

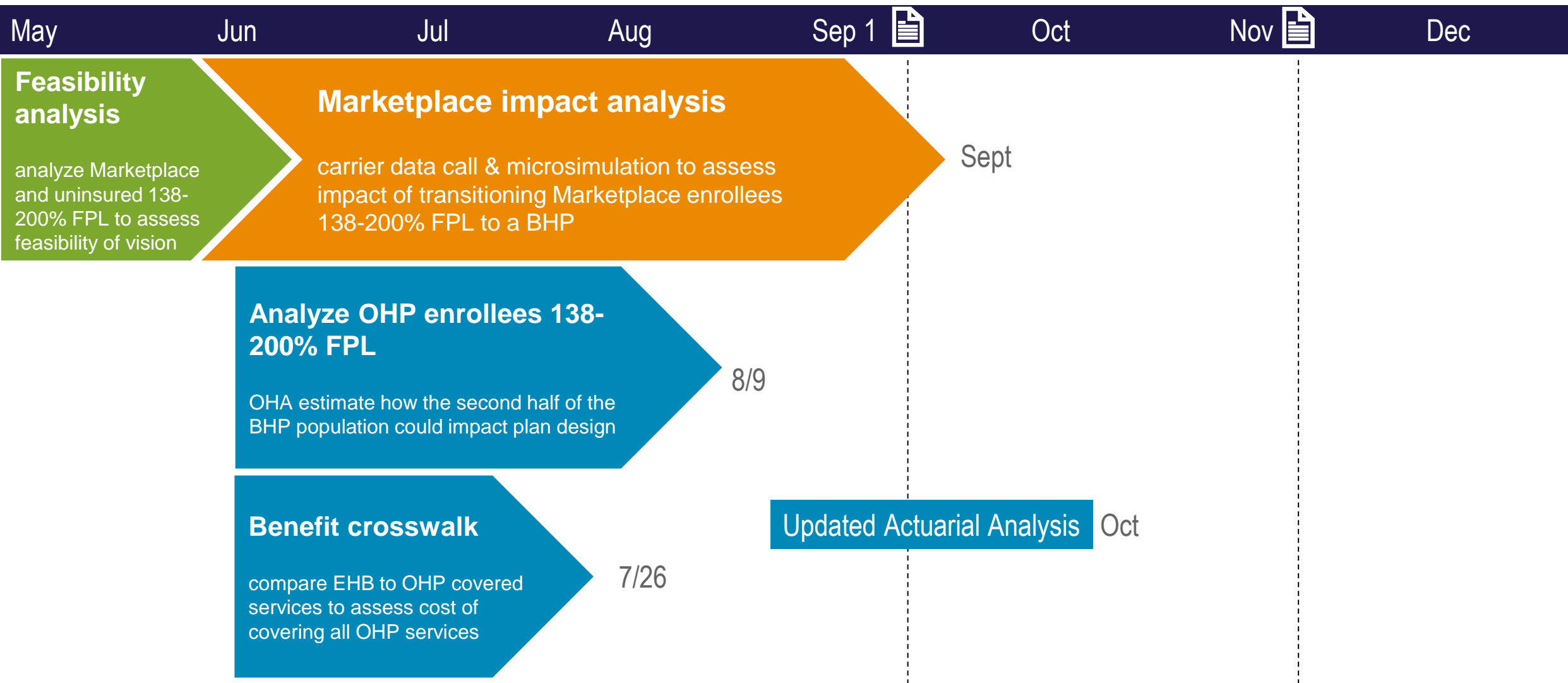
# BHP impact on Marketplace

Presenter: Numi Griffith  
Division of Financial Regulation

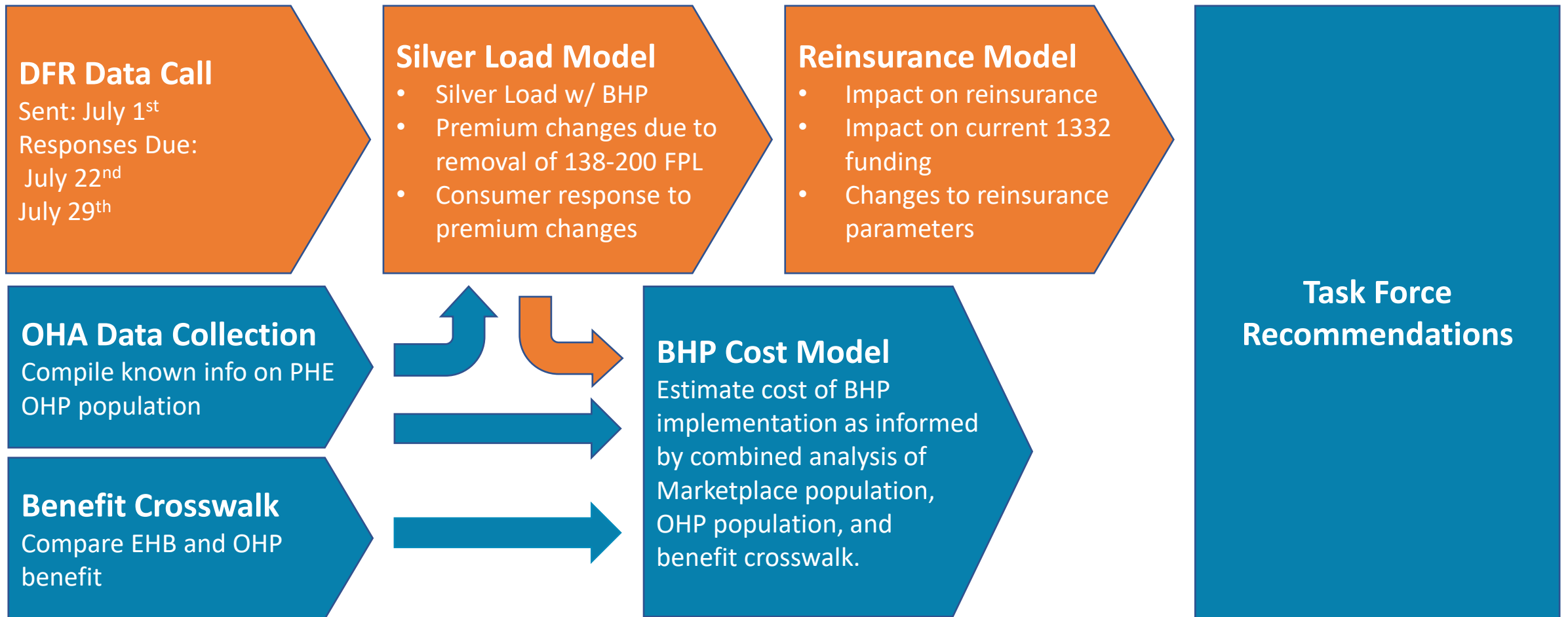


Department of Consumer  
and Business Services

# Upcoming Analysis



# Upcoming Analysis



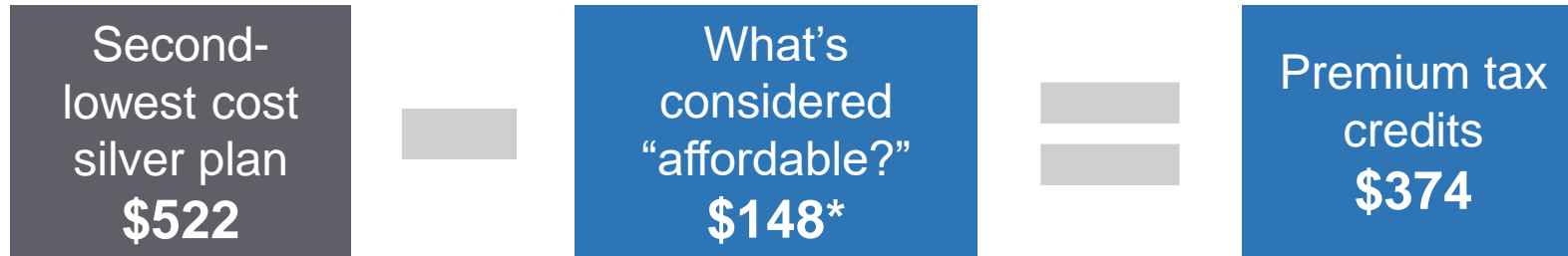
# Limitations on today's presentation

- Since we do not have final numbers, we are not including any fixed projections of any single variable scenarios (e.g. modeling *only* the impact of a reduced Silver load).
- The numbers we do present today (premiums) are solely for illustrative purposes and are probably significantly different from the results of the more in-depth calculations to be presented in the Fall.
- The following factors are the subject of further analysis and we will not speculate on possible outcomes in detail:
  - Size, demographics, and health needs of post-BHP marketplace population.
  - Base premium and net consumer premium for Marketplace enrollees.
  - Direct comparison of Marketplace benefits with theoretical BