

# Getting Extra Financial Assistance to Help Pay Health Care Costs



About this  
fact sheet

Starting in 2014, many people were able to get financial assistance to lower their monthly fees (premiums) for health insurance. And people with low incomes were able to buy plans that have lower costs for health care services (such as smaller copayments for doctor visits or a smaller deductible). Financial help may be available for you, too.

## 1. What extra financial assistance is available to lower the costs that I pay out of my own pocket for health care?

If you buy insurance through your state's health insurance marketplace and apply for "health coverage and help paying costs," you may be able to get financial assistance that lowers your monthly fees (premiums). If you have a low enough income, you may also be able to get *extra* financial assistance that lowers the costs for health care services that you pay out of your own pocket. People who get this extra financial assistance will pay less for their health care services because they'll have smaller copayments or co-insurance. And they'll pay a smaller amount for their deductible. (See "What are out-of-pocket costs?" on page 5.)

## 2. Who can get extra financial assistance with out-of-pocket health care costs?

To get extra help with lowering how much you pay for health care services, you need to do two things:

- qualify for financial assistance to help pay your monthly premiums
- have a yearly household income that is no more than the amounts listed in the table on page 2

### MORE INFORMATION



Learn more about getting financial assistance to lower your monthly fees (premiums).

***Fact sheet: "Getting Financial Assistance to Pay for Health Insurance"***

### What is "cost-sharing"?

Out-of-pocket health care costs are sometimes called "cost-sharing." The extra financial assistance some people can get for their out-of-pocket health care costs is sometimes called "cost-sharing reductions." You might see these terms in the notice that tells you what financial assistance you can get.

If your family has five or more people, you can also get extra financial assistance, even if your income is more than what is listed in the table.

If you are an American Indian, you can get this extra assistance if you have an income that is higher than what is listed in the table. To learn more, see “What if I’m an American Indian?” on page 4.

### 3. How do I apply for extra assistance to lower my out-of-pocket costs?

You can apply for this extra financial assistance on the same application that you use to apply for insurance through your state’s health insurance marketplace. The marketplace will tell you if you can get assistance with your monthly fees (premiums), and it will tell you if you can get extra assistance to lower your out-of-pocket costs (your deductible, copayments, and co-insurance).

### 4. How will I get this extra assistance to lower my out-of-pocket costs?

You must buy a special, low-cost plan in the silver category in your state’s marketplace to get this extra financial assistance. All marketplaces have these plans. (Some marketplaces may call these plans “cost-sharing reduction” plans.) They charge the same premiums as regular silver plans, but they have lower out-of-pocket costs.

If you qualify for this extra financial assistance, the marketplace will show you these special silver plans.

If you are an American Indian, you can buy a plan in any category (platinum, gold, silver, or bronze), not just a low-cost silver plan, and still get this extra financial assistance. To learn more, see “What if I’m an American Indian?” on page 4.

#### Who can get extra financial assistance based on income?

Household Size	Yearly Household Income
<b>Individual</b>	\$29,425
<b>Family of 2</b>	\$39,825
<b>Family of 3</b>	\$50,225
<b>Family of 4</b>	\$60,625

#### MORE INFORMATION



Learn more about the plans sold in the marketplace.

**Fact sheet: “Understanding the Differences between Platinum, Gold, Silver, and Bronze Plans”**

### 5. How much extra assistance can I get to lower my out-of-pocket costs?

The amount of assistance you can get depends on your yearly household income. People with lower incomes get more assistance than people with higher incomes.

### 6. What if someone in my family gets more or less financial assistance than I do?

Usually, everyone in your family who qualifies for this extra financial assistance will enroll in one plan that lowers out-of-pocket costs by the same amount for every family member. This is because all the family members you include on your taxes are counted together as one household, and everyone in a household has the same household income.

But if there is a member of your family who lives with you whom you do NOT list on your taxes as a member of your household (for example, a niece), that person may be able to get more or less financial assistance than you do.

If it turns out that you have family members who can get different amounts of financial assistance than you do, you have two options:

**1. Buy one family plan together.** You have to enroll in a special silver plan that everyone in your family can get. The amount of extra financial assistance your family qualifies for is based on the amount that everyone in your family qualifies for *as a group*. So, if one family member qualifies for a higher amount of financial assistance on her own, she won't get that higher amount if she is part of your family plan.

The advantage of buying a family plan is that you'll pay just one monthly premium, and you'll have one deductible for the whole family. Plus, everything you pay for your family's health care will count toward paying that deductible.

**2. Buy separate plans for the members of your family who can get different amounts of extra financial assistance.** If you buy separate plans, every person in your household will receive the maximum amount of financial assistance that he or she

#### MORE INFORMATION



To find out more about the extra financial assistance you could get, see ***"Income Guidelines for Getting Extra Financial Assistance to Pay for Health Care Costs"***

#### Your Family and Financial Assistance

To get financial assistance with marketplace insurance, you must file taxes for the year you are getting that insurance. The amount of financial assistance you get is based on who is listed on your family's tax return for that year, including the taxpayer, the taxpayer's spouse, and their dependents. Married couples must file taxes jointly (together as a couple) when they get financial assistance.

qualifies for. But you will have to pay multiple premiums—a separate premium for each plan. You may also have to pay off separate deductibles (depending on how much more assistance some family members qualify for).

