

KEHP or kynect?

Things you should know

- This fact sheet contains general information about KEHP coverage and purchasing coverage through kynect, Kentucky's health benefit exchange. Inquiries needing more specific information should be referred to the proper entity below.

KEHP – kehp@ky.gov; 888-581-8834 or 502-564-6534
kynect – kynect@ky.gov; 1-855-4kynect or 855-459-6328

- **KEHP Open Enrollment** – Open Enrollment for the Kentucky Employees' Health Plan (KEHP) is October 1 through October 31. This is an active mandatory open enrollment. Anyone who fails to enroll in a health plan or waive coverage during this period will be defaulted to the Single Standard Consumer Driven Health Plan.
- **Individual Mandate** – Federal law requires all applicable individuals to have Minimum Essential (health insurance) Coverage beginning 1/1/14.
- **Applicable Individual** – An applicable individual is every person except those subject to religious exemptions, incarcerated individuals, and persons not lawfully present in the U.S.
- **Dependents** – Every individual must ensure that their dependents have Minimum Essential Coverage. "Dependent" generally refers to a tax dependent and **does not** include a spouse.
- **Penalty** – Those who fail to have Minimum Essential Coverage in 2014 will be subject to a penalty. In 2014, the penalty is the greater of \$95 per person or 1% of household income. In 2015, the penalty increases to \$325 per person or 2% of household income. In 2016, the penalty increases to \$695 per person or 2.5% of household income. In 2017 and beyond, the penalty is adjusted based on cost-of-living increases.
- **Minimum Essential Coverage** – Minimum Essential Coverage includes employer-sponsored coverage like KEHP; government programs like Medicare, Medicaid, and the Kentucky Children's Health Insurance Program (KCHIP); and policies purchased through kynect, Kentucky's health benefit exchange or health insurance Marketplace.
- **KEHP Coverage** – KEHP coverage is Minimum Essential Coverage that meets federal affordability and minimum value standards. If you have coverage through KEHP, you can avoid federal individual mandate penalties.
- **kynect** – kynect is the Marketplace in Kentucky where you can shop, compare, and purchase Minimum Essential Coverage. Through kynect, some individuals may be eligible for a premium subsidy to help pay for the cost of coverage. [See below for premium subsidy eligibility information for those who decline or waive KEHP coverage.] Also, you can determine if you are eligible for and enroll in Medicaid or KCHIP through kynect. For more information about kynect, go to kynect.ky.gov or call 1-855-4kynect (1-855-459-6328).
- **Declining KEHP Coverage** – If you decline or waive KEHP coverage...
 - you **will not be eligible** for a premium subsidy through kynect and will pay the **full** price for coverage.
 - you may purchase coverage through kynect **without** a premium subsidy.
 - you may be eligible for and enroll in Medicaid or KCHIP through kynect. Contact kynect for more information about eligibility for Medicaid and KCHIP.
 - for your dependents, your dependents **will not be eligible** for a premium subsidy through kynect.
 - for your spouse, your spouse may be eligible for and receive a premium subsidy through kynect.
 - you will not be able to obtain KEHP coverage during the plan year unless there is a Qualifying Event.
 - you may be eligible for the Waiver Health Reimbursement Account (HRA) if your employer offers it as an option.
- **Qualifying Events – Picking up KEHP coverage during the plan year.** You may only change a benefit election or enroll in KEHP coverage during the plan year if there is a Qualifying Event.
 - Qualifying Events include, but are not limited to, termination of Medicaid or KCHIP coverage, entitlement to Medicare or Medicaid, certain life events such as marriage or birth/adoption of a child, court orders requiring coverage, and loss of coverage under another employer's plan.
 - If, during the plan year, you drop coverage you have purchased through kynect, this is **NOT** a Qualifying Event and you will not be eligible for KEHP coverage.

- **Health Reimbursement Accounts (HRA)** – You may waive KEHP coverage and choose the Waiver HRA or the Waiver Dental/Vision HRA if your employer participates in these options.
 - If you waive coverage, you may purchase coverage through kynect but you will not receive a premium tax subsidy.
 - HRA funds cannot be used to pay the premiums on health insurance coverage, including coverage purchased through kynect.
 - HRA funds may be used to pay for medical expenses and prescription medication or drugs.
 - HRA funds may be used to reimburse for copays, deductibles, and coinsurance amounts paid under other health insurance coverage.
- **Medicaid and KCHIP Eligibility** - Medicaid is expanding to cover more people at higher incomes. Some employees and their families may be eligible for Medicaid coverage through kynect if they meet certain income standards. See the table below for the expanded Medicaid income standards and KCHIP income standards.

Income Levels for Medicaid Programs

If your household size is this:	Adults age 19 years or older may be eligible for Medicaid if your income* is this:
1	Less than \$15,856
2	Less than \$21,404
3	Less than \$26,951
4	Less than \$32,499
5	Less than \$38,047
6	Less than \$43,595
7	Less than \$49,142
8	Less than \$54,690

**Income levels are based on the year 2013. Children and pregnant women may still qualify with higher income levels.*

Income Levels for KCHIP Programs

If your household size is this:	Children under age 19 may be eligible for KCHIP if the household income* is this:
1	Less than \$25,044
2	Less than \$33,816
3	Less than \$42,576
4	Less than \$51,336
5	Less than \$60,108
6	Less than \$71,052
7	Less than \$77,628
8	Less than \$86,388

**Income levels are based on the year 2013.*