Illustrative Example – Calculating the state subsidy

For Humphrey, a 40-year-old non-smoker in King County, working at a small company making minimum wage ($15/hr) - $2,600/month, which is 245% Federal Poverty Level (FPL)

Current - Federally Subsidized (Humphrey A)
Currently on KP WA nonstandard silver plan – $360/month
Post-ARPA monthly APTC – $275
- $360 plan cost minus $275 APTC = Humphrey A currently pays $85/month

Future – Federally Subsidized + State Subsidy (Humphrey A)
Fixed state subsidy amount (illustrative example set at $200/month) benchmarked to lowest cost standard silver plan per county
Lowest cost standard silver in King County – Molina $386/month
$386 benchmark plan cost minus $275 APTC = $111/month maximum state subsidy
2022 lowest cost for current carrier standard silver plan – KP WA $406/month
Humphrey A can remain with his current carrier and get the state subsidy by switching to the KP WA standard silver plan.
- $406 KP WA plan cost minus $275 APTC minus $111 state subsidy = Humphrey A pays $20/month

Current – Federally Non-Subsidized (Humphrey B)
Currently on KP WA nonstandard silver plan – $360/month
Post-ARPA monthly APTC - $0
- $360 plan cost minus $0 APTC = Humphrey B currently pays $360/month

Future – Federally Non-Subsidized + State subsidy (Humphrey B)
Fixed state subsidy amount (illustrative example set at $200/month) benchmarked to lowest cost standard silver plan per county
Lowest cost standard silver in King County – Molina $386/month
$386 benchmark plan cost minus $0 APTC = $386 but $200/month maximum state subsidy amount
2022 lowest cost for current carrier standard silver plan – KP WA $406/month
Humphrey B can remain with his current carrier and get the state subsidy by switching to the KP WA standard silver plan.
- $406 KP WA plan cost minus $200 maximum state subsidy = Humphrey B pays $206/month
Humphrey B could further lower his premium by switching to the lowest cost standard silver plan. In King County, he would need to move to the Molina standard silver plan.
- $386 Molina plan cost minus $200 maximum state subsidy = Humphrey B pays $186/month