsured.** He lost his job, and cannot afford to pay the COBRA premiums for his previous insurance. He tried to buy insurance on the individual market, but the plans either denied coverage or were charging premiums higher than he could afford because of his asthma.	Starting in 90 days, he will be eligible to buy insurance subsidized at a standard rate through a temporary program available to people with pre-existing conditions. Starting in 2014, all insurance plans will be prohibited from denying coverage or charging more because of pre-existing conditions. Also starting in 2014, he will receive a tax credit based on his income to buy a health insurance plan through a new health insurance exchange. The exchanges are one-stop-shopping locations where anyone can compare and buy insurance. His co-payments and deductible expenses will also be capped based on his income.
Retired Couple ANNUAL HOUSEHOLD INCOME **$50,000** AGE **Wife 72, Husband 74** DEPENDENT CHILDREN **None** HEALTH STATUS **Wife has arthritis; husband has high cholesterol**	**Insured.** The couple is covered under traditional Medicare. They currently fall into the "donut hole", the coverage gap in the Medicare prescription drug program.	The couple would continue receiving Medicare and all the benefits they have today. Their out-of-pocket costs would decrease because of the phasing out of the "donut hole" in Medicare prescription drug coverage and the elimination of co-payments for preventive care such as cancer screenings. They would receive a $250 rebate this year to reimburse their costs in the prescription drug gap.
Employed, single woman ANNUAL HOUSEHOLD INCOME **$14,000** AGE **24** DEPENDENT CHILDREN **None** HEALTH STATUS **Healthy**	**Uninsured.** She was a dependent on her parents' employer-sponsored insurance plan until she graduated from college. Her current employer, a large retail chain, does not offer insurance.	Beginning in six months, she could go back onto her parents' plan until her 26th birthday at her parents' discretion. She does not need to live with her parents or be counted as a dependent on their tax form to do so. If she didn't want to stay on her parents' insurance, she would qualify for Medicaid, which will be open starting in 2014 to individuals with incomes up to 133 percent of the federal poverty level ($14,400 a year for an individual).

 **Small business owners, married couple with one child** ANNUAL HOUSEHOLD INCOME **$70,000** AGE **Husband 50, Wife 48** DEPENDENT CHILDREN **A 17-year-old** HEALTH STATUS **Wife has high blood pressure**	**Family is insured.** The family buys health insurance, but the wife's high blood pressure drives up the cost of coverage. **Employees of the couples' business are uninsured.** The couple owns a furniture store that employs 9 people who earn an average of $25,000 a year. The couple does not offer insurance to the employees.	All small businesses with fewer than 50 employees are completely exempt from any requirements to offer coverage under the reform legislation. However, if the couple chooses to offer insurance to their employees, they will receive a tax credit starting this year to cover 35% of the cost. The credit will increase to 50% in 2014 for two years. Credits are available to employers with fewer than 25 full-time equivalent employees and average wages of less than $50,000. The amount of the credit phases down as employer size increases. Starting in 2014, the couple has the option to buy insurance for themselves and their employees through a health insurance exchange, which will allow them to get a group rate that may be significantly cheaper than their current small business rate. The premiums on their own plan may also go down because insurers would be prohibited from charging more because of the wife's blood pressure or any other pre-existing condition.
 **Self -employed single woman with two children** ANNUAL HOUSEHOLD INCOME **$38,000** AGE **42** DEPENDENT CHILDREN **Two; Under 6 years of age** HEALTH STATUS **One child has diabetes**	**Uninsured.** As a self-employed person, she does not have access to a plan offered by an employer. Plans in the individual market either denied her coverage or were too expensive because of her son's diabetes. The children and their mother are not eligible for coverage under Medicaid or the Children's Health Insurance Program because the mother's income doesn't qualify.	Effective in six months, all insurers would be prohibited from denying children coverage because of pre-existing conditions. In 2014, the prohibition would apply to all people. Starting in 2014, the family will be eligible to receive tax credits to buy a plan from the exchange and out-of-pocket medical costs would be capped.
 **Executive and business owner, married couple** ANNUAL HOUSEHOLD INCOME **$600,000** AGE **Both 45** DEPENDENT CHILDREN **None** HEALTH STATUS **Healthy**	**Insured.** The couple receives health benefits from the husband's employer. **Employees of the wife's business are uninsured.** The wife's landscaping business employs 60 full-time people. The business does not offer health insurance to the employees.	The couple could keep their current employer-provided plan. Because they make over $250,000 a year, they would be required to pay an additional Medicare tax. If an employee at the wife's business receives a tax credit to purchase a plan because the company doesn't offer coverage, her business will be required to contribute to the cost of providing the insurance starting in 2014. In this case, the business would pay $2,000 per employee for 30 of its employees (employers with more than 50 employees pay the fee for the number of employees minus 30).

Based on the provisions in H.R. 3590 and H.R. 4872

Modified from the New York Times graphic published March 24, 2010

Prepared by the Office of Congressman Sander Levin