

# How the Affordable Care Act Affects You

**Are you incarcerated, not legally present in the United States, a member of a religious sect, or an American Indian?** You are exempt from the insurance mandate.

**Are you already on Medicare or Medicaid, Children's Health Insurance, military coverage, veterans health care, or any other government insurance?** You are already covered and do not need to use the exchange.

**Were you unable to get affordable insurance in the past because of preexisting conditions?** You are the big winner. The marketplace will provide you with an affordable plan.

**Do you smoke?** Prepare to pay more for insurance.

**Are you young and healthy?** If you are under age 30, you can buy a cheap catastrophic policy. Those over age 30 are more likely to pay a higher premium in order to provide insurance for all.

**Does your employer already provide the minimum essential health insurance coverage?** You will probably not see a lot of change.

**Do you work for a large employer (over 50 full time employees) who does not provide insurance?** The employer mandate to purchase insurance has been delayed until 2015. At that point, your employer will be penalized for not offering plans with minimum essential coverage (if you are a full time employee). For 2014, you will have to provide your own insurance to avoid penalty.

**If you are an early retiree paying Cobra premiums?** You may find that the marketplace will give you a cheaper rate.

**Do you have your own previously purchased policy?** If your income is under the 400% of the Federal Poverty level, you may get a subsidy if you purchase insurance on the state/federal run exchange. If your policy does not meet minimum standards, you can keep it through 2014.

**Is your income under 133% of the Federal Poverty level?** You may qualify for Medicaid.

**Is your income over \$200,000 (single) or \$250,000 (married/joint)?** In order to fund the Affordable Health Care Act, you will be paying a surtax of 3.8% in additional tax to the extent your investment income exceeds the above threshold. You will also be paying a Medicare surtax of 0.9% on your earned income (from working) if it exceeds the above levels.

**Do you usually deduct medical expenses on your tax return?** The threshold for deducting medical expenses was raised (for tax year 2013 and beyond) from 7.5% to 10% for those under age 65 in order to fund the Affordable Care Act.

**Do you have a flexible spending account for medical expenses at work?** Pretax deposits were limited to \$2,500 for 2013 and beyond.

