

Cost-Sharing Wrap Analysis

- 2020 Subsidy Implementation Plan -

Background

Senate Bill 5526 (2019) directed the Health Benefit Exchange (HBE) to develop a plan to implement and fund premium subsidies for individuals earning less than 500% FPL who purchase individual market coverage on the Exchange, including an assessment of providing cost-sharing reductions (CSRs).

Under current federal law, individuals who are eligible for Advance Premium Tax Credits (APTCs) may qualify for CSRs if they earn under 250% FPL and purchase a Silver plan on the Exchange.

Income Level	Federal Program before Wrap - AV
Less than 150%	94%
150%-199%	87%
200%-249%	73%
250%-299%	70%
300%-349%	70%
350%-399%	70%

CSR Wrap Model

Wakely modelled the impact of a CSR wrap using plan year 2022 as the baseline, aligning with the premium subsidy modeling.

The CSR model analyzes the impact of adding an additional cost-sharing tier to the existing federal CSR program and enhancing the current 73% AV tier, providing assistance to individuals earning between 200% and 300% FPL. This type of model has been successfully implemented by the state-based Exchange in Vermont.

Income Level	Federal Program before Wrap - AV	State Program with Wrap - AV	AV_Diff
Less than 150%	94%	94%	0%
150%-199%	87%	87%	0%
200%-249%	73%	77%	4%
250%-299%	70%	73%	3%
300%-349%	70%	70%	0%
350%-399%	70%	70%	0%

Initial Top-Lines: CSR Wrap Outcomes

- **Total Exchange Customers Receiving Assistance:** 20,582 enrollees
- **Uptake from Uninsured:** 731 enrollees
- **Migration from Bronze to Silver Plans:** 1,228 enrollees
- **Migration from Gold to Silver Plans:** 1,305 enrollees
- **Total Program Cost:** \$6,744,797

Exchange Enrollment: Pre-CSR Wrap

Metal	On-Exchange								Total On-Exchange
	Less than 139%	139%-150%	151%-200%	201%-250%	251%-300%	301%-400%	401% +	Did Not Report	Total On-Exchange
Catastrophic	57	44	154	183	351	756	583	931	3,057
Bronze	827	1,829	9,826	12,002	10,666	15,984	13,248	24,872	89,253
Silver 70%	294	231	928	602	5,691	6,586	4,492	8,205	27,030
Silver 73%				12,310		-	-	-	12,310
Silver 87%			29,333			-	-	-	29,333
Silver 94%	11,996	11,736				-	-	-	23,732
Gold	316	305	1,472	2,654	2,414	3,555	3,803	9,071	23,589
Zero/Limited Cost Share Plans	7	118	362	270	159	117	84	57	1,173
Total	13,496	14,263	42,075	28,021	19,280	26,997	22,210	43,135	209,476

Exchange Enrollment: Post-CSR Wrap

Metal	On-Exchange								Total On-Exchange
	Less than 139%	139%-150%	151%-200%	201%-250%	251%-300%	301%-400%	401% +	Did Not Report	Total
Catastrophic	57	44	154	183	351	756	583	931	3,057
Bronze	827	1,829	9,826	11,147	10,293	15,984	13,248	24,872	88,025
Silver 70%	294	231	928	602	675	6,586	4,492	8,205	22,014
Silver 73%	0	0	0	0	6,104	0	0	0	6,104
Silver 77%	0	0	0	14,478	0	0	0	0	14,478
Silver 87%	0	0	29,333	0	0	0	0	0	29,333
Silver 94%	11,996	11,736	0	0	0	0	0	0	23,732
Gold	316	305	1,472	1,776	1,987	3,555	3,803	9,071	22,283
Zero/Limited Cost Share Plans	7	118	362	274	162	117	84	57	1,180
Total	13,496	14,263	42,075	28,460	19,572	26,997	22,210	43,135	210,207