Health Care Reform in Indian Country

Self-Governance Communication & Education

*Self-Governance Tribes Striving Towards Excellence in Health Care*

**FAMILY CYCLE ANALYSIS: Financial Impact of the Senate Health Plan vs. the Affordable Care Act on AI/AN and Other Families**

June 27, 2017

**This brief seeks to provide guidance to Tribes on the anticipated financial impact that the budget reconciliation legislation recently introduced in the Senate (Senate bill) would have on American Indians and Alaska Natives (AI/ANs) who meet the definition of Indian under the Affordable Care Act (ACA), as compared to coverage under the ACA. In addition, this brief provides a similar set of analyses of the impact of the Senate bill versus the ACA for others who do not meet the definition of Indian. As such, this brief provides two sets of analyses, and within each set of analyses, health insurance-related costs are presented for families with varying household income levels at different points along a continuum of "family cycle stages."[1]**

**In summary, beginning in 2020, low- to middle-income AI/AN families meeting the ACA definition of Indian would have significantly higher net health insurance-related costs under the Senate bill than they would under the ACA at every family cycle stage, with the difference in net costs continuing to grow larger with each successive stage. As shown in the analysis below, this would result from the termination of comprehensive Indian-specific cost-sharing protections and significantly lower federal subsidies for health insurance premiums. And termination of the ACA Medicaid expansion would result in the lowest-income individuals having to enroll in private health plans with deductibles of approximately $6,100 per person per year.**

Background

The ACA includes a number of provisions designed to make comprehensive health insurance more accessible low- to middle--income individuals, with a number of protections specific to AI/ANs. Under the ACA, for instance, AI/ANs who meet the definition of Indian qualify for comprehensive cost-sharing protections (regardless of household income), meaning they pay no deductibles, co-insurance, or copayments when receiving essential health benefits (EHBs).[2] The ACA also includes general cost-sharing protections for individuals who do not meet the definition of Indian, have a household income up to 250% of the federal poverty level (FPL), and enroll in silver-level coverage.[3] In addition, the ACA generally provides premium tax credits (PTCs) for individuals with a household income between 100% and 400% of the federal poverty level (FPL), with the amount of the PTCs adjusted to reflect differences in the cost of health insurance premiums based on age and geographic area.

The Senate bill, released on June 22, 2017, would substantially reduce the value of the PTCs designed to help low- to middle-income AI/ANs and other individuals purchase health insurance on the individual market. Like the ACA, the Senate bill would adjust the amount of PTCs to reflect differences in the cost of health insurance premiums based on a local reference plan when calculating the value of the tax credits. However, rather than use the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the

Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan, a modification that would result in decreased PTCs for individuals across almost all age and income groups.[4]

Apart from the change in the reference plan, the Senate bill would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating the value of PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the ACA adjusts the applicable percentage by income but not by age (see table below). The Senate bill also would change the ACA income eligibility threshold for PTCs to between 0% and 350% FPL, leaving many middle-income individuals ineligible for PTCs. In addition, the Senate bill would repeal the Indian-specific cost-sharing protections, as well as the general cost-sharing protections, provided under the ACA.

**Comparison of Applicable Percentage Contribution, by Age and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1]**

| Household Income (as % of FPL) | Applicable Percentage Contribution[2] | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ACA (2017) | | Senate Plan (2020) | | | | | | | | | |
| | All Ages | | Age 0-29 | | Age 30-39 | | Age 40-49 | | Age 50-59 | | Age 60+ | |
| | Low End of Range | High End of Range | Low End of Range | High End of Range | Low End of Range | High End of Range | Low End of Range | High End of Range | Low End of Range | High End of Range | Low End of Range | High End of Range |
| 0% to 100% | 2.04% | 2.04% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |
| 100 to 133% | 2.04% | 2.04% | 2.00% | 2.50% | 2.00% | 2.50% | 2.00% | 2.50% | 2.00% | 2.50% | 2.00% | 2.50% |
| 133% to 150% | 3.06% | 4.08% | 2.50% | 4.00% | 2.50% | 4.00% | 2.50% | 4.00% | 2.50% | 4.00% | 2.50% | 4.00% |
| 150% to 200% | 4.08% | 6.43% | 4.00% | 4.30% | 4.00% | 5.30% | 4.00% | 6.30% | 4.00% | 7.30% | 4.00% | 8.30% |
| 200% to 250% | 6.43% | 8.21% | 4.30% | 4.30% | 5.30% | 5.90% | 6.30% | 8.05% | 7.30% | 9.00% | 8.30% | 10.00% |
| 250% to 300% | 8.21% | 9.69% | 4.30% | 4.30% | 5.90% | 5.90% | 8.05% | 8.35% | 9.00% | 10.50% | 10.00% | 11.50% |
| 300% to 350% | 9.69% | 9.69% | 4.30% | 6.40% | 5.90% | 8.90% | 8.35% | 12.50% | 10.50% | 15.80% | 11.50% | 16.20% |
| 350% to 400% | 9.69% | 9.69% | | | | | | | | | | |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating the value PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the ACA does not adjust the applicable percentage by age.