The best option for your family will depend on how much additional financial assistance certain family members could get if they bought separate plans. If they qualify for significantly more, they may be able to get a plan with no deductible. Think about whether the amount of additional assistance some members could get with separate plans is worth paying multiple monthly premiums.

### 7. What if I'm an American Indian?

For American Indians, there are different rules about who can get extra financial assistance to lower out-of-pocket costs and how much assistance they can get.

If you are an American Indian:

- You can get this extra financial assistance if your yearly household income is below the amounts shown in this table.
- This extra financial assistance will pay for all of your out-of-pocket health care costs. This means that you pay nothing when you get health care.
- You can enroll in any health plan in the marketplace to get this extra assistance.

Who can get extra financial assistance based on income?	
Household Size	Yearly Household Income
<b>Individual</b>	\$35,310
<b>Family of 2</b>	\$47,790
<b>Family of 3</b>	\$60,270
<b>Family of 4</b>	\$72,750

**If some members of your family are American Indians and some aren't**, the ones who are American Indians must enroll in a separate plan in order for the marketplace to pay all their health care costs. For example, American Indians can enroll in the least expensive bronze plan, which is the cheapest marketplace plan, and still get this financial assistance. Family members who are *not* American Indians must enroll in a silver plan to get assistance that lowers their out-of-pocket costs.

If American Indians choose to enroll in a family plan along with family members who are *not* American Indians, they will get less financial assistance than if they bought their own separate plan.

**If you or your family members get your health care from the Indian Health Service, an Indian tribe, a tribal organization, or an urban Indian organization, all of your health care is free, no matter how much income you have.**

## WHAT ARE OUT-OF-POCKET COSTS?

### Deductible

Before your plan begins to pay for most of your health care (for example, a hospital stay), you must pay a certain amount of money for your health care. This amount is called a “deductible.” Each plan sets its own deductible amount. Once you have paid the full deductible, the plan begins to pay part of your health care costs. You must still pay part of the cost for many services, but this amount will be less after you have paid your deductible. (Your plan will pay for preventive care before you meet the deductible.)

### Copayments, Co-Insurance

You usually pay for a part of each health care service that you get (for example, a prescription or doctor visit), even after you have paid your deductible. These payments are called copayments or co-insurance.

- A copayment is a set dollar amount that you pay each time you get a service (for example, a \$20 fee for each doctor visit).
- Co-insurance is a percentage of the cost of a service that you must pay. For example, 20 percent co-insurance for a hospital stay means that you must pay 20 percent of the total cost of that stay.

### Out-of-Pocket Limit

This is the most you could pay out of your own pocket for health care in a year, if you add up everything you spend on your deductible, copayments, and co-insurance. Each plan has its own out-of-pocket limit. Once you have reached your out-of-pocket limit, your plan will then pay the full cost of all your covered health care services for the rest of the year.

There are a few things that do not count toward your out-of-pocket limit. They are:

- money you spend on services that are not covered by your health plan
- money you spend on services you get from a doctor or other health care provider that does not participate in your plan’s network of doctors and providers
- money you pay each month for your premium

The complete *What You Need to Know about Health Insurance* series:

### **Applying for Health Insurance**

*Answering Questions about Your Family When Applying for Health Insurance*

*Answering Questions about Your Family's Income When Applying for Health Insurance*

*Applying for a Marketplace Plan if You Can Get Health Insurance through Your Job*

*What to Do if You Are Uninsured after February 15, 2015*

### **Getting Financial Assistance**

*Getting Financial Assistance to Pay for Health Insurance*

*Deciding How Much Financial Assistance to Use to Lower Your Monthly Premiums*

*Will I Be Able to Get Financial Help to Pay for Health Insurance?*

*How Getting Financial Assistance to Pay for Health Insurance Affects Your Taxes*

*Getting Extra Financial Assistance to Help Pay Health Care Costs*

### **Choosing a Health Plan**

*Choosing the Health Plan that's Right for You*

*Choosing a Health Plan You Can Afford*

*Understanding the Differences between Platinum, Gold, Silver, and Bronze Plans*

*Understanding Catastrophic Health Insurance*

*Buying Children's Dental Coverage through the Marketplace*

### **Keeping and Using Health Insurance**

*How to Use Your Health Insurance*

*How to Keep Your Marketplace Health Insurance*

*What to Do after You Buy Health Insurance in the Marketplace*

### **Understanding the Requirement to Have Health Insurance**

*Understanding the Requirement to Have Health Insurance*

*Understanding Minimum Essential Coverage*

### **Reference Charts and Graphics**

*Income Guidelines for Getting and Using Financial Assistance for Health Insurance*

*Income Guidelines for Getting Extra Financial Assistance to Pay for Health Care Costs*

*Types of Exemptions from the Requirement to Have Health Insurance*

A complete list of Families USA publications is available online at [www.FamiliesUSA.org/resources/publications](http://www.FamiliesUSA.org/resources/publications).

PUBLICATION ID: 020NAV071615

