



# **The American Rescue Plan Act: What ACA Agents need to know**

Prepared for HealthSherpa's Broker Partners | March 2021

# Agenda

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## 2/15 - 8/15 SEP Key Points

- Announced 1/28/21
- Available to all Marketplace-eligible consumers who are submitting a new application or updating an existing application.
- **Will offer accelerated coverage effective dates.** I.e. Client enrolled on 4/20 will have a 5/1 effective date.
- Clients can still qualify and receive a retroactive effective date (e.g. due to birth or adoption).
- [Blog post here](#)



# **The American Rescue Plan Act: Key Information**


# This is a major, albeit imperfect expansion of the ACA

- What it does:
  - Extra subsidies for everybody 100-400% FPL, retro to 1/1/2021
  - New subsidies for people 400%+ FPL, retro to 1/1/2021
  - People receiving unemployment in 2021 are treated as 133% FPL
- What it doesn't do:
  - Fix the family glitch
  - Fix the Medicaid Gap
  - Expand the ACA permanently - it's only for 2 years.
- When it happens: Initial subsidy changes go into effect for the Federal Marketplace (and HealthSherpa) on **4/1/21**, with unemployment subsidy to follow in early July.

# Nobody will pay more than 8.5% of income for coverage

Percentage of Household Income Paid for the Benchmark Silver Plan

FPL	Under the ACA (Current Law)	Under the American Rescue Plan
100 — 138%	2.07%	0%
138 — 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% +	N/A	8.5%



## Other relevant provisions

- People who received too much subsidy in PY2020 only won't have to pay it back on the taxes they are filing this year.
- People who were involuntarily term'd and offered COBRA can get it paid for at 100% until September 30th, and can go back and elect it even if it's been >60 days.
- States can now opt in to make pregnancy Medicaid last 12 months postpartum

## What we don't yet know

- Will there be an SEP for COBRA enrollees once the COBRA subsidy runs out?



# How ARPA affects your clients' coverage



# Current enrollees won't get the new subsidies automatically

- **Even if they want to stick with their current coverage**, clients will need to re-submit their applications and enrollments in order to get new eligibility results and a reduction in premiums.
- **If your clients don't return and update their applications after 4/1/21**, their additional premium tax credit amount will be reconciled when they file their 2021 taxes.
- **The new subsidies will be applied to premiums starting 5/1**. Any retroactive subsidy owed will also be reconciled & paid out at tax time.

## Unemployment subsidies will go live in July

- **If some of your clients are receiving unemployment:** They should update their applications after 4/1/21 to receive updated tax credits, and then come back in July to claim the extra UI benefits.
- **Once the changes are live:** If your clients become newly eligible for a CSR, they will qualify for an SEP at that time and can switch in to a silver plan.
- **If other household members are otherwise APTC-eligible,** the household as a whole will be treated as making 133% of FPL.
- **Clients making <100% FPL** will be able to take advantage of this special rule if they otherwise qualify for APTC.



**Which leads & clients will benefit most from  
ARPA?**


# ARPA improves affordability across the board

- From HHS, 3.6M uninsured people are newly eligible for health care coverage savings. [You can find their detailed state breakdown here.](#)
- We encourage brokers to help all clients re-assess their eligibility and make sure they are receiving the maximum benefit.
- Clients who will most benefit from switching into a new plan or new metal tier **are a priority to support before August 15th.**
  - Bronze enrollees <150% now eligible for free silver plans
  - Households making above 400% FPL - especially older households

# 100—150% FPL should switch to a Silver Plan (if they aren't on one already)

Household Income Ranges Eligible for \$0 Premium Silver Plans under the American Rescue Plan

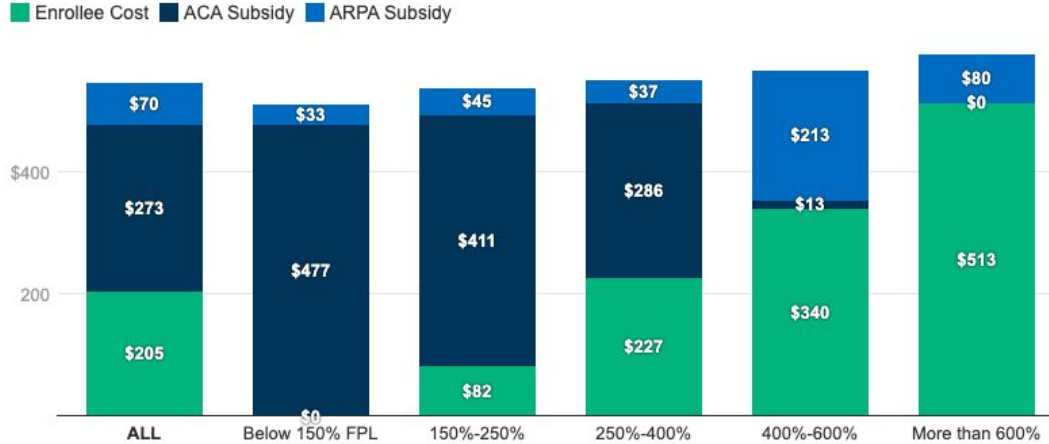
Family Size	Income Minimum	Income Maximum
1	\$12,760	\$19,140
2	\$17,240	\$25,860
3	\$21,720	\$32,580
4	\$26,200	\$39,300
Each add'l	\$4,480	\$6,720