## Family Cycle Analysis 1: AI/AN Families Meeting the ACA Definition of Indian

Analysis 1, Stages 1 – 4 illustrate the estimated financial impact that the Senate bill would have, as compared with current law, for AI/AN families meeting the ACA definition of Indian with varying household income levels at different points along a continuum of family cycle stages[5]:

- Stage 1 (**Attachment A**): 2-person family consisting of two 22-year-old adults;
- Stage 2 (**Attachment B**): 4-person family consisting of two 32-year-old adults and two 2-year-old children;
- Stage 3 (**Attachment C**): 4-person family consisting of two 50-year-old adults and two 20-year-old children; and
- Stage 4 (**Attachment D**): 2-person family consisting of two 60-year-old adults.

As the analysis shows, low- to moderate-income AI/AN families meeting the ACA definition of Indian would have significantly higher net health insurance-related costs under the Senate bill than they would under the ACA at every family cycle stage, with the difference in net costs continuing to grow larger with each successive stage.[6, 7] For example, at Stage 2 (*see* Attachment B), an AI/AN family with household income at 300% FPL ($72,900) would have net health insurance-related costs of $3,465 under the ACA, compared with an *average* of $8,921 under the Senate bill, a difference of $5,421; the disparity would increase to $12,266 for an AI/AN family with the same household income at Stage 3 (*see* Attachment C).[8] In addition, families

with incomes between 350% and 400% FPL would fare markedly worse under the Senate bill than they would under current law, as the Senate bill does not provide PTCs beyond 350% FPL.

Family Cycle Analysis 2: Families in the General Population

Analysis 2, Stages 1 - 4 illustrate the estimated financial impact of the Senate bill versus the ACA for families in the general population (*i.e.* not meeting the ACA definition of Indian) with varying household income levels at different points along the same continuum of family cycle stages used in Analysis 1 (**Attachments E, F, G, and H**).[9]

The analysis, similar to Analysis 1, indicates that low- to moderate-income families in the general population would have higher net health insurance-related costs under the Senate bill than they would under the ACA. These higher net costs are particularly true for families with lower incomes and older enrollees. In addition, as was the case under Analysis 1, families with incomes between 350% and 400% FPL would fare markedly worse under the Senate bill than they would under current law. Under the Senate bill, though, AI/ANs would incur a much greater increase in costs than the general population, as the general population is not eligible for—and would not lose—the comprehensive Indian-specific cost-sharing protections provided under the ACA.

Impact of Termination of Medicaid Expansion

As shown in the attachments, the lowest-income individuals would experience a dramatic increase in financial obligations under the Senate bill versus current law.[10] Under the ACA Medicaid expansion, low-income AI/ANs have no health insurance premiums and no out-of-pocket costs.[11] Under the Senate bill, in contrast, low-income AI/ANs would have to contribute 2% to 2.5% of their household income toward the premium for a health plan with substantial enrollee out-of-pocket costs. (The federal government would cover the remainder of the premium.)

Using the example shown in the attachments (*see* Attachments A and D), a family of two with income at 100% FPL would have to contribute $320 for the year toward the premium for a health plan that covers 58% of average health care costs, with the family liable for the remainder of the costs. The deductible for this health plan is $6,100 per individual and $12,200 per family. Plan enrollees must meet the deductible (with enrollees covering the cost) before the health plan begins making payments for services. And total enrollee out-of-pocket costs could reach as high as $14,300. Again, this compares with current law, under which the Medicaid expansion-eligible AI/AN population has no premiums, no deductibles, and no out-of-pocket costs.

For a middle- or higher-income family, these out-of-pocket costs would prove challenging. Lower-income families are likely to be overwhelmed by these costs, resulting in the shift of (uncompensated) costs to health care providers, forcing the family into bankruptcy, and/or serving as a major deterrent to accessing needed health care services.

