

TO: State Executive Branch Employees  
FROM: Tom Matsuda  
Affordable Care Act Implementation Manager  
Office of the Governor  
RE: How the ACA Will Affect You  
DATE: September 17, 2013 (**UPDATED**: September 23, 2013)\*

---

Included with your September 20, 2013 paycheck is a notice entitled “*New Health Insurance Marketplace Coverage Options and Your Health Coverage*”. The notice is required by the federal Patient Protection and Affordable Care Act (ACA), commonly called “Obamacare”. It provides information about the new health insurance exchanges opening nationwide on October 1, 2013. The notice is based on a generic national format, so some parts of the notice may not apply in Hawai‘i or to State government employees.

To help you understand how Obamacare might affect you, we are providing you with additional information below, prepared with the assistance of the State ACA Task Force. It is a basic overview, organized by categories. The first part is for State employees. Then there are summaries for other categories of people not employed by the State, which may apply to people you know, including family or friends.

We hope that this information is helpful to you. Every individual’s situation is different. A brief summary like this cannot cover everything in the ACA that might apply to a particular person. You should not rely on this summary as a final answer. It is only intended to provide basic guidance to understand how the ACA might affect different people (or not). If you find that a provision of the ACA might apply to you or someone you know, or if you have questions, you should get more information before making a decision. We encourage you to consult with your office’s personnel staff for further assistance, and to use the resources that are provided in the summary.

## **I. INFORMATION FOR STATE EMPLOYEES**

### **STATE GOVERNMENT EMPLOYEES WHO HAVE HEALTH INSURANCE**

- If you work for the State government and you already have health insurance on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.
- If you work for the State government and have health insurance available through your work, you will not be eligible to purchase health insurance for yourself through the new health insurance exchange in Hawai‘i, called the Hawai‘i Health Connector, unless you first drop your existing coverage (which we caution you about doing). Under the ACA, the new exchanges are mostly intended to help uninsured individuals and small businesses who want to provide insurance to their employees.
- The State government and other large employers in Hawai‘i do not have to do anything new to comply with the ACA in 2014.

## **PART-TIME OR TEMPORARY STATE EMPLOYEES WHO ARE UNINSURED**

- If you have no health insurance, you may be eligible for Medicaid.
- If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.
- If your family's annual income is below a certain level (about **\$53,000** for individuals, **\$108,000** for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.
- If you do not have health insurance after January 1, 2014, you may have to pay a penalty.
- For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email [answers@hawaiihealthconnector.com](mailto:answers@hawaiihealthconnector.com).

## **UNINSURED DEPENDENTS OF STATE EMPLOYEES**

- If your dependent children up to age 26 have no health insurance and you have EUTF coverage, you can add them to your health insurance plan at the next EUTF Open Enrollment (for coverage starting 7/1/2014).
- If your dependents have no health insurance and are not eligible for Medicaid, starting October 1, 2013 they may be able to purchase health insurance through the Hawai'i Health Connector.
- If your family's annual income is below a certain level (about **\$53,000** for individuals, **\$108,000** for a family of four), your dependents may be eligible to receive a tax credit to reduce out of pocket costs for the insurance.
- If your dependents do not have health insurance after January 1, 2014, they may have to pay a penalty.
- For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email [answers@hawaiihealthconnector.com](mailto:answers@hawaiihealthconnector.com)

## **II. GENERAL INFORMATION FOR PEOPLE WHO ARE NOT STATE EMPLOYEES**

### **INDIVIDUALS WHO DO NOT HAVE HEALTH INSURANCE THROUGH AN EMPLOYER**

Seniors (individuals 65 and older) who are on Medicare.	<ul style="list-style-type: none"><li>• Starting October 1, 2013, if you are on Medicare already, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.</li></ul>
Individuals already on Medicaid (Med-QUEST)	<ul style="list-style-type: none"><li>• Starting October 1, 2013, current Med-QUEST recipients do nothing to comply with the ACA. They have already satisfied the ACA requirement to have health insurance.</li><li>• Starting October 1, 2013, the State (Department of Human Services) will implement a new system to determine Medicaid eligibility. If your income changes, the new system will make it easier and faster for you to find out if you remain eligible for Med-QUEST.</li></ul>

