



# First Friday Forum

April 2, 2021

Christine Brown

[Christine.brown@wahbexchange.org](mailto:Christine.brown@wahbexchange.org)

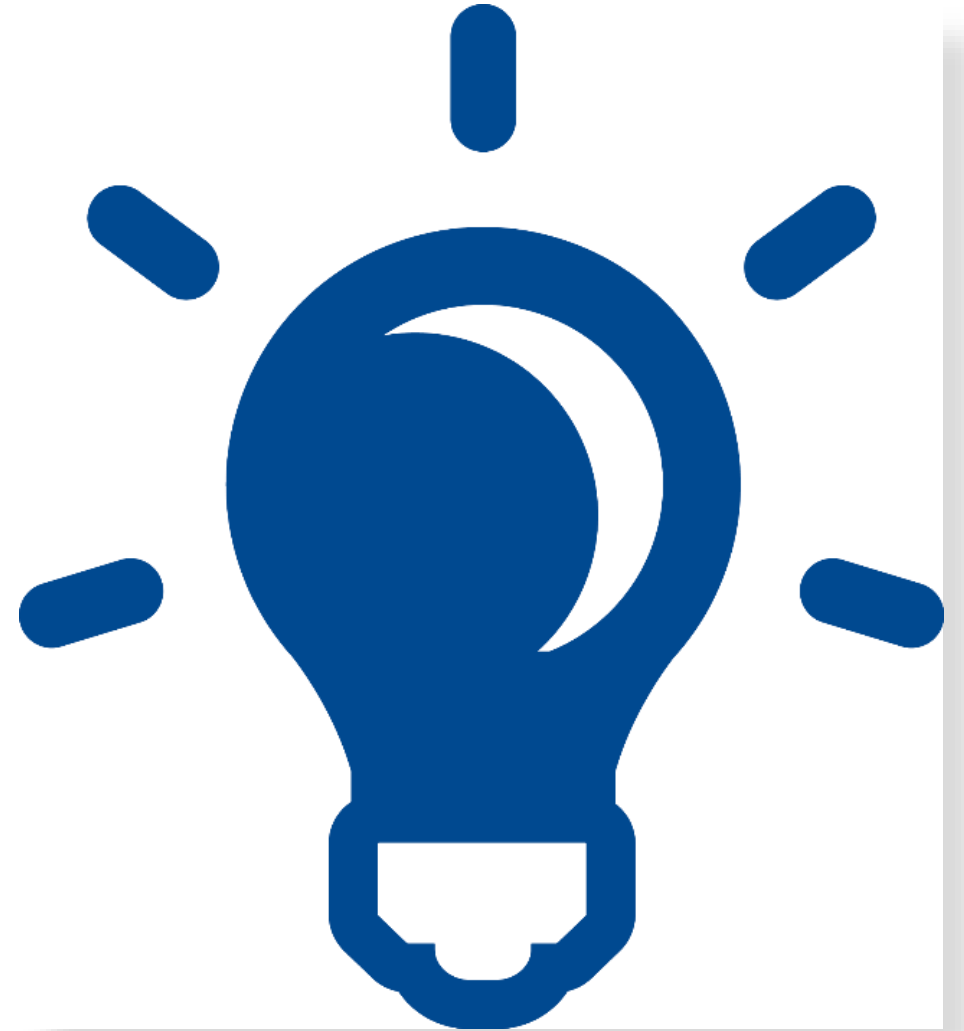
# Question for the Month

Scenario: A person you're working with is enrolled in a Qualified Health Plan and experiences a Qualifying Life Event that allows them to change metal levels.

Customer would like their out-of-pocket expenses to carry forward -

Is this a possibility?

If yes, what do they need to do, if anything?



# Public Health Emergency Special Enrollment Period Extended!

## To August 15, 2021

This SEP is designed for those currently uninsured or enrolled in off-Exchange health insurance products. Customers who submit applications during this time will automatically be identified and evaluated for this SEP. If eligible, they will receive a correspondence and have the opportunity to shop.

