

# Important information about your grandfathered Blue Shield plan

Here are answers to some common questions about the Affordable Care Act (ACA) and how it affects your healthcare options.

## What happened to the health insurance market in 2014?

As a result of the ACA, everyone is required to have healthcare coverage or pay a tax penalty. Individuals and families are able to purchase health coverage directly from Blue Shield, from other carriers, or from Covered California, California's health insurance marketplace.

## What is a grandfathered health plan and how do I know if I have one?

The ACA was enacted into law on March 23, 2010. If you have been enrolled in the same health plan since that date, your Individual and Family Plan (IFP) may be "grandfathered." Staying enrolled in a grandfathered health plan allows you to preserve the health coverage you had before health reform was enacted. Grandfathered plans are not open to new enrollment and may not include coverage for all the essential health benefits as required by the ACA.

## Are there advantages or disadvantages to being in a Blue Shield grandfathered plan?

Many of the ACA's provisions apply regardless of a plan's grandfathered status. For example, adult children can stay on their parents' plan until age 26, and there is no lifetime maximum on plan benefits regardless of whether a health plan is grandfathered or non-grandfathered.

Grandfathered plans are exempt from certain health reform mandates, such as expanded benefits and guaranteed enrollment of newly eligible dependents regardless of pre-existing medical conditions. Being enrolled in a grandfathered plan also means your plan will not have any changes that significantly:

- Cut or reduce your plan benefits
- Increase your coinsurance charges
- Increase your copayment charges or deductibles
- Add or lower annual limits on what Blue Shield pays

However, rate increases may occur to reflect the rising costs of providing quality health services to our members, including hospital care, physician services, pharmacy and drug coverage, diagnostic tests, and other medical expenses.

## Do I have to do anything to keep my grandfathered plan?

No, there's nothing you need to do. Just continue to pay your bill as you normally would to maintain the quality benefits of your grandfathered plan.

However, if you drop your coverage or decide to change plans, you won't be able to transfer back to your grandfathered coverage.

## What health plan options will I have in 2016?

By staying enrolled in your grandfathered plan, you will be able to keep your plan in 2016 with some changes to your plan benefits. You will also have the choice to switch to a new health plan. However, moving from a grandfathered plan to a new health plan in 2016 could result in higher rates.

Blue Shield will keep you up-to-date about information and details about the healthcare market in 2016 and about your plan benefits. For easy access to information about health reform, please visit [blueshieldca.com/healthreform](http://blueshieldca.com/healthreform).