



Health Insurance Marketplaces

OVERVIEW

The Patient Protection and Affordable Care Act (ACA) created health insurance marketplaces (also called exchanges) where individuals and small businesses can purchase health insurance. The ACA gave states the option of creating their own marketplaces or allowing the federal government to run their marketplaces, providing considerable federal planning and development funds as part of the process. Individuals seeking marketplace insurance coverage are to be screened for Medicaid and Children's Health Insurance Program (CHIP) eligibility and enrolled as appropriate. Those not Medicaid or CHIP eligible and without access to affordable employer-based health insurance can enroll in health insurance through the marketplace. Those in families with incomes below 400% of the federal poverty level (FPL) will receive advanced premium tax credits to help purchase insurance, and those with incomes below 250% FPL will receive cost sharing reductions.

Small businesses may purchase insurance for employees through Small Business Health Insurance Options Program (SHOP) marketplaces. All marketplace plans must be qualified health plans (QHPs) and meet minimum federal requirements, including the provision of essential health benefits (EHB). Plans are sold in 4 tiers—platinum, gold, silver, and bronze—each meeting an actuarial value standard and following established limits on cost sharing and other requirements.

AAP POSITION

- The AAP advocates for universal and insured financial access to quality health care for all newborns, infants, children, adolescents, young adults, and pregnant women.
- The AAP supports a “no wrong door” approach to insurance obtained through a marketplace, so children and families are immediately enrolled in the insurance programs or plans for which they are found eligible.
- Benefits provided in plans sold through marketplaces should provide all services children need, including, at minimum, those services outlined in the AAP Policy Statement, [Scope of Health Care Benefits for Children From Birth Through Age 26](#). Essential health benefits (EHB) packages may need to be supplemented to ensure children receive all eligible services, particularly in the areas of habilitative care, mental and behavioral health, and vision and oral health care.
- Families are encouraged to thoroughly consider the needs of children and purchase health insurance plans that meet those needs.
- All insurance plans and marketplace policies should encourage the maintenance of the medical home, where the pediatrician, other physicians, and the pediatric care team works in partnership with a child and a child's family to assure that all of the medical and nonmedical needs of the patient are met.