1. Can customers use this SEP to change plans?

*No. Currently enrolled customers cannot use this SEP to change plans. Customers cannot voluntarily cancel their Washington Healthplanfinder coverage to become uninsured in an attempt to qualify for this SEP.*

2. If a customer has been terminated due to nonpayment, can they use this SEP?

*Yes. If the customer is currently uninsured, they are eligible to enroll through this SEP.*

3. Will customers who are currently enrolled in a Qualified Health Plan be allowed to use this SEP to add dental coverage?

*No. If a customer is already enrolled in a Qualified Health Plan, they are not eligible for this SEP and cannot use it to add a Qualified Dental Plan.*

# American Rescue Plan Act (ARPA)

- Higher Advanced Premium Tax Credits (APTC) = Lower Premiums
- APTC will be higher for nearly everyone (2021 and 2022)
- People with income 100 to 150% FPL will be eligible for a zero-premium benchmark plan, after APTC (2021 and 2022)
- People with income over 400% FPL will be newly eligible for APTC (2021 and 2022)
- People who receive UI benefits will be eligible for a zero-premium benchmark plan (after APTC) and highest CSR, regardless of projected or actual annual income (2021 only)

\*Must be enrolled through Washington Healthplanfinder to receive expanded APTC, and each month spent uninsured or insured through the commercial market is a month that will never be subsidized.

# American Rescue Plan Act (ARPA)

## **COBRA Subsidy**

100% COBRA premium subsidy (April 1 – Sept 30 only)

Temporary premium assistance for individuals who lose employer-sponsored coverage

## **Repayment Forgiveness**

APTC repayment will be forgiven (2020 only)

# Dramatic Premium Reductions in 2021 and 2022

- Premiums will decrease an average of \$50 per person per month
- Over 50% of people (up from 14% pre-ARPA) will be able to find a silver plan for \$10 or less per month.

Pre March 2021 concerns

## **Tax Credits not large enough to make coverage affordable for some who were eligible**

- Example - A family of four with \$90,000 income had to pay almost \$9,000 in premiums for the year – with tax credits

## **Tax credits ended at 400% FPL, leaving an “unsubsidized” group**

- Example – A 60-year-old couple with \$75,000 income were ineligible for tax credit and had to pay the full premium of \$23,000 per year

# Advanced Premium Tax Credits Expansion for 2021 and 2022

The Act addresses both issues

**It increases APTC for those currently eligible at every income level, by reducing the share of income consumers are expected to contribute towards the premium**

➤ The family of four with \$90,000 in income saves almost \$2,500 per year

**It extends APTC eligibility above 400% of FPL, capping the expected contribution at 8.5% of income**

➤ The 60-year-old couple with \$75,000 in income saves more than \$16,000

- These changes are effective for all of 2021 and 2022

# ARPA – APTC details

| Income Range<br>(Percent of FPL) | Range of Maximum Income Contribution<br>(Percent of Income) |                    |
|----------------------------------|---|--------------------|
|                                  | Under Current Law <sup>a</sup>                              | Under Section 9661 |
| 100 – 133                        | 2.07  | 0                  |
| 133 – 150                        | 3.10 – 4.14   | 0                  |
| 150 – 200                        | 4.14 – 6.52   | 0 – 2.0            |
| 200 – 250                        | 6.52 – 8.33   | 2.0 – 4.0          |
| 250 – 300                        | 8.33 – 9.83   | 4.0 – 6.0          |
| 300 – 400                        | 9.83  | 6.0 – 8.5          |
| 400+                             | --  | 8.5                |

Source: Congressional Budget Office.



# Additional APTC and CSR Expansions in 2021 and Unemployment Insurance Benefits (UI)

- Income over 133% of FPL is disregarded in calculating APTC and CSRs for UI recipients
  - APTC covering the full premium with no expected contribution
  - A silver plan variant with a 94% actuarial value
- Eligible for APTC even if their income is below 100% of FPL
- If an individual qualifies, the provision applies for all of 2021 (though CSRs may not apply retroactively)
- The income disregard does not apply for purposes for the affordability of employer sponsored coverage, or for Medicaid eligibility.

