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TOP SEVEN COSTLIEST MISTAKES

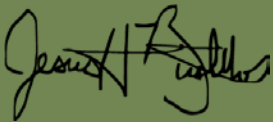
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TO AVOID IN  
OBAMACARE

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From your friend,



Jesus H Bustillos



# Introduction

## Why I Wrote This Guide

You know how most people don't think or talk about health insurance every day? Well for the average person it's not a topic of conversation until you have health issues. This is not a conversation that is had in schools, this is not a conversation most parents have with their kids (probably because the majority of parents are confused also), and this is not a much understood conversation that employers have with employees. So you wonder why are so many people are confused about insurance? Well it's because most people grow up understanding the same things that their parents understand about money.

We regularly adopt the values, ways of thinking, thought process of our influences. Have you ever heard of the Law of Association? You know, where you become the average of the 5 people you hang around with the most. You will earn the average of the 5 income, read the same type of materials, and have the average political leanings, so many different things. Well the question for most of us is, are the 5 you hang around with the most, pulling you up or otherwise?

See this topic of insurance is really very simple to understand. It just takes some patience. A little time, and some questions and answers. The average person doesn't have someone like that to help them out with these types of situations. The typical consumer is worried that whomever is giving them advice is trying to take their money. Well this advice is free of charge! I want to make sure you're getting value from us right from the beginning, whether we work with you or not. So I wrote this guide for anyone that needs help avoiding some very costly mistakes when buying health insurance in today's world.



## Who am I? About Jesus H Bustillos

I am an entrepreneur. My wife & partner, Norma Bustillos, have successfully owned and operated multiple businesses over the last 20+ years. I have served as an insurance expert in varied scenarios (business & personal), speaker, writer, financial literacy coach and activist, blogger, and professional musician.

We own and operate an insurance agency, a utilities brokerage, a business services brokerage, a marketing company and a fledgling non-profit.

Together we've worked with and helped thousands of people make and/or save money in various businesses and scenarios helping others to empower themselves in order to experience life, better. The call to action in this guide will be direct, plain and with NO – B.S.



## **Why do we do this? Why are we giving away most of what we train and teach on?**

We give away most of our material because we believe in paying it forward. We believe that to be able to help others, is what builds communities. We also know that as you learn and succeed, and spread the word, you'll join so many of our other readers as they became students of the game with us, for life.



## Who will this guide help?

- Anyone Self Employed
- Anyone tired of not having local help
- Anyone having expensive insurance premiums, unaffordable rates
- Anyone that's had claims issues
- Anyone that has chronic medical issues or takes medications
- Anyone confused about their health insurance
- Anyone that wants help with guidance and enrolling in the right plan for them
- Anyone tired of BS ☺
- Anyone that's experienced issues dealing with unqualified, navigators or individuals that simply didn't have the right experience or knowledge in the field
- Anyone that's paid a fine or that wants to feel secure that they have a great advisor
- And so many others...



## 1 - Not applying for Subsidies Help

MOST FAMILIES are qualifying for some help (assuming that they are not eligible for qualified health insurance options, partially paid by their employer) for either paying for their plan or reducing costs.

Families and/or individuals, may qualify for help with incomes up to 400% of the Federal Poverty Level. As an example- the 2010 US Census lists the Average Per Capita Income in El Paso, TX as \$13,421, and the Median Family Income at \$33,410. This means that the average person, pays almost ZERO PREMIUMS to VERY LOW COST PREMIUMS. Subsidy Assistance is not only limited to a TAX CREDIT (that can be used to pay for the health insurance), but may also be a reduction in Out of Pocket expenses like the Deductible. This information may not be readily understood when first looking at rates and plans.

## 2 - Not understanding the Modified Adjusted Gross Income

Modified Adjusted Gross Income (MAGI) can qualify you for a number of credits, benefits, and exclusions, which makes it important to calculate for tax purposes.

Your MAGI is used to determine your eligibility for various Federal tax benefits —

### Calculating Your MAGI – Types of Deductions

- Any Passive Loss or Passive Income?
- Do you own a small or home based business?
- ½ of self-employment tax (self-employed individuals are required to pay “payroll” taxes that an employer would otherwise take; these extra taxes can be deducted from AGI, but are included in MAGI)
- Student loan interest
- Tuition and fees deduction



- Qualified tuition expenses
- Passive income or loss
- Rental losses
- IRA contributions and taxable Social Security payments
- Exclusion for income from U.S. savings bonds
- Exclusion for adoption expenses (under 137)

### **3 - Not understanding the difference between enrolling with a Navigator, Counselor or other organization, or even Healthcare.gov, as compared to working with a CERTIFIED AGENT**

What are the different consumer assistance roles?

