



What Youth Need to know about Health Insurance

1. I'm young and healthy. Why do I need health insurance?

If you don't have health insurance, you are less likely to go in for preventive check-ups, which will avoid expensive hospital bills down the road. Plus, if you're a victim of an unexpected injury or illness, health insurance guarantees that you won't have to pay massive medical bills out of pocket. There are now affordable health insurance options in Colorado through the [Connect for Health Colorado marketplace](#).

2. I'm a young adult and I need health insurance. What are my coverage options?

A number of options may be available to you:

- If your monthly income is below about \$1,250 a month, you may newly qualify for Medicaid beginning in January 2014. To find out if you qualify for free or low cost health insurance through Medicaid [click here](#).
- If you make more than about \$1,250 a month, then you may qualify for financial assistance to help you buy health insurance through the Connect for Health Colorado marketplace. To find out if you qualify [click here](#).
- If your parents have health insurance that offers dependent coverage, you can join (or stay on) their health insurance policy as a dependent and remain covered until your 26th birthday. [Get more information](#).
- The Colorado Young Adult (CYA) plans are a new kind of health plan, designed primarily for adults under age 30, that provide limited benefits and are designed to protect customers from very high-cost emergencies. [Get more information](#).
- Also, if you are a student, you may be able to enroll in student health offered through your college or university.

3. Do I have to live in my parents' home to be covered as a dependent under their policy?

If you're under 26 years old, you can join, remain, or return to a parent's plan even if you're married, attending school, financially independent, not living with your parents or eligible to enroll in your employer's plan. For more information, [click here](#).

4. Do my parents have to claim me as a tax dependent for me to be on their health plan to age 26?

No. You do not need to be a tax dependent of your parents to continue to be covered as a dependent on their health plan. For more information about coverage for young adults [click here](#).

5. What is the penalty if I do not have health insurance coverage?

If you don't have coverage in 2015, you'll pay the higher of these two amounts:

- 2% of your yearly household income
- \$325 per person for the year (\$162.50 per child under 18). The maximum penalty per family is \$975

The penalty increases every year. In 2016 its 2.5% of income or \$695 per person. After that it's adjusted for inflation. For more information on exemptions from the penalty, [click here](#).

6. Will I have to do something on my federal income tax return to show that I had coverage or an exemption?

The individual mandate goes into effect in 2014. You will not have to account for coverage or exemptions or to make any payments until you file your 2014 federal income tax return in 2015. Information will be made available later about how the income tax return will take account of coverage and exemptions. Insurers will be required to provide everyone that they cover each year with information that will help them demonstrate they had coverage beginning with the 2015 tax year. For more information [click here](#).



7. If my income is so low that I am not required to file a federal income tax return, do I need to do anything special to claim an exemption from the individual mandate?

No. If you are not required to file a federal income tax return for a year because your gross income is below your return filing threshold, you are automatically exempt from the shared responsibility provision for that year and do not need to take any further action to secure an exemption. If you are not required to file a tax return for a year but file one anyway, you will be able to claim the exemption on your tax return. For more information [click here](#).

Glossary

Co-insurance – Your share of the costs of a covered health care service, calculated as a percent (for example, 20%) of the allowed amount for the service.

Dependent Coverage – Insurance coverage for family members of the policyholder, such as spouses, children, or partners.

Individual Mandate (a.k.a. “the penalty” or “individual shared responsibility payment”) – If you can afford health insurance coverage but choose not to buy it, you must pay an annual fee unless you qualify for a specific exemption.

Insurance Deductible – The amount you owe for health care services your health insurance or plan covers before your health insurance or plan begins to pay. For example, if your deductible is \$1,000, your plan won’t pay anything until you’ve paid out \$1,000 for covered health care services.

Medicaid – This program is run jointly by federal and state governments, providing free or low-cost health coverage to millions of Americans, including low-income people, the elderly, and people with disabilities.

Navigators – These organizations play a vital role in helping consumers prepare electronic and paper applications to establish eligibility and enroll in coverage through the marketplace. They are impartial third parties with no ties to insurance companies that are funded through state and federal grant programs and receive a comprehensive training.

Network – The facilities, providers and suppliers your health insurer or plan has contracted with to provide health care services

Colorado Resources

The Colorado Health Insurance Marketplace Website, where you can go to enroll in a health insurance plan, is <http://connectforhealthco.com/>. Organizations who want to help educate, but not assist with enrollment, may register as Champions for Coverage. Organizations designated as Champions for Coverage in Colorado include the following:

- ASCP-University of Colorado School of Pharmacy
- Critical Learning Systems, Inc.
- Ignacio Community Library
- Lavelle Consulting, LLC
- Pikes Peak Regional Hospital
- Servicios de La Raza
- Sisters of Charity of Leavenworth Health System
- Social Workers Worldwide, LLC.
- South Metro Health Alliance
- Women’s Collaborative for Colorado

