How Reform Will Likely Affect Health Insurance Rates

As you might know, some of the most significant changes of the Affordable Care Act (ACA) begin January 1, 2014:

- No one can be denied coverage due to a health issue.
- Benefits will be richer than many plans available in the market today.
- Limits will be placed on cost sharing, including deductibles and out-of-pocket costs.
- Most Americans will be required to have a minimum standard of health plan coverage to avoid a tax penalty.

But you may be wondering, "Exactly what will all of that do to my rates? Are they going up or down?" The short answer is: it's not easy to predict.

We know many people will benefit from the changes, including those who are uninsured, low income, older, or less healthy. People who access coverage through an employer will probably not see much change. However, younger, healthier Americans who must purchase individual coverage are likely to see significant rate increases. Financial assistance available through the exchange may help offset increases for those who qualify.

To help answer your questions about rates and the ACA, we've put together an FAQ called What's Behind the Rates. While most of the information in this document applies to all states, some is specific to Oregon; we're in the process of developing versions for other states.

Helpful Calculators, Other Resources Now Available Online

As healthcare reform changes unfold and evolve, we know questions continue to pop up, so we're constantly looking for ways to improve and expand the resources we offer. We've recently reorganized PacificSource.com/reform and HealthcareLawGuide.com to make information easier to find.
In addition to the premium subsidy calculator for individuals, employers will now find tools to help them calculate FTEs, estimate penalties, and estimate eligibility for the small employer tax credit. We carefully researched options for such third-party tools and think you'll find these informative and easy to use.

- **Small employer tax credit calculator.** Provided by the NFIB (National Federation of Independent Businesses), this calculator is easy to understand, and the page includes background information about the tax credit.
- **FTE calculator.** Provided by the U.S. Chamber of Commerce, this straightforward, two-part tool calculates FTEs (in step 1) to help you determine whether you may be subject to a penalty, then, if applicable, provides a penalty estimate (in step 2).

**Questions about Reform?**

PacificSource.com/reform is a great resource for PacificSource clients and members. It includes FAQs, timelines, additional resources, and more.

HealthcareLawGuide.com is our healthcare reform website for the general public. It provides extensive healthcare reform guides for both employers and consumers.

New information is continually being added to both sites, so we encourage you to bookmark them and visit frequently.