

CHANGES IN FINANCIAL HELP AND PLAN OPTIONS



2019 Frequently Asked Questions

Changes in Financial Help

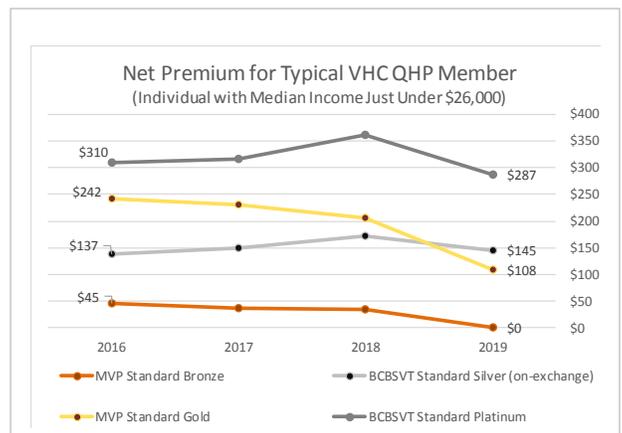
How much financial help is available in 2019 and how does it compare to 2018?

In 2019, qualifying individuals will receive between \$222 and \$600 in premium subsidies each month. This is up about \$100 from 2018, when they received between \$121 and \$500 per month. Couples and families receive more. These premium subsidies can be used on any metal level plan – bronze through platinum – but not catastrophic.

In addition, enhanced silver plans with cost-sharing reductions are available to help qualifying members pay lower out-of-pocket costs when they use services. These subsidies will be available at the same level as in 2018 but qualifying members should not assume that they are necessarily the best value in 2019. Members should visit the [Plan Comparison Tool](#) or call customer support to learn more.

What does that mean for how much I have to pay?

Unless your income has changed, if you receive financial help you will be able to buy a health plan for less than you've paid at any time in the last five years. Non-silver premiums are increasing far less than silver plans and financial help in 2019. Therefore, silver plans will cost you about the same as in past years. Bronze, gold, and platinum will cost far less (see graph on right). See what this means for a [typical member's plan selection process](#).



Why did financial help and silver qualified health plan (QHP) premiums increase so much for 2019?

The Affordable Care Act (ACA) requires health insurance marketplaces to offer silver-level health plans with lower out-of-pocket costs to income-eligible applicants for the same monthly premium as regular silver plans. This subsidy is called “cost-sharing reductions (CSR)” or “enhanced silver plans.” To fund the subsidy, the federal government paid insurance companies for their extra payments to health care providers on behalf of lower-income, silver-enrolled members.

In late 2017, the federal government announced that they would no longer make these payments. This announcement forced state marketplaces to find another way to fund the subsidy—generally, through premiums. Marketplaces had two main options: a) allow insurance companies to raise the premium on all plans in order to pay for the lost revenue, or b) allow insurance companies to raise the premium only on silver plans, which would serve to make the full-cost of these plans more expensive but would also

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increase the available federal premium tax credits by a similar amount.

Many states, including Vermont, chose option ‘b’ – also known as “silver-loading” – because it would allow both subsidized and nonsubsidized members in the individual and small group market to pay lower costs. It allows lower and medium income individuals to receive more financial help than ever before, and it allows higher income members to avoid an additional price increase. In order to get the biggest benefit for their particular situation, members should visit Vermont Health Connect’s [Plan Comparison Tool](#).

Changes in Plan Options: New Silver HDHP and Reflective Silver

What health plans are new in 2019?

Both MVP Healthcare (MVP) and Blue Cross and Blue Shield of Vermont (BCBSVT) have added a new silver high deductible health plan (HDHP) that is compatible with health savings accounts (HSA). In addition, both carriers have added a line of products known as Reflective Silver plans.

What are Reflective Silver plans?

Reflective Silver plans are health plans that closely mirror the silver qualified health plans (QHP) available through Vermont Health Connect. However, Reflective Silver plans are not QHPs, which means that if you are enrolled in a Reflective Silver plan, you cannot get financial help. As a result, Reflective Silver plans are not recommended for Vermonters who qualify for financial help (premium tax credits, Vermont Premium Assistance, enhanced silver plans with cost-sharing reductions).

For Vermonters who do not get financial help, Reflective Silver plans have a lower monthly premium than the silver plans offered through Vermont Health Connect, and they are only available if you purchase directly from BCBSVT or MVP.

Why were Reflective Silver plans developed?

In the face of major increases in the cost of silver QHPs, Reflective Silver plans were developed to give small business employees and higher income individuals the opportunity to buy silver plans for closer to the price they paid for similar plans in 2018.

Can lower income members buy Reflective Silver plans?

Lower- and middle-income individuals who qualify for financial help won’t want to buy these Reflective Silver plans because they can’t use their financial help to pay for them. These individuals have better options, however. First off, if their income stays the same, they will receive more than \$100 in extra financial help per month. Because most health plans increased by far less than \$100, Vermonters who qualify for financial help will be able to find health plans that cost them less than they would have paid at any point in the last five years. Vermont Health Connect’s [Plan Comparison Tool](#) is a great resource to help weigh options.

Are lower cost versions of other metal levels available?

No. All non-silver plans have the exact same gross premium (i.e. premium before financial help) regardless of whether they are purchased through the health insurance marketplace (Vermont Health Connect) or directly from an insurance carrier.

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