



KEY FACTS AND DEADLINES:

- ▶ Plans for 2016 can be purchased during Open Enrollment which lasts from **November 1, 2015 – January 31, 2016**
 - *Key deadline: Plans must be purchased by December 15th for coverage to begin on January 1st*
- ▶ Anyone can enroll or change their plan for whatever reason during Open Enrollment
- ▶ People without affordable employer coverage AND making less than 400% of the federal poverty line (roughly \$32k for an individual or \$90k for a family of four) can apply for and receive a premium tax credit on Healthcare.gov
- ▶ You have to pay the higher of these two amounts if you don't have health insurance in 2016:
 - 2.5% of your yearly household income
 - \$695 per person (\$347.50 per child under 18)
- ▶ There are **over 8,000 qualified health plans available** in Texas
- ▶ This is the third open enrollment period as mandated by the Affordable Care Act (Obamacare)

ACADEMIC RESEARCH SUGGESTS:

EACH YEAR, **88%** OF PEOPLE
CHOOSE THE WRONG PLAN ...



... COSTING THEM AN AVERAGE OF
\$533
IN UNNECESSARY HEALTH EXPENSES.*

POOR CHOICE COULD COST TEXANS \$560 MILLION IN 2016

Possible explanations for poor plan choices:

- Brokers push plans with higher commissions rather than focusing on plans that provide consumer savings
- Insurance companies push for renewals even though the terms of the plan may change significantly
- Consumers (especially healthy individuals) tend to overemphasize deductibles and copays when choosing a plan
- Consumers visit doctors that are out of their plan's network and must pay more
- Consumers continue to put dependents on employer-sponsored group plans even though companies now pay less for dependent coverage and more cost efficient individual plans are available

*Source: Abaluck J, Gruber J (2011) Heterogeneity in choice inconsistencies among the elderly: Evidence from prescription drug plan choice. The American Economic Review 101: 377–381. doi: 10.1257/aer.101.3.377 AND Source: Johnson EJ, Hassin R, Baker T, Bajger AT, Treuer G (2013) Can Consumers Make Affordable Care Affordable? The Value of Choice Architecture. PLoS ONE 8(12): e81521. doi:10.1371/journal.pone.0081521