

### 3 Scenarios – Offer of State Employee Health Plan to Legislators

Response to legislative request  
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The following three scenarios highlight the potential impact of offering the state employee health plan to legislators and their families at various household sizes and income levels.

Notes:

- This analysis does not include an assessment of impact on legislators or family members on Medicare.
- It is believed that the state employee health plan has a similar actuarial value to the platinum plans offered on Vermont Health Connect (VHC).
- The green highlighted cells in the charts below show the premium that is lower when comparing purchase on VHC v. the state employee health plan.

#### Scenario 1: Single person, making \$30k per year

	Individual	
	VHC	State Plan
<b>Financial Help</b>		
Monthly subsidy / tax credit	\$808/month	-
Cost-sharing reduction	Silver 77	-
<b>Monthly Premium</b>		
Bronze	\$0	\$191.28
Silver	\$29.38	\$191.28
Gold	\$86	\$191.28
Platinum*	\$326.56	\$191.28

*\*State employee plan is similar to platinum level plan on VHC.*

#### Conclusion

- **For an individual making \$30,000, it is cheaper to buy a bronze, silver, or gold plan through Vermont Health Connect.**
- The offer of state insurance would be 7.6% of the individual’s income, therefore they could NOT get subsidies on Vermont Health Connect if the state plan was offered to them (family glitch).
- If they had previously purchased the lowest cost gold plan on VHC (\$86/month) then their health care premium costs would more than double under the state employee plan (\$191.28/month).

## Scenario 2: Family making \$60k per year

	Family	
	VHC	State Plan
<b>Financial Help</b>		
Monthly subsidy / tax credit	\$1,624	-
Cost-sharing reduction	Silver 77	-
<b>Monthly Premium</b>	Note: Kids on Dr D/ Adults on QHP	
Bronze	\$0	\$382.54**
Silver	50.76	\$382.54**
Gold	164.00	\$382.54**
Platinum*	645.12	\$382.54**

\*State employee plan is similar to platinum level plan on VHC.

\*\*Note: Couple's premium for the state employee plan is used because only the adults in the family would need insurance. (Children are eligible for Medicaid at this income level.)

### Conclusion

- For a family making \$60,000:
  - The children would be eligible for Dr. Dynasaur / Medicaid
  - The adults would be eligible for a financial subsidy and **it would be cheaper to buy a bronze, silver, or gold plan through Vermont Health Connect.**
- The offer of state insurance (couple's plan) would be 7.7% of their income, therefore they could NOT get subsidies on Vermont Health Connect if the state plan was offered to them (family glitch).

### Scenario 3: Couple making \$120k per year

	Couple	
	VHC	State Plan
<b>Financial Help</b>		
Monthly subsidy / tax credit	\$832	-
Cost-sharing reduction	N/A	-
<b>Monthly Premium</b>		
Bronze	\$449.56	\$382.54
Silver	\$842.76	\$382.54
Gold	\$956.00	\$382.54
Platinum*	\$1,437.12	\$382.54

\*State employee plan is similar to platinum level plan on VHC.

### Conclusion

- For a couple making \$120,000, **it would be cheaper to buy the state employee plan than to buy any plan on Vermont Health Connect (bronze through platinum levels)**. It would save them a significant amount of money in premiums, ranging from savings of \$67.02/month at the bronze level to \$1,054.58/month at the platinum level.
- The offer of state insurance (couple's plan) would constitute 3.8% of their yearly income.