Conclusion

Based on the above analyses, the Senate health bill would have a devastating effect on the ability of AI/ANs to access affordable health insurance coverage, with the most vulnerable populations hit especially hard. The Senate health bill would strip away comprehensive Indian-specific cost-sharing protections provided under the ACA, making AI/ANs (or Tribes on their behalf) liable for thousands of dollars in additional out-of-pocket health care costs each year, as well as significantly reduce the current level of

federal subsidies for health insurance premiums available to lower- and middle-income individuals. In addition, the Senate health bill would effectively terminate the ACA Medicaid expansion, resulting in the loss of comprehensive health insurance coverage for 237,497 AI/ANs who have already enrolled through the expansion and blocking hundreds of thousands more of the potential for future enrollment. Ultimately, the Senate health bill would impose a massive financial burden on middle-income and higher-income AI/AN families (or Tribes on their behalf) that opt to purchase health insurance in the individual market, while making health care costs unmanageable—and coverage largely unusable—for those with lower incomes.

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[1] The analyses are based on health insurance-related costs for AI/AN and non-AI/AN families in Big Horn County, Montana.

[2] The ACA eliminates cost-sharing for Marketplace enrollees who meet the ACA definition of Indian (*i.e.*, member of an Indian tribe or shareholder in an Alaska Native regional or village corporation). Under sections 1402(d)(1) and (2) of the ACA, Indians can enroll in either a zero or limited cost-sharing plan, depending on their income level, and receive comprehensive cost-sharing protections (*e.g.*, no deductibles, coinsurance or copayments).

[3] These protections require health insurance issuers to reduce cost-sharing in their standard silver plans, which have an actuarial value (AV) of 70%, to meet a higher AV: 94% for individuals up to 150% FPL, 87% for those from 151-200% FPL, and 73% for those from 201-250% FPL.

[4] Actuarial value represents the percentage of average health care costs covered by a health plan; the enrollee covers remainder of the health care costs in the form of out-of-pocket costs.

[5] Analysis 1 is based on enrollment in bronze-level coverage, which provides the lowest premiums and highest level of federal financial assistance for individuals who meet the ACA definition of Indian.

[6] It is important to note that, for this analysis, the premiums under the Senate bill were not adjusted to account for an allowable 5:1 age rating (versus 3:1 under current law), a change that would raise the premiums for older enrollees and reduce the premiums for younger enrollees. In addition, a conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater.

[7] It is important to note that, under the Senate bill, net health-insurance related costs for adults in the 0-138% FPL income band in Medicaid expansion states would increase significantly. Although the Senate bill would retain the option under the ACA to expand Medicaid eligibility to 138% FPL, the enhanced (90% plus) federal funding is eliminated. In this analysis, the state is assumed to terminate the ACA Medicaid expansion when the enhanced funding terminates.

[8] If higher than *average* costs are incurred, AI/ANs enrolled in a bronze plan under the Senate bill are liable for out-of-pocket costs of at least $12,200, and a total of $17,997 when combined with the net cost of the health insurance premiums.

[9] Analysis 2 is based on enrollment in silver-level coverage, which provides general cost-sharing protections for individuals who do not meet the ACA definition of Indian and has less cost-sharing than bronze-level coverage.

[10] The Senate bill would end the enhanced federal matching rate (of 90%) for the Medicaid expansion population. Given that few states expanded Medicaid eligibility up to 138% FPL prior to the availability of the enhanced federal matching rate, it is assumed that most states would terminate their Medicaid expansions if the heightened rate of 90% reverts to the standard rate (averaging 55%). Prior to the availability of the enhanced federal matching rate in 2014, only six states—California, Colorado, Connecticut, Minnesota, New Jersey, and Washington—and the District of Columbia expanded their Medicaid programs.

[11] Under the Montana Medicaid expansion, for non-AI/AN populations, the state received a waiver allowing it to charge premiums at levels not more than 2% of household income to individuals with income greater than 50% FPL, with total cost-sharing (including premiums) for a household subject to a quarterly aggregate cap of 5% of household income.

