

MARKETPLACE (ACA) VS. PRIVATE HEALTH INSURANCE

Anyone not receiving health insurance benefits from an employer may look at marketplace (ACA) plans. But what many might not realize is that a state exchange or the federal marketplace is not the only option for buying a healthcare plan.

1. Marketplace insurance offers the opportunity for individuals to apply for a tax subsidy if they qualify for financial help to pay a portion of their health insurance plan, which is partially based on the household income.
2. Marketplace medical insurance includes essential health benefits.
3. No insurance plan can reject you, charge you more, or refuse to pay for essential health benefits for any condition you had before your coverage started.

Private health insurance plans are sold directly by health insurance companies, agents or through an online website. These private, off-exchange plans are slightly different in structure. Some of the differences include:

1. No private health insurance plan is eligible for any financial subsidy assistance.
2. Since they are major medical insurance plans, they still must offer the same essential health benefits.

There are other types of off-exchange plans available as well, such as indemnity plans, critical illness plans, and short-term plans. While these are not qualified health plans (meaning they do not meet the Affordable Care Act requirement for having health coverage), they could have lower premiums and may be a good fit for some healthy people.

