Get ready … many of the changes from the Affordable Care Act go into effect January 1, 2014. Here are some of the biggest changes you should know about and understand.

You can also read more about these changes in UPMC Health Plan’s Quick-Start Guide to the Affordable Care Act.

Everyone Must Have Health Coverage

Most U.S. citizens and legal residents will be required by law to have health coverage. This is known as the individual mandate, and it is a part of maintaining responsibility for your own coverage.

If you or your family chooses not to purchase health coverage by January 1, 2014, you may have to pay a fine to the federal government for yourself and your dependents who are not insured – such as your spouse or your children.

The fine will be either a flat amount or a percentage of your income, whichever is greater. The fines will start in 2014 and increase each year.

Everyone Is Guaranteed Health Coverage

Health insurance plans offering coverage to individuals and families, as well as small employers, must guarantee health coverage for you and your family. Plans must also guarantee renewability for as long as you want the plan (subject to availability). This is called guaranteed issue.

Another perk to guaranteed issue is that you will not be charged significantly more than someone else or denied coverage because of an existing illness. Rates will only vary based on your age, where you live, how many people are in your household, and if you use tobacco products.

Essential Health Benefits are Fully Covered

Health insurance plans offering coverage to individuals and families, as well as small employers, must provide coverage for a list of services known as Essential Health Benefits. These benefits are services you would expect full health coverage to include.

Essential Health Benefits are:

1. Ambulatory patient services
2. Emergency services
3. Hospitalization
4. Maternity and newborn care
5. Mental health and substance use disorder services, including behavioral health treatment
6. Prescription drugs
7. Rehabilitative and habilitative services and devices
8. Laboratory services
9. Preventive and wellness services and chronic disease management
10. Pediatric services, including oral and vision care

Health Insurance Marketplace Opens

In 2014, every state is required to have its own Health Insurance Marketplace. The Marketplace is a virtual shopping experience where individuals and families can compare and buy health insurance plans that meet their needs.

The Marketplace is for people under the age of 65 who are not currently insured and are not:

• Eligible to receive insurance coverage through their employer
• Eligible for Medicare
• Enrolled in a government plan such as Medicaid, CHIP, or TRICARE.
Some states will run their own Marketplace, while other states will allow the federal government to run their Marketplace for them. The Pennsylvania Marketplace opened October 1, 2013, and sells health insurance plans that begin coverage on January 1, 2014.

You can purchase health coverage on the Marketplace online, in person, or over the phone. Visit www.healthcare.gov for more information.

You can also purchase health coverage directly from an insurer. Browse the high-quality health insurance plan options from UPMC Health Plan by visiting www.upmchealthplan.com/coverage.

**Limited Out-of-Pocket Expenses**

Out-of-pocket costs may include copayments, coinsurance, and deductibles for medical services and prescriptions. Out-of-pocket costs do not include the amount you pay for premiums. In 2014, the maximum dollar amount most people will have to pay for out-of-pocket expenses will be $6,350 per individual and $12,700 per family.*

*In some cases, employer-sponsored plans may use higher out-of-pocket limits for coverage of non-major medical services in 2014.

**90-Day Waiting Period for Health Coverage**

Employers and insurers often require new employees to wait a period of time before their health coverage begins — also known as a waiting period.

In 2014, employers and insurers are not allowed to use waiting periods of more than 90 days.