



NAVIGATING HEALTHCARE REFORM

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ACA In The News: “Which is Better – the Group Plan or the Marketplace?”

Now that individuals have additional options for their medical benefits, they are left to ask “Which is better - the Group Plan or the Marketplace?” For most, the answer will come down to cost, but there are other considerations as well.

During the Marketplace Open Enrollment, each individual is encouraged to explore all options to determine which medical plan will best suit their and their dependents’ needs.

	Group Plan (Employer)	Marketplace
Positives	<p>COST Employers contribute at least 50% towards the employee’s medical premium. In addition, most employers allow premium contributions by the employee via payroll deductions on a pre-tax basis. This opportunity can result in a larger take home paycheck.</p> <p>CONVENIENCE With the group plan, benefit resources are available for the employees and their dependents:</p> <ul style="list-style-type: none"> ▪ Human Resources ▪ Benefits agent (ie. BKS-Partners / Employee Care Center) ▪ Assigned carrier contacts for employer plan <p>ACCESS TO CARE Most Employer plans offer at least one PPO or POS plan option to their members. These networks are generally national, and include a large selection of providers.</p>	<p>CONSISTENT The plan election is independent of the employer. If an individual changes jobs, they keep their plan at the same cost.</p> <p>CONVENIENCE Members have the opportunity to elect from many plans (sometimes 100+) and carriers, not just the ones selected by their employer.</p>
Negatives	<p>OPTIONS Typically an employer is limited to offering only one medical insurance carrier, and the number of plans offered varies by employer size, but is generally up to three. Employers provide plan options based on the overall needs of the group, not specific to any individual.</p>	<p>COST Often, the cost the Marketplace plans is greater than the employer’s group coverage* (see examples).</p> <p>NETWORKS To efforts to keep costs down, most plans offered through the Marketplace have limited or narrow networks (HMO or EPO), meaning fewer providers participating in the network.</p> <p>ADMINISTRATIVE BURDEN The enrollment process requires financial information to be disclosed. In addition, it is the individual’s responsibility to submit payment directly to the carriers on a timely basis.</p>

**If the employer offers group coverage that meets the ACA requirements of affordable and minimum value, the individual and covered dependents are not eligible for a premium subsidy.*

EXAMPLES

The following examples use sample client plans and options available on Healthcare.gov.

<https://www.healthcare.gov/find-premium-estimates>

	Employer's Plan	Marketplace
Covered Members:	Employee Only	Individual – age 25, Pinellas County
Plan:	Florida Blue Options (POS Network)	Humana Connect Gold (HMO In Network Only Network)
Cost:	\$115 / Month (Pre-Tax)	\$209 / Month (Post-Tax) <i>Because employer plan meets ACA requirements, member would not be eligible for premium subsidy</i>
Plan Features:	<ul style="list-style-type: none"> • \$500 deductible • \$3,000 out of pocket • 20% coinsurance for hospital • \$25 for PCP / \$60 for Specialist • \$10 generic / \$50 brand / \$80 non-preferred prescriptions 	<ul style="list-style-type: none"> • \$2,500 deductible • \$3,500 out of pocket • 20% coinsurance for hospital • \$25 for PCP / \$35 for Specialist • \$8 for generics / 20% coinsurance for all others

	Employer's Plan	Marketplace
Covered Members:	Employee & Spouse	Individual & Spouse – ages 34 and 38, Hillsborough County
Plan:	Florida Blue Options (POS Network) – HSA Plan	Florida Blue - Blue Select Essential (EPO In Network Only Network) – HSA Plan
Cost:	\$280 / Month (Pre-Tax)	\$421 / Month (Post-Tax) <i>Because employer plan meets ACA requirements, member would not be eligible for premium subsidy</i>
Plan Features:	<ul style="list-style-type: none"> • \$7,000 deductible (family) • \$7,000 out of pocket (family) • 0% coinsurance • All services apply to deductible 	<ul style="list-style-type: none"> • \$12,500 deductible (family) • \$12,500 out of pocket (family) • 0% coinsurance • All services apply to deductible

	Employer's Plan	Marketplace
Covered Members:	Employee & Family	Family: Individual, Spouse & Children – ages 51, 47, 14 & 12, Collier County
Plan:	United Healthcare Choice Plus (POS Network)	Florida Blue - Blue Care Everyday Health 1477 (HMO Network)
Cost:	\$486 / Month (Pre-Tax)	\$948 / Month (Post-Tax) <i>Because employer plan meets ACA requirements, member would not be eligible for premium subsidy</i>
Plan Features:	<ul style="list-style-type: none"> • \$2,000 deductible (per individual) • \$3,500 out of pocket (per individual) • 30% coinsurance for hospital • \$30 for PCP / \$60 for Specialist • \$15 generic / \$45 brand / \$70 non-preferred prescriptions 	<ul style="list-style-type: none"> • \$5,750 deductible (per individual) • \$6,250 out of pocket (per individual) • 10% coinsurance for hospital • \$75 for PCP / 10% after Ded. for Specialist • \$20 for generics / 10% coinsurance for all others

If you have any questions regarding your coverage, please call the Employee Care Center at 866.784.2242 or mybenefits@bks-partners.com.