#### *Navigators:*

Navigators will have a vital role in helping consumers prepare electronic and paper applications to establish eligibility and enroll in coverage through the Marketplace. This includes steps to help consumers find out if they qualify for insurance affordability programs (including a premium tax credit, cost sharing reductions, Medicaid and the Children's Health Insurance Program), and if they're eligible, to get enrolled.

UNFORTUNATELY, most Navigators are new to this environment, and have very limited experience. NAVIGATORS DO NOT HELP WITH CLAIMS, TROUBLESHOOTING COVERAGE ISSUES, MANAGING YOUR HEALTH PLAN ISSUES, PAYMENTS, BILLING ISSUES, OR ANY OF THE OTHER ISSUES RELATED TO DAY TO DAY INSURANCE SCENARIOS.



*Non-Navigator assistance personnel:*

Non-Navigator assistance personnel (also known as in-person assistance personnel) will perform generally the same functions as Navigators but will exist in either a State-based Marketplace or a State Partnership Marketplace. NON NAVIGATOR ASSISTANCE PERSONNEL DO NOT HELP WITH CLAIMS, TROUBLESHOOTING COVERAGE ISSUES, MANAGING YOUR HEALTH PLAN ISSUES, PAYMENTS, BILLING ISSUES, OR ANY OF THE OTHER ISSUES RELATED TO DAY TO DAY INSURANCE SCENARIOS.

*Certified application counselors:*

The Federally-facilitated Marketplace will designate organizations to certify application counselors who perform many of the same functions as Navigators and non-Navigator assistance personnel. These groups might include community health centers or other health care providers, hospitals, or social service agencies. CAC'S DO NOT HELP WITH CLAIMS, TROUBLESHOOTING COVERAGE ISSUES, MANAGING YOUR HEALTH PLAN ISSUES, PAYMENTS, BILLING ISSUES, and OR ANY OF THE OTHER ISSUES RELATED TO DAY TO DAY INSURANCE SCENARIOS.

*CERTIFIED Agents and Brokers:*

Licensed health insurance agents and brokers may enroll individuals, small employers, and employees in coverage through the Marketplace. Agents and brokers will be compensated by the issuer or by the consumer to the extent permitted under state law. Federal and state training and certification requirements will apply to agents and brokers who enroll or assist consumers in the Marketplace. MOST IMPORTANTLY – WE DO HELP WITH CLAIMS, TROUBLESHOOTING COVERAGE ISSUES, MANAGING YOUR HEALTH PLAN ISSUES, PAYMENTS, BILLING ISSUES, OR ANY OF THE OTHER ISSUES RELATED TO DAY TO DAY INSURANCE SCENARIOS.





#### **4 - Not figuring in out of pocket costs – deductibles and copays**

Pay close attention to the details of compared plans. Every plan has additional OOP (Out of Pocket) costs. These include Deductibles, Copays, and Co-insurance, to list a few.

These costs increase what you may pay for your care, year to year. Plan OOP costs will vary and should be considered a factor in TOTAL costs for your plan for the year. As an example, many plans will charge 3 times the deductible for a family plan.

#### **5 - Not understanding the difference between Bronze and Silver plans**

Even though the difference sounds simple, some individuals may be best served by selecting a Bronze plan, especially if they are not sure of their expected annual health care costs. Bronze plans don't include doctor copays for most carriers.

If you know you will have to spend on certain procedures or treatments, you may consider a more benefit rich plan, like the Silver or Gold plans.

#### **6 - Not Verifying Enrollment**

Studies have shown that due to various issues, many individuals have shown up at an emergency room or doctor's office, expecting to be registered after receiving their ID cards, though their enrollment wasn't finalized. Make sure by contacting your agent, or carrier that you are completing the enrollment process. In most cases, the enrollment has not completed until, missing forms or documents are submitted or first premiums are paid.



## 7 - Not seeking help –

One of the simplest mistakes to make is trying to figure all this out on your own. As long as you work with (in my professional opinion) a CERTIFIED, EXPERIENCED HEALTH INSURANCE AGENT, you will have professional guidance every step of the way.

Starting with understanding the difference between on or off exchange options, subsidy assistance, short term plans, dental insurance, Special Enrollment Options,.. Among many other scenarios.