## Attachment A: Analysis 1, Stage 1

**Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1]**

**Stage 1: 2-Person AI/AN Family in Big Horn County, MT; 2017**

**Two 22-year-olds; all meet ACA definition of Indian; bronze plan enrollment**

| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | | | Net Costs Difference Under Senate Plan | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h) | (i: e-f+g; e-f+h) | | | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | Net Costs | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | Deductible | Net Costs[8] w/Average OOP | Net Costs[8] w/Full Deductible | w/Average OOP | w/Full Deductible |
| 100%[9] ($16,020) | $0 | $0 | $0 | **$0** | $7,554 | $7,233 | $2,310 | $12,200 | **$2,630** | **$12,520** | +$2,630 | +$12,520 |
| 133%[9] ($21,307) | $0 | $0 | $0 | **$0** | $7,554 | $7,021 | $2,310 | $12,200 | **$2,843** | **$12,733** | +$2,843 | +$12,733 |
| 150% ($24,030) | $7,554 | $7,554 | $0 | **$0** | $7,554 | $6,592 | $2,310 | $12,200 | **$3,271** | **$13,161** | +$3,271 | +$13,161 |
| 200% ($32,040) | $7,554 | $7,453 | $0 | **$100** | $7,554 | $6,176 | $2,310 | $12,200 | **$3,688** | **$13,578** | +$3,588 | +$13,478 |
| 250% ($40,050) | $7,554 | $6,225 | $0 | **$1,328** | $7,554 | $5,831 | $2,310 | $12,200 | **$4,032** | **$13,922** | +$2,704 | +$12,594 |
| 300% ($48,060) | $7,554 | $4,857 | $0 | **$2,697** | $7,554 | $5,487 | $2,310 | $12,200 | **$4,377** | **$14,267** | +$1,680 | +$11,570 |
| 350% ($56,070) | $7,554 | $4,080 | $0 | **$3,473** | $7,554 | $3,965 | $2,310 | $12,200 | **$5,898** | **$15,788** | +$2,425 | +$12,315 |
| 351% ($56,071) | $7,554 | $4,080 | $0 | **$3,473** | $7,554 | $0 | $2,310 | $12,200 | **$9,864** | **$19,754** | +$6,390 | +$16,280 |
| 500% ($80,100) | $7,554 | $0 | $0 | **$7,554** | $7,554 | $0 | $2,310 | $12,200 | **$9,864** | **$19,754** | +$2,310 | +$12,200 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Basic 103 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $6,100 per individual/$12,200 per family and an OOP maximum of $7,150 per individual/$14,300 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] The ACA eliminates cost-sharing for Marketplace enrollees who meet the ACA definition of Indian (i.e., member of an Indian tribe or shareholder in an Alaska Native regional or village corporation). Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] "Average OOP" figure is based on the family incurring average OOP costs; "Full Deductible" figure is based on the family having to pay the full deductible, after which coverage under the Marketplace plan begins.

[9] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment B: Analysis 1, Stage 2

**Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1]**

**Stage 2: 4-Person AI/AN Family in Big Horn County, MT; 2017**

**Two 32-year-olds and two 2-year-olds; all meet ACA definition of Indian; bronze plan enrollment**

| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | | | Net Costs Difference Under Senate Plan | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (a) | (b) | (c ) | (d: a-b+c) | (e) | (f) | (g) | (h) | (i: e-f+g; e-f+h) | | | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | **Net Costs** | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | Deductible | **Net Costs[8]** w/Average OOP | **Net Costs[8]** w/Full Deductible | w/Average OOP | w/Full Deductible |
| 100%[9] ($24,300) | $0 | $0 | $0 | **$0** | $8,936 | $8,450 | $4,620 | $12,200 | **$5,106** | **$12,686** | +$5,106 | +$12,686 |
| 133%[9] ($32,319) | $0 | $0 | $0 | **$0** | $8,936 | $8,128 | $4,620 | $12,200 | **$5,428** | **$13,008** | +$5,428 | +$13,008 |
| 150% ($36,450) | $8,936 | $8,936 | $0 | **$0** | $8,936 | $7,478 | $4,620 | $12,200 | **$6,078** | **$13,658** | +$6,078 | +$13,658 |
| 200% ($48,600) | $8,936 | $8,130 | $0 | **$806** | $8,936 | $6,360 | $4,620 | $12,200 | **$7,196** | **$14,776** | +$6,389 | +$13,969 |
| 250% ($60,750) | $8,936 | $6,267 | $0 | **$2,669** | $8,936 | $5,352 | $4,620 | $12,200 | **$8,204** | **$15,784** | +$5,535 | +$13,115 |
| 300% ($72,900) | $13,732 | $10,232 | $0 | **$3,501** | $13,732 | $9,431 | $4,620 | $12,200 | **$8,921** | **$16,501** | +$5,421 | +$13,001 |
| 350% ($85,050) | $13,732 | $9,054 | $0 | **$4,678** | $13,732 | $6,163 | $4,620 | $12,200 | **$12,189** | **$19,769** | +$7,512 | +$15,092 |
| 351% ($85,051) | $13,732 | $9,054 | $0 | **$4,678** | $13,732 | $0 | $4,620 | $12,200 | **$18,352** | **$25,932** | +$13,674 | +$21,254 |
| 500% ($121,500) | $13,732 | $0 | $0 | **$13,732** | $13,732 | $0 | $4,620 | $12,200 | **$18,352** | **$25,932** | +$4,620 | +$12,200 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Basic 103 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $6,100 per individual/$12,200 per family and an OOP maximum of $7,150 per individual/$14,300 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] The ACA eliminates cost-sharing for Marketplace enrollees who meet the ACA definition of Indian (i.e., member of an Indian tribe or shareholder in an Alaska Native regional or village corporation). Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] "Average OOP" figure is based on the family incurring average OOP costs; "Full Deductible" figure is based on the family having to pay the full deductible, after which coverage under the Marketplace plan begins.