# Households 400-600% FPL will see the biggest savings

Figure 3

## Average Premium Cost and Subsidy Among Current Individual Market Enrollees Under American Rescue Plan Act



Leads within 400-600% FPL will see the most dramatic increase in **APTC** (AKA, they will see the most dramatic improvements in affordability).

NOTE: Premiums shown reflect the second-lowest cost silver plan. Average premiums in the chart rise with income because higher income enrollees tend to be older and thus have higher premiums on average. Prior to the ARPA, California was the only state to offer premium subsidies to people making over 400% of poverty.

SOURCE: KFF analysis of 2019 American Community Survey. • PNG



Source: <https://www.kff.org/health-reform/issue-brief/how-the-american-rescue-plan-act-affects-subsidies-for-marketplace-shoppers-and-people-who-are-uninsured/>

# Older households will *especially* benefit from ARP

Illustrative Example of the Changes in Affordability for a Household  
Currently Affected by the Subsidy Cliff (60 y/o couple at 401% FPL  
(\$69,854))

	Under the ACA (Current Law)	Under the American Rescue Plan
Full price premium	\$1,920/mo	\$1,920/mo
% of income cap	N/A	8.5%
Maximum premium	\$1,920/mo	\$495/mo
Monthly savings		<b>\$1,425</b>
Annual savings		<b>\$17,102</b>





**What HealthSherpa's doing to set you up for  
success**



## Starting 4/1, use the following tools

- ARPA subsidy calculations in quoter
- ARPA Impact on My Book
- ARPA Subsidy Auto-Calculator
- Guided ARPA Re-Submit Flow

# ARPA Impact on My Book

- Additional columns in the client export report to help segment your book
  - Last submission date
  - FPL ratio
  - ARP Subsidy
  - ARP Subsidy Change
  - Bronze to free silver
  - Unemployment income
- [How to run an export report](#)
- Segment your book

New ARPA Columns					
last_submission_date	fpl_ratio	arp_subsidy	arp_subsidy_change	bronze_to_free_silver	has_unemployment_income
Differs from 'submission date' which refers to the initial submission date of the application.	Exact ratio of the Federal Poverty Level	Estimated new subsidy under ARPA	Estimated change from current subsidy	"Yes" if the app has a bronze plan but FPL is 100-150 and eligible for free silver	"Yes" if the app included unemployment income as part of last submission
Indicates which clients may have updated their eligibility since 4/1					

# Segment your Book for Client Communications

FPL level	Current income % for benchmark Silver	New income % for benchmark Silver	Targeted Messaging
100% – 133%	2.07%	0%	<b>“Upgrade to a free Silver!”</b> campaigns
133% – 135%	3.10 – 4.14%		
150% – 200%	4.14 – 6.52%	0 – 2.0%	<b>“Consider a higher value plan!”</b> campaigns
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%+	No subsidy	8.5%	<b>“You can now get insured affordably!”</b> campaigns

Special circumstance	Current ACA help	New ACA help	Targeted Messaging
UI recipients	None	\$0 benchmark Silver	<b>“You can now get insured, free!”</b> campaigns
COBRA eligible	None	\$0 COBRA (6 mos)	

# ARPA Subsidy Auto-Calculator & Resubmit Flow

- Easily view whether a member is eligible for additional subsidies in their client profile
- In product prompts that help agents re-submit an application or select a new plan for ARPA subsidies to take effect.

The screenshot shows the HealthSherpa interface. At the top right, there are links for 'Español' and 'Derrick', and a settings gear icon. The left sidebar is blue with 'Coverage' and 'Notices' options. The main content area features a teal notification box with a green button 'Apply the new subsidy'. Below this is a 'Follow-ups' section with a table of pending actions.

HealthSherpa

Español Derrick

Coverage

Notices

**NEW: You qualify for an extra \$321/mo in subsidies!**

Apply the new subsidy

The new ARPA law increases your monthly subsidy from \$299.33 to **\$620.52** (approximately). Apply the new subsidy today to reduce your monthly premium from \$75.12 to **\$0.00!**

- To apply your new subsidy, use this green button to open the application, step through it, and resubmit.
- If you want, you can update the application as you resubmit, or change plans.

[View additional details](#)

**Follow-ups**

Complete these steps to finalize your coverage. Click an item to see what types of documentation are accepted.