Parents with children who are already on the Children's Health Insurance Program (CHIP)	<ul style="list-style-type: none"> <li>Starting October 1, 2013, parents of children already enrolled in the CHIP program do nothing to comply with the ACA. With CHIP, the ACA requirement for your child to have health insurance is already satisfied.</li> <li>Starting October 1, 2013, the DHS will implement a new system to determine Medicaid eligibility. If your income changes, the new system will make it easier and faster for you to find out if your child remains eligible for CHIP.</li> </ul>
Individuals not on Medicare or Medicaid, not employed	<ul style="list-style-type: none"> <li>If you have no health insurance, you may be eligible for Medicaid</li> <li>If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.</li> <li>If your annual family income is below a certain level (about <b>\$53,000</b> for individuals, <b>\$108,000</b> for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.</li> <li>If you do not have health insurance after January 1, 2014, you may have to pay a penalty.</li> <li>For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email <a href="mailto:answers@hawaiihealthconnector.com">answers@hawaiihealthconnector.com</a></li> </ul>
Immigrants with green cards, low income	<ul style="list-style-type: none"> <li>Qualified non-citizens who entered the U.S. on or after August 22, 1996 should be sponsored for 5 years. After that 5-year period, the individual is eligible to apply for Medicaid.</li> </ul>
Immigrants with green cards, over-income for Medicaid	<ul style="list-style-type: none"> <li>If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.</li> <li>If your annual family income is below a certain level (about <b>\$53,000</b> for individuals, <b>\$108,000</b> for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.</li> <li>If you do not have health insurance after January 1, 2014, you may have to pay a penalty.</li> <li>For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email <a href="mailto:answers@hawaiihealthconnector.com">answers@hawaiihealthconnector.com</a></li> </ul>
Immigrants without proper documentation	<ul style="list-style-type: none"> <li>You are not eligible to purchase health insurance through the Hawai'i Health Connector.</li> </ul>

#### INDIVIDUALS WHO ARE EMPLOYED

Employed by large business (50 or more employees). Includes government and military.	<ul style="list-style-type: none"> <li>If you work for a large employer (over 50 employees) and you already have health insurance from your company on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.</li> <li>If you have questions, ask your employer.</li> </ul>
--	---

<p>Employed by small business (less than 50 employees), 20 hours or more per week.</p>	<ul style="list-style-type: none"> <li>• If you already have health insurance from your company on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.</li> <li>• After October 1, 2013, your employer can continue to provide health insurance in the same way they have in the past, but you may have more choices of health plans. Your employer will have new options to provide health insurance for you under the ACA and state law.</li> <li>• One new option would give you the opportunity to select your health insurance plan through the online insurance marketplace called the Hawai'i Health Connector, if your employer chooses to use the Connector.</li> <li>• Either way, your employer will continue to pay for most of the cost of your health insurance as in the past.</li> <li>• Before the next open enrollment begins at your workplace, you should receive information from your employer about your health insurance options.</li> </ul>
<p>Part-time, small business, no insurance  (Employed less than 20 hours per week by a small employer)</p>	<ul style="list-style-type: none"> <li>• If you have no health insurance, you may be eligible for Medicaid.</li> <li>• If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.</li> <li>• If your annual family income is below a certain level (about <b>\$53,000</b> for individuals, <b>\$108,000</b> for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.</li> <li>• If you do not have health insurance after January 1, 2014, you may have to pay a penalty.</li> <li>• For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email <a href="mailto:answers@hawaiihealthconnector.com">answers@hawaiihealthconnector.com</a></li> </ul>
<p>Self-employed, no employees</p>	<ul style="list-style-type: none"> <li>• Starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.</li> <li>• If your annual income is below a certain level (about <b>\$53,000</b> for individuals, <b>\$108,000</b> for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.</li> <li>• If you do not have health insurance after January 1, 2014, you may have to pay a penalty.</li> <li>• For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email <a href="mailto:answers@hawaiihealthconnector.com">answers@hawaiihealthconnector.com</a></li> </ul>