



What is Health Insurance? Why Do I Need It?

Health insurance helps you pay for medical costs. It gives you financial security and peace of mind.

Health insurance is an agreement with an insurance company to pay some or all of the costs for your health care in exchange for a fee (premium) that you pay regularly (usually monthly, like a cell phone or electric bill). Health insurance allows you and your family to stay healthy and avoid large unexpected medical bills.

Health insurance makes receiving health care more affordable. When you have health insurance, you pay part of the bill and the insurance company pays the rest.

Having health insurance also allows you to receive special pricing for health care, since insurance companies can secure lower payments to hospitals and health care providers that you can benefit from since you are part of a group.

You can get health insurance:

- Through an employer
- Through the Health Insurance Marketplace
- From a private health insurance company directly
- From a government health insurance program such as AHCCCS (Arizona's version of Medicaid) or Medicare
- From your parents, if they are insured and you are under the age of 26

Since 2014, it has been the LAW to have health insurance. If you do not have health insurance, you may have to pay a fine when you pay your taxes. You'll pay the higher of these two amounts for 2015:

2% of your yearly household income	\$325 per person for the year
Only the amount of income above the tax filing threshold, about \$10,000 for an individual, is used to calculate the penalty.) The maximum penalty is the national average premium for a bronze plan.	(\$162.50 per child under 18) The maximum penalty per family using this method is \$975.

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In some cases, you may not be charged a fine for lacking health insurance. For example, if you have very low income, are a member of an Indian Tribe, or you have been uninsured for less than three months during the year, you will not have to pay a fine.

Insurance typically helps pay for:

- Visits to your doctor
- Hospital bills, including visits to the emergency room
- Medical tests
- Care before and after your baby is born
- Medicine
- Behavioral health and substance abuse treatment
- Services and devices that help you recover if you are injured, have a disability, or serious, ongoing health problems
- Dental and vision care for kids

Since 2014, new options are available for Arizonans to purchase low or no-cost health insurance. Many Arizonans are now able to get AHCCCS who were unable to get it before. Other Arizonans may be able to get financial help when they purchase insurance through the Health Insurance Marketplace, making the monthly amount that they pay for insurance more affordable.

Interested? Visit coveraz.org to schedule free in-person help to sign up for AHCCCS or Marketplace coverage. You can also find help in your area by dialing 2-1-1.

