

Time to enroll, or re-enroll, in an 'Obamacare' health plan

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Current enrollees urged to take a fresh look at any plan changes, new offerings in 2015.

(HealthDay)—The "Obamacare" marketplaces are now gearing up for a new challenge: persuading Americans who slogged through last year's troubled open enrollment to renew their coverage.

This year's enrollment period kicks off Nov. 15. Current enrollees will have until Dec. 15 to pick a plan and update their [financial information](#) if they want coverage under a different plan come Jan. 1.

If they don't meet that deadline, most people will be automatically re-enrolled in their current health plan, according to the U.S. Centers for Medicare & Medicaid Services, the government agency that manages the federal HealthCare.gov marketplace. There will also be auto-renew

options in most state marketplaces.

Newcomers, however, will have no coverage by Jan. 1 if they do not choose a plan by Dec. 15.

And experts say those who are already enrolled in a plan would be better off actively choosing a plan and updating their financial data. Otherwise, they could get stuck in a health plan they no longer want, face higher-than-anticipated premiums or owe the federal government money come tax season because their annual income turned out to be higher than they predicted when they enrolled the first time around.

"There are quite a few consequences to doing nothing," said Matthew Sarchet, a sales executive at Warner Pacific Insurance Services in Greenwood Village, Colo.

Sarchet suspects few marketplace enrollees realize they need to re-enroll for 2015.

"Our brokers are experiencing a real challenge getting this complicated message out," he noted.

Current enrollees should read the letters they receive from the marketplace and their health plans for specific directions on how to proceed.

The Affordable Care Act (ACA) requires most Americans to have health insurance. In 2015, the fines for not having coverage rise to 2 percent of annual household income, or \$325 per adult (and half of that for kids), up to \$975 per family.

As many as 13 million people could have marketplace coverage in 2015, according to Congressional Budget Office projections. So far, 7.3

million people have signed up and paid for marketplace plans, and most of them qualify for federal tax credits to reduce their monthly insurance premiums. However, the U.S. Department of Health and Human Services Department announced on Monday that it is lowering its enrollment projections for 2015 to somewhere between 9 million and 10 million.

Tax credits help low- and middle-income Americans buy coverage they might not otherwise be able to afford.

Although the U.S. Supreme Court said on Friday it would hear a case that could undermine these tax credits, a decision is not expected until the end of next June. And White House officials said they don't believe the case will stand in the way of these tax credits because they follow the intent of the Affordable Care Act.

This year's open enrollment is half as long as last year's, and many people will have more choices of health insurance plans. The number of health insurance companies offering marketplace [coverage](#) in 2015 is up 25 percent, on average.

Michael Robeck, lead ACA navigator for western South Dakota, said open enrollment should be "a whole lot easier" for consumers this time around, with fewer glitches and a more streamlined application process. The HealthCare.gov call center is also much better prepared to respond to people's questions, he said.

But marketplace shoppers must do their homework, too.

People who take "what they think is the easy way out," renewing their plan for Jan. 1 and paying their premium, could encounter problems down the road if one of their prescriptions isn't covered or one of their doctors is no longer in the network, explained Warner Pacific's Jennifer

Pasquale, an individual [health insurance](#) sales specialist.

"They're locked in that plan for the remainder of 2015," she said.

Also, current marketplace enrollees who fail to update their household income by Dec. 15 could miss out on higher tax credits. Or they could owe the federal government a refund if they understated their income for 2014.

"I can tell you the thing that keeps every agent up at night right now is the client who said I'm going to make \$30,000 in 2014 and they actually made \$50,000. They're going to have to give back all the subsidy money that they got," said Craig Gussin, an agent and owner of Auerbach & Gussin Insurance and Financial Services Inc., in San Diego.

Consumers also need to watch out for rate hikes in their current plans. Most people can expect to see 2015 premium increases in the single digits, according to a PricewaterhouseCoopers analysis.

Even a modest 5 percent increase, coupled with a 3 percent age-related rate hike, because the policyholder is a year older, could sharply increase a person's share of the monthly premium after tax credits, explained Paul Houchens, a consulting actuary with Milliman in Indianapolis.

Insurance agents expect the next few weeks to be a blur of activity as new and returning shoppers explore their marketplace options. Those shoppers may include people in non-ACA plans that were extended for a period of time, "grandfathered" plans created before the ACA's enactment and the uninsured.

"I've got a list of people that need to do something Nov. 15," reported Zach Zinser, a broker with Zinser Benefit Service Inc. in Louisville, Ky.

More information: Families USA can tell you what questions to ask when [buying or renewing health insurance in the marketplace](#).

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