[9] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment C: Analysis 1, Stage 3

**Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1]**

**Stage 3: 4-Person AI/AN Family in Big Horn County, MT; 2017**

**Two 50-year-olds and two 20-year-olds; all meet ACA definition of Indian; bronze plan enrollment**

| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | | | Net Costs Difference Under Senate Plan | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h) | (i: e-f+g; e-f+h) | | | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | Net Costs | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | Deductible | Net Costs[8] w/Average OOP | Net Costs[8] w/Full Deductible | w/Average OOP | w/Full Deductible |
| 100%[9] ($24,300) | $0 | $0 | $0 | **$0** | $18,287 | $17,801 | $6,930 | $12,200 | **$7,416** | **$12,686** | +$7,416 | +$12,686 |
| 133%[9] ($32,319) | $0 | $0 | $0 | **$0** | $18,287 | $17,479 | $6,930 | $12,200 | **$7,738** | **$13,008** | +$7,738 | +$13,008 |
| 150% ($36,450) | $18,287 | $18,287 | $0 | **$0** | $18,287 | $16,829 | $6,930 | $12,200 | **$8,388** | **$13,658** | +$8,388 | +$13,658 |
| 200% ($48,600) | $18,287 | $18,287 | $0 | **$0** | $18,287 | $14,739 | $6,930 | $12,200 | **$10,478** | **$15,748** | +$10,478 | +$15,748 |
| 250% ($60,750) | $18,287 | $18,045 | $0 | **$242** | $18,287 | $12,820 | $6,930 | $12,200 | **$12,398** | **$17,668** | +$12,155 | +$17,425 |
| 300% ($72,900) | $18,287 | $15,969 | $0 | **$2,319** | $18,287 | $10,633 | $6,930 | $12,200 | **$14,585** | **$19,855** | +$12,266 | +$17,536 |
| 350% ($85,050) | $18,287 | $14,791 | $0 | **$3,496** | $18,287 | $4,849 | $6,930 | $12,200 | **$20,368** | **$25,638** | +$16,872 | +$22,142 |
| 351% ($85,051) | $18,287 | $14,791 | $0 | **$3,496** | $18,287 | $0 | $6,930 | $12,200 | **$25,217** | **$30,487** | +$21,721 | +$26,991 |
| 500% ($121,500) | $18,287 | $0 | $0 | **$18,287** | $18,287 | $0 | $6,930 | $12,200 | **$25,217** | **$30,487** | +$6,930 | +$12,200 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Basic 103 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $6,100 per individual/$12,200 per family and an OOP maximum of $7,150 per individual/$14,300 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] The ACA eliminates cost-sharing for Marketplace enrollees who meet the ACA definition of Indian (i.e., member of an Indian tribe or shareholder in an Alaska Native regional or village corporation). Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] "Average OOP" figure is based on the family incurring average OOP costs; "Full Deductible" figure is based on the family having to pay the full deductible, after which coverage under the Marketplace plan begins.

[9] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment D: Analysis 1, Stage 4

**Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1]**

**Stage 4: 2-Person AI/AN Family in Big Horn County, MT; 2017**

**Two 60-year-olds; all meet ACA definition of Indian; bronze plan enrollment**

| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | | | Net Costs Difference Under Senate Plan | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | (a) | (b) | (c ) | (d: a-b+c) | (e) | (f) | (g) | (h) | (i: e-f+g; e-f+h) | | | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | Net Costs | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | Deductible | Net Costs[8] w/Average OOP | Net Costs[8] w/Full Deductible | w/Average OOP | w/Full Deductible |
| 100%[9] ($16,020) | $0 | $0 | $0 | **$0** | $20,500 | $20,180 | $6,930 | $12,200 | **$7,250** | **$12,520** | +$7,250 | +$12,520 |
| 133%[9] ($21,307) | $0 | $0 | $0 | **$0** | $20,500 | $19,968 | $6,930 | $12,200 | **$7,463** | **$12,733** | +$7,463 | +$12,733 |
| 150% ($24,030) | $20,500 | $20,500 | $0 | **$0** | $20,500 | $19,539 | $6,930 | $12,200 | **$7,891** | **$13,161** | +$7,891 | +$13,161 |
| 200% ($32,040) | $20,500 | $20,500 | $0 | **$0** | $20,500 | $17,841 | $6,930 | $12,200 | **$9,589** | **$14,859** | +$9,589 | +$14,859 |
| 250% ($40,050) | $20,500 | $20,500 | $0 | **$0** | $20,500 | $16,495 | $6,930 | $12,200 | **$10,935** | **$16,205** | +$10,935 | +$16,205 |
| 300% ($48,060) | $20,500 | $20,500 | $0 | **$0** | $20,500 | $14,973 | $6,930 | $12,200 | **$12,457** | **$17,727** | +$12,457 | +$17,727 |
| 350% ($56,070) | $20,500 | $20,387 | $0 | **$113** | $20,500 | $11,417 | $6,930 | $12,200 | **$16,013** | **$21,283** | +$15,900 | +$21,170 |
| 351% ($56,071) | $20,500 | $20,387 | $0 | **$113** | $20,500 | $0 | $6,930 | $12,200 | **$27,430** | **$32,700** | +$27,317 | +$32,587 |
| 500% ($80,100) | $20,500 | $0 | $0 | **$20,500** | $20,500 | $0 | $6,930 | $12,200 | **$27,430** | **$32,700** | +$6,930 | +$12,200 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Basic 103 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $6,100 per individual/$12,200 per family and an OOP maximum of $7,150 per individual/$14,300 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] The ACA eliminates cost-sharing for Marketplace enrollees who meet the ACA definition of Indian (i.e., member of an Indian tribe or shareholder in an Alaska Native regional or village corporation). Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] "Average OOP" figure is based on the family incurring average OOP costs; "Full Deductible" figure is based on the family having to pay the full deductible, after which coverage under the Marketplace plan begins.

[9] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment E: Analysis 2, Stage 1

| Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Stage 1: 2-Person Family in Big Horn County, MT; 2017 | | | | | | | | | |
| Two 22-year-olds; none meets ACA definition of Indian; silver plan enrollment | | | | | | | | | |
| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | Net Costs Difference Under Senate Plan |
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h: e-f+g) | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | Net Costs | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | Net Costs | |
| 100%[8] ($16,020) | $0 | $0 | $0 | **$0** | $9,596 | $7,233 | $1,733 | **$4,096** | +$3,673 |
| 133%[8] ($21,307) | $0 | $0 | $0 | **$0** | $9,596 | $7,021 | $1,733 | **$4,308** | +$4,308 |
| 150% ($24,030) | $9,596 | $8,533 | $0 | **$1,063** | $9,596 | $6,592 | $1,733 | **$4,736** | +$3,673 |
| 200% ($32,040) | $9,596 | $7,453 | $751 | **$2,893** | $9,596 | $6,176 | $1,733 | **$5,153** | +$2,259 |
| 250% ($40,050) | $9,596 | $6,225 | $1,559 | **$4,930** | $9,596 | $5,831 | $1,733 | **$5,497** | +$567 |
| 300% ($48,060) | $9,596 | $4,857 | $1,733 | **$6,472** | $9,596 | $5,487 | $1,733 | **$5,842** | -$630 |
| 350% ($56,070) | $9,596 | $4,080 | $1,733 | **$7,248** | $9,596 | $3,965 | $1,733 | **$7,364** | +$115 |
| 351% ($56,071) | $9,596 | $4,080 | $1,733 | **$7,248** | $9,596 | $0 | $1,733 | **$11,329** | +$4,080 |
| 500% ($80,100) | $9,596 | $0 | $1,733 | **$11,329** | $9,596 | $0 | $1,733 | **$11,329** | +$0 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Solution 102 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $3,350 per individual/$6,700 per family and an OOP maximum of $5,600 per individual/$11,200 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. For silver-level coverage, the ACA provides general (partial) cost-sharing protections up to 250% FPL. These protections require health insurance issuers to reduce cost-sharing in their standard silver plans, which have an actuarial value (AV) of 70%, to meet a higher AV: 94% for individuals and families up to 150% FPL, 87% for those from 151-200% FPL, and 73% for those from 201-250% FPL. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment F: Analysis 2, Stage 2

| Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Stage 2: 4-Person Family in Big Horn County, MT; 2017 | | | | | | | | | |
| Two 32-year-olds and two 2-year-olds; none meets ACA definition of Indian; silver plan enrollment | | | | | | | | | |
| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | Net Costs Difference Under Senate Plan |
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h: e-f+g) | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | **Net Costs** | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | **Net Costs** | |
| 100%[8] ($24,300) | $0 | $0 | $0 | **$0** | $11,352 | $8,450 | $3,465 | **$6,367** | **+$6,367** |
| 133%[8] ($32,319) | $0 | $0 | $0 | **$0** | $11,352 | $8,128 | $3,465 | **$6,689** | **+$6,689** |
| 150% ($36,450) | $11,352 | $9,767 | $693 | **$2,278** | $11,352 | $7,478 | $3,465 | **$7,339** | **+$5,061** |
| 200% ($48,600) | $11,352 | $8,130 | $1,502 | **$4,724** | $11,352 | $6,360 | $3,465 | **$8,457** | **+$3,733** |
| 250% ($60,750) | $11,352 | $6,267 | $3,119 | **$8,204** | $11,352 | $5,352 | $3,465 | **$9,466** | **+$1,262** |
| 300% ($72,900) | $17,446 | $10,232 | $3,465 | **$10,679** | $17,446 | $9,431 | $3,465 | **$11,480** | **+$801** |
| 350% ($85,050) | $17,446 | $9,054 | $3,465 | **$11,856** | $17,446 | $6,163 | $3,465 | **$14,748** | **+$2,892** |
| 351% ($85,051) | $17,446 | $9,054 | $3,465 | **$11,856** | $17,446 | $0 | $3,465 | **$20,911** | **+$9,054** |
| 500% ($121,500) | $17,446 | $0 | $3,465 | **$20,911** | $17,446 | $0 | $3,465 | **$20,911** | **+$0** |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Solution 102 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $3,350 per individual/$6,700 per family and an OOP maximum of $5,600 per individual/$11,200 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. For silver-level coverage, the ACA provides general (partial) cost-sharing protections up to 250% FPL. These protections require health insurance issuers to reduce cost-sharing in their standard silver plans, which have an actuarial value (AV) of 70%, to meet a higher AV: 94% for individuals and families up to 150% FPL, 87% for those from 151-200% FPL, and 73% for those from 201-250% FPL. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment G: Analysis 2, Stage 3

| Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Stage 3: 4-Person Family in Big Horn County, MT; 2017 | | | | | | | | | |
| Two 50-year-olds and two 20-year-olds; none meets ACA definition of Indian; silver plan enrollment | | | | | | | | | |
| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | Net Costs Difference Under Senate Plan |
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h: e-f+g) | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | **Net Costs** | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | **Net Costs** | |
| 100%[8] ($24,300) | $0 | $0 | $0 | **$0** | $23,232 | $17,801 | $5,198 | **$10,629** | +$10,629 |
| 133%[8] ($32,319) | $0 | $0 | $0 | **$0** | $23,232 | $17,479 | $5,198 | **$10,951** | +$10,951 |
| 150% ($36,450) | $23,232 | $21,545 | $1,040 | **$2,726** | $23,232 | $16,829 | $5,198 | **$11,601** | +$8,874 |
| 200% ($48,600) | $23,232 | $19,908 | $2,252 | **$5,577** | $23,232 | $14,739 | $5,198 | **$13,691** | +$8,114 |
| 250% ($60,750) | $23,232 | $18,045 | $4,678 | **$9,865** | $23,232 | $12,820 | $5,198 | **$15,610** | +$5,745 |
| 300% ($72,900) | $23,232 | $15,969 | $5,198 | **$12,461** | $23,232 | $10,633 | $5,198 | **$17,797** | +$5,336 |
| 350% ($85,050) | $23,232 | $14,791 | $5,198 | **$13,639** | $23,232 | $4,849 | $5,198 | **$23,581** | +$9,942 |
| 351% ($85,051) | $23,232 | $14,791 | $5,198 | **$13,639** | $23,232 | $0 | $5,198 | **$28,430** | +$14,791 |
| 500% ($121,500) | $23,232 | $0 | $5,198 | **$28,430** | $23,232 | $0 | $5,198 | **$28,430** | +$0 |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Solution 102 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $3,350 per individual/$6,700 per family and an OOP maximum of $5,600 per individual/$11,200 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. For silver-level coverage, the ACA provides general (partial) cost-sharing protections up to 250% FPL. These protections require health insurance issuers to reduce cost-sharing in their standard silver plans, which have an actuarial value (AV) of 70%, to meet a higher AV: 94% for individuals and families up to 150% FPL, 87% for those from 151-200% FPL, and 73% for those from 201-250% FPL. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.

