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2021 UPDATE
Health Insurance for Employee Architects

It is critically important that all architects have health insurance coverage for themselves and their families. Often younger people believe they are in good health and since health insurance can be expensive, they may opt to go without health insurance coverage. This could be a huge financial mistake. An accident or an unforeseen illness could cost hundreds of thousands of dollars and lead to bankruptcy.

There are basically four alternatives to acquiring health insurance.

1. **Coverage as a dependent child**. If you are under age 26 you may be able to continue health insurance coverage as a dependent under your parents' health insurance. This is true even if you don't live with them, are on your own financially and even if you're married. You may want to consider sharing in the additional cost to include you or your family as dependents.

2. **Coverage as a dependent spouse.** If you are married or have a domestic partner that is employed or who has individual coverage, you may be able to be covered as a dependent under your spouse's plan. Ask your spouse to check with his or her HR department (or the insurance carrier) to determine your eligibility for coverage and the associated benefits and cost.

3. **Coverage as an employee.** If you are employed and your employer provides health insurance benefits you (and your dependents) should be able to be covered under your employer's plan. Be sure to check if there is a waiting period before coverage begins (which can't exceed 90 days), the level of benefits provided and the cost for you and your dependents. If there is a waiting period, you may want to consider purchasing individual coverage to avoid a gap in benefits.

4. **Coverage as an individual.** If you are unemployed or your employer doesn't provide health insurance coverage (employers with 100) or fewer full-time employees are not required to provide health insurance), you should be eligible to purchase individual coverage directly through Healthcare.gov or Pendella on the AIA Trust website (see details below).

If you are newly out of school or have reached age 26 and are no longer eligible for coverage as a dependent child, or if you have a "Qualifying Life Event'" such as marriage, divorce, losing your employer coverage, having a baby, etc., you should be able to purchase individual coverage at that time.

There is also a special open enrollment period underway from February 15 through May 15, 2021 in most states. AIA members who need coverage can work with Pendella, a 50-state virtual insurance agency selected by the AIA Trust to assist AIA members and their employees with their individual and employee benefit needs, including intuitive benefits administration technology. Learn more: https://getpendella.com/aia/

The next regular Open Enrollment Period will be November 1, 2021 to December 15, 2021. For state-specific open enrollment information, please visit: https://www.healthcare.gov/marketplace-in-your-state/.

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To address the process and important considerations when purchasing individual coverage, a list of frequently asked questions with respect to the ACA follows.

FAQs about the Affordable Care Act (ACA)

Under the Affordable Care Act (ACA), do I have to obtain health insurance?
The federal individual mandate itself remains unchanged but since 2019, there is no longer a Federal penalty for people who don't comply with it. However, some states such as Massachusetts and New Jersey have an individual mandate with a penalty.

Would it be less expensive to simply pay the penalty?
While the federal individual penalty may no longer apply, the risks for not having health insurance can be extreme. You may be young and healthy, but an accident or unexpected illness could leave you with huge medical debt and ruin your financial future.

My employer doesn't offer health insurance, so how can I purchase coverage on my own?
You have the option of purchasing a policy through the Pendella platform or through Healthcare.gov; click here for more details.

What's the least expensive health insurance I can purchase?
Healthcare.gov offers different levels of coverage identified as Bronze, Silver, and Gold and in some cases Platinum. Check the premium rates, deductibles and the out-of-pocket limits If you are in relatively good health, a plan with higher deductibles and out of pocket limits should be considered to help reduce premium costs.

The American Rescue Plan was signed into law on March 11, 2021 and it includes an adjustment to the Affordable Care Act (ACA) premium tax credits for 2021 and 2022. There is no upper income limit on premium tax credits so that individuals who purchase their own coverage can access the premium tax credits if their premiums exceed 8.5% of their overall household income.

The Kaiser Family Foundation provides a useful subsidy calculator including FAQs regarding the subsidies: https://www.kff.org/interactive/subsidy-calculator/

Adults under 30 and people with certain with certain hardship exemptions may be able to purchase a catastrophic health insurance plan typically requires you to pay all of your healthcare expenses up to a certain amount (this is your deductible). The catastrophic plans offered through the federal health insurance exchange covers three primary care visits per year at no cost and certain free preventive services.

I have health insurance offered through my employer but it is expensive; can I purchase different coverage on my own?
Yes. You can purchase health insurance through Healthcare.gov but keep in mind that if your employer offers a qualified plan and your contributions are no more than 9.83% of your earnings, you may not be eligible for certain discounts and tax credits on a marketplace plan.

What should I consider when comparing different health insurance plans?
There are three important things to consider:

1. How much are your monthly premiums?
2. How much will you pay for out-of-pocket expenses in a given year?
3. What benefits are provided for routine healthcare (e.g., office visits, physical exams, and prescriptions)?

What about a health savings account (HSA)?
Many health insurance plans today have high deductibles – so HSAs can offer you tax savings on the money you set aside to pay for medical expenses.

You have the option of withdrawing money that you save in an HSA at any time to pay for medical expenses like doctor's visits, birth control and other prescriptions, or mental health services. Alternately, you can use an HSA as a long-term savings account (like an individual retirement account) and rollover your contributions from year to year. You can still withdraw them at any time for qualified medical expenses. After age 65, you can withdraw money from an HSA for any reason.

Many banks, insurance brokers credit unions, and insurance companies offer HSA accounts and can help you set up and administer an HSA arrangement. See more information in a fact sheet about Health Savings Accounts (HSAs) by clicking here.

Where Can I Obtain Employee Benefit and Practice-Related Information?
The AIA Trust offers insurance and benefit programs to members and components of the American Institute of Architects as well as serving as a free risk management resource. More than 16 benefit programs are evaluated and monitored by AIA member Trustees and independent consultants, along with hundreds of practice resources including guides, webinars, databases of professional liability insurers and of attorneys, white papers and news articles about evolving risks, plus ready-to-use forms, component grants and much more which are all offered to you as an AIA member by the AIA Trust – see them all at theAIATrust.com.