

# HEALTH INSURANCE EXCHANGES AND AMERICAN INDIANS

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In 2010, the Patient Protection and Affordable Care Act (ACA) was signed into federal law with the goals of improving health and health care, decreasing health care costs, and preventing disease. Specifically, the law includes new mechanisms for comparing and obtaining health care coverage, called Health Insurance Exchanges. Overall, the ACA recognizes that American Indians have unique rights under federal law. This document explains parts of the ACA related to Exchanges that affect American Indians.

## What is a Health Insurance Exchange?

An Exchange is an organized competitive marketplace to facilitate the comparison, choice, enrollment, and purchase of health insurance for individuals and small businesses. Exchanges will also assist individuals and small businesses to receive premium tax credits and cost-sharing reductions or help individuals enroll in Federal or State health care programs, including Medical Assistance. Coverage through Exchanges will start on January 1, 2014.

Through an Exchange, individuals and employees will have access to comparable information on costs, benefits, health care providers, quality, and customer satisfaction for an array of affordable and high quality coverage options, and they can use this information to choose and enroll in the health plan that best fits their personal and family needs. A "Navigator" program will be established within the exchange and will support outreach, education, and enrollment for the exchange. By engaging consumers in a one-stop shopping experience with transparent information, Exchanges will make obtaining health insurance easier and more understandable, put more control and choice in the hands of individuals and employees of small businesses, and incent greater market competition.

## Provisions Related to American Indians

Under the ACA, an Exchange will be operating in every State by January 1, 2014. The ACA has certain

provisions specific to American Indians and their interaction with an Exchange. An American Indian is defined as a member of a federally recognized tribe.

American Indians with a household income of less than 300% of the federal poverty level (FPL) - or roughly \$66,000 for a family of four - will have no cost-sharing if they obtain insurance through the Exchange. For American Indians with incomes between 300% and 400% FPL (\$88,000 for a family of four), there is a sliding-scale premium tax credit and limits on cost-sharing. An Exchange can allow tribes, tribal organizations, and urban Indian organizations to pay premiums on behalf of American Indians.

There is no cost-sharing for any American Indian for any item or service obtained directly through the Indian Health Services, tribe, tribal organization, urban Indian organization, or through referral under contracted health services. This provision applies regardless of household income when the American Indian is enrolled in a health plan offered through the Exchange.

American Indians are exempt from the individual responsibility requirement that all taxpayers maintain health care coverage beginning in 2014. American Indians are also entitled to change health plans once a month through an Exchange.

## Tribal Consultation and Stakeholder Engagement in Minnesota

In August 2011, the State of Minnesota started regular consultations with Minnesota's tribes on Exchange related issues affecting American Indians. In October 2011, Commerce Commissioner Mike Rothman will be appointing members to the Health Insurance Exchange Advisory Task Force to advise on the design and development of a Minnesota Exchange.