## Attachment H: Analysis 2, Stage 4

| Comparison of Health Insurance-Related Costs (Individual Market), by Family Cycle Stage and Income Level: Affordable Care Act (ACA) vs. Senate Plan[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Stage 4: 2-Person Family in Big Horn County, MT; 2017 | | | | | | | | | |
| Two 60-year-olds; none meets ACA definition of Indian; silver plan enrollment | | | | | | | | | |
| HH Income (% FPL)[2] | ACA | | | | Senate Plan | | | | Net Costs Difference Under Senate Plan |
| | (a) | (b) | (c) | (d: a-b+c) | (e) | (f) | (g) | (h: e-f+g) | |
| | Premiums[3] | Premium Tax Credits[4] | Average OOP Costs[7] | **Net Costs** | Premiums[3] | Premium Tax Credits[5, 6] | Average OOP Costs[7] | **Net Costs** | |
| 100%[8] ($16,020) | $0 | $0 | $0 | **$0** | $26,044 | $20,180 | $5,198 | **$11,061** | **+$11,061** |
| 133%[8] ($21,307) | $0 | $0 | $0 | **$0** | $26,044 | $19,968 | $5,198 | **$11,274** | **+$11,274** |
| 150% ($24,030) | $26,044 | $24,840 | $1,040 | **$2,244** | $26,044 | $19,539 | $5,198 | **$11,702** | **+$9,459** |
| 200% ($32,040) | $26,044 | $23,760 | $2,252 | **$4,536** | $26,044 | $17,841 | $5,198 | **$13,400** | **+$8,864** |
| 250% ($40,050) | $26,044 | $22,532 | $4,678 | **$8,190** | $26,044 | $16,495 | $5,198 | **$14,746** | **+$6,556** |
| 300% ($48,060) | $26,044 | $21,163 | $5,198 | **$10,078** | $26,044 | $14,973 | $5,198 | **$16,268** | **+$6,190** |
| 350% ($56,070) | $26,044 | $20,387 | $5,198 | **$10,854** | $26,044 | $11,417 | $5,198 | **$19,824** | **+$8,970** |
| 351% ($56,071) | $26,044 | $20,387 | $5,198 | **$10,854** | $26,044 | $0 | $5,198 | **$31,241** | **+$20,387** |
| 500% ($80,100) | $26,044 | $0 | $5,198 | **$31,241** | $26,044 | $0 | $5,198 | **$31,241** | **+$0** |

[1] The Senate plan is based on discussion draft released on June 22, 2017.

[2] In Montana, Medicaid covers all adults up to 138% FPL, and CHIP covers children ages 0-18 up to 266% FPL.

[3] Premium is for Blue Cross Blue Shield Solution 102 in 2017, with all family members enrolling in the plan. The plan has an annual deductible of $3,350 per individual/$6,700 per family and an OOP maximum of $5,600 per individual/$11,200 per family. The premiums across the "family cycle stages" were not adjusted under the Senate plan to account for an allowable 5:1 age rating (versus 3:1 under current law).

[4] The premium tax credits (PTCs) shown for the ACA are generated by HealthCare.gov and capped at the amount of the total plan premium.

[5] As under the ACA, the Senate plan would base the value of PTCs on a reference plan. However, rather than using the second-lowest-cost silver plan, which has an actuarial value (AV) of 70%, the Senate bill would use the "applicable median cost benchmark plan," which has an AV of 58%, as the reference plan (the lowest AV allowed for a bronze plan under the ACA). All available bronze plans in Big Horn County, MT, in 2017 have an AV of 60%; the PTCs shown for the Senate plan are calculated using the premium for one of these plans.

[6] The Senate plan would revise the ACA "applicable percentage" schedule, which determines the percentage of household income Marketplace enrollees must contribute when calculating PTCs, to provide more financial assistance for younger enrollees and less for older enrollees; the PTCs shown for the Senate plan reflect this change. The ACA does not adjust the applicable percentage by age.

[7] Estimated average out-of-pocket costs shown are derived from average payments made in 2016 by HHS to Marketplace health plans in Montana to compensate for cost-sharing protections provided for policies with at least one AI/AN enrollee. For silver-level coverage, the ACA provides general (partial) cost-sharing protections up to 250% FPL. These protections require health insurance issuers to reduce cost-sharing in their standard silver plans, which have an actuarial value (AV) of 70%, to meet a higher AV: 94% for individuals and families up to 150% FPL, 87% for those from 151-200% FPL, and 73% for those from 201-250% FPL. A conservative estimate of the average value of the cost-sharing protections is shown; the average benefit likely is greater. Figures are adjusted across family cycle stages to reflect changes in the number of enrollees and age of household members.

[8] In this income band, figures for the ACA are based on the implementation of the ACA Medicaid expansion, which allows states to extend eligibility to all adults up to 138% FPL (Montana implemented the expansion in January 2016); figures for the Senate plan assume the termination of the Medicaid expansion, as the proposal would phase out the enhanced federal matching rate for the expansion population, likely making the expansion unaffordable to continue.