Item	Member	Status	Deadline	Actions
<a href="#">Verify income</a>	Jane Esposito	<span>!</span> Pending Submitted 9/12/2020	12/14/2020	<a href="#">Upload docs</a>
Pay premium	N/A	<span>!</span> Action required	12/14/2020	<a href="#">Pay now</a>

# ARPA Resubmit Flow

- Banners on client profile, subsidy updates on the eligibility and confirmation steps
- Click through application, if there are no changes, click enroll
- If you need to make a change do it from the eligibility results page

MarkSmith  
INSURANCE COMPANY

Save

## Review your eligibility results

Before completing your enrollment, please do a final review of your official eligibility results.

### Eligibility results

Name	Carrier
✔ Jane Fetterman	Eligible and enrollable for Marketplace plans Followups required: Verify loss of coverage by 3/23/201
ⓘ Fernando Garcia	May be eligible for Medicaid
❌ Jennifer Gerson	Not eligible for Marketplace plans

Your household qualifies for a **total monthly tax credit of \$541**.  
(This subsidy is based on the new American Rescue Plan Act—your previous tax credit was \$344.)

Your coverage will have an **effective date of 05/01/2021**.

For more details on your eligibility, download the official letter here.  
You'll need to reference this document in just a bit.

✔ Downloaded

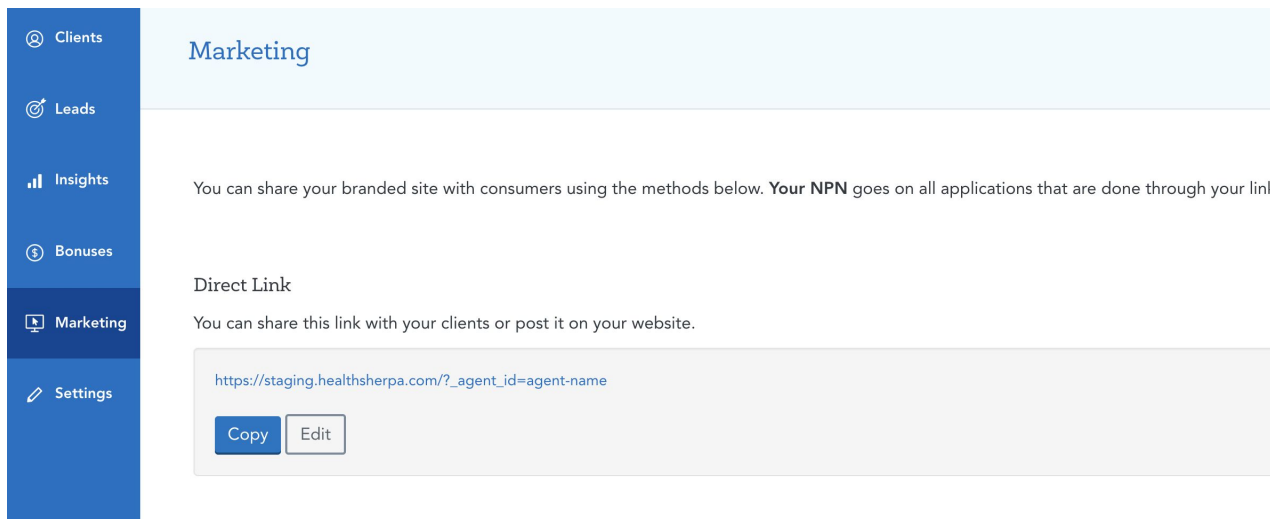
**Enroll**

Not the results you expected? [Edit your application](#) or [Change your plan](#)

This website is operated by HealthShepa and is not the Health Insurance Marketplace website. In offering this website, HealthShepa is required to comply with all applicable federal laws, including the standards established under 45 CFR 155.220(c) and (d) and standards established under 45 CFR 155.360 to protect the privacy and security of personally identifiable information. This website may not display all data on Qualified Health Plans being offered in your state through the Health Insurance Marketplace website. To see all available data on Qualified Health Plan options in your state, go to the Health Insurance Marketplace website at HealthCare.gov.  
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# Help educate your clients!

- 2.5M newly eligible clients
- Increase in ACA awareness
- Use your free marketing link!



The screenshot shows a web application interface with a dark blue sidebar on the left containing navigation links: Clients, Leads, Insights, Bonuses, Marketing (highlighted), and Settings. The main content area has a light blue header labeled "Marketing". Below the header, there is a paragraph of text: "You can share your branded site with consumers using the methods below. **Your NPN** goes on all applications that are done through your link." Underneath this is a section titled "Direct Link" with the text "You can share this link with your clients or post it on your website." Below the text is a light gray box containing a URL: `https://staging.healthsherpa.com/?_agent_id=agent-name`. At the bottom of this box are two buttons: a blue "Copy" button and a white "Edit" button with a gray border.



**Thank You!**

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