# Relief from 2020 APTC Repayment

- The pandemic and related changes in eligibility rules made it difficult to accurately predict income and calculate APTC amounts for 2020



- Section 9662 of the Act forgives any excess 2020 APTC owed back under reconciliation
  - Customers must reconcile APTC by completing Form 8962 as usual
  - Waiting for federal guidance

# Opportunities for Consumers

|   |   |
|---|---|
| <b>Washington Healthplanfinder Currently Enrolled</b> | <ul style="list-style-type: none"><li>• May be eligible for new or larger subsidies</li><li>• May be eligible to switch plans to take advantage of increased APTC or UI-linked CSR</li></ul>  |
| <b>COBRA Enrollees</b>                                | <ul style="list-style-type: none"><li>• Premiums should drop to zero through September 2021</li></ul>   |
| <b>*Uninsured</b>                                     | <ul style="list-style-type: none"><li>• May be eligible for subsidies</li><li>• May also be eligible for COBRA subsidies</li><li>• If eligible for both should compare premiums and cost-sharing and consider continuity with current coverage and post-September</li></ul> |
| <b>*Off Exchange Enrollees</b>                        | <ul style="list-style-type: none"><li>• May be eligible for large (or full) subsidies for similar coverage on Exchange</li></ul>  |

\*Must be enrolled through Washington Healthplanfinder to receive expanded APTC, and each month spent uninsured or insured through the commercial market is a month that will never be subsidized.

# System Update

- Week of April 5<sup>th</sup>
  - 30-day notice to the following:
    - Affordability Path – Over 400% FPL (No action required)
    - Affordability Path – Under 400% FPL (No action required)
    - Attested to UI – (No action required)
- Go live - May 6<sup>th</sup>
  - Eligibility re-determined for the above groups
    - Roll-out basis
    - To be complete by May 15<sup>th</sup> for *June 1* - stay tuned for more guidance

# Resources

- KFF calculator for 2021 APTC and net premiums under the American Rescue Plan:
  - <https://www.kff.org/interactive/subsidy-calculator/>
- KFF calculator for 2021 APTC and net premiums before the American Rescue Plan:
  - <https://www.kff.org/interactive/subsidy-calculator-2021-before-covid-relief/>
- GetInsured calculator for the impact of the broad-based APTC increase:
  - <https://mypremiumsubsidy.com/screener/american-rescue-plan.html#/>
- Visit our American Rescue Plan FAQs
  - [American Rescue Plan FAQs | Washington Health Benefit Exchange \(wabhexchange.org\)](https://wabhexchange.org/american-rescue-plan-faqs)

# Training

## Upcoming Training

### Mark your calendar to complete required training!

Training will be offered in the Learning Management System (LMS) beginning **April 19th through May 3rd**. You must be finished by May 3rd to maintain user access to *Washington Healthplanfinder* - no exceptions. We realize this is a shorter period than usual. If possible, we will start sooner, however, the end date will not be extended.

There will be two modules that should take about 1.5 hours to complete:

1. Annual Security and Privacy Awareness (*this includes completing an updated User Agreement*)
2. American Rescue Plan Act of 2021

We are also offering a webinar covering the different components of the Act. The webinar will be held Tuesday, May 4th at 10:00am. You can register by clicking the 'Register Here' button below.

This webinar is the day after the training due date in the event you have questions about the Act. Attending the webinar will not take the place of completing the training in the Learning Management System.

[Register Here](#)

# Answer to Question of the Month

It is possible to carry out-of-pocket expenses forward.

Customer must work this out with the carrier.





[WWW.WAHEALTHPLANFINDER.ORG](http://WWW.WAHEALTHPLANFINDER.ORG) | [WWW.WAHBEXCHANGE.ORG](http://WWW.WAHBEXCHANGE.ORG)