

Healthcare Without an Employer (Before Medicare)

South Bay Bogleheads, January 10, 2019

Possible Options

COBRA / Cal-COBRA – 18 months from the former employer at unsubsidized price + small admin cost. Additional 18 months possibly offered by the insurance company (self-funded plans excluded).

Medicaid (Medi-Cal) – Income qualification at 138% FPL (~\$16k for 1; ~\$22k for 2). Withdrawing your own savings from taxable or Roth accounts isn't income.

ACA / Obamacare – Guaranteed availability (recent federal district court ruling notwithstanding). Price may be a big issue.

Healthcare Sharing Ministries – Co-op model. Limit on pre-existing conditions or coverage. Not legally required to “share.”

Short-term policies – Banned in California.

Dental and Vision – Abundant options: Delta Dental, VSP, Blue Shield, Anthem, ...

ACA

Two distinct worlds – qualify for subsidy | no subsidy

Modified AGI = AGI + muni interest + untaxed Social Security

Subsidy cutoff at MAGI > 400% Federal Poverty Line (~\$48k for 1, ~\$65k for 2; ~\$100k for 4)

Subsidy = Price of 2nd lowest cost silver plan - X% of income

Your price = full price of your chosen plan – subsidy

Additional cost sharing subsidy at <= 250% FPL

Qualify for subsidy – insulated from year-over-year price increases (my plan increased by 15% in 2019)

No subsidy – fully exposed to year-over-year price increases

Covered California

coveredca.com – Use *Shop & Compare* link

Carriers in the Bay Area – Valley Health Plan, Kaiser, Anthem, Blue Shield

Standardized plan tiers – Deductible & Out-Of-Pocket Maximum:

Bronze: single \$6,000/\$7,500; 2x for family plan

Silver: single \$2,500/\$7,500; 2x for family plan

Gold: single \$0/\$7,000; 2x for family plan

Sample Premiums (my zip code, 2019, annual, approximate) –

2 adults, both 40

	Bronze	Silver	Gold
\$65k income	\$800 - \$7,100	\$3,900 - \$11,500	\$5,800 - \$14,000
\$70k income	\$6,600 - \$12,900	\$9,700 - \$17,300	\$11,600 - \$19,700

2 adults, both 50

	Bronze	Silver	Gold
\$65k income	\$30 - \$7,400	\$2,900 - \$13,500	\$5,500 - \$16,900
\$70k income	\$9,200 - \$18,000	\$13,600 - \$24,000	\$16,200 - \$27,600

2 adults, both 60

	Bronze	Silver	Gold
\$65k income	\$40 - \$7,800	\$1,100 - \$17,200	\$5,200 - \$22,400
\$70k income	\$18,600 - \$27,300	\$20,600 - \$36,600	\$24,600 - \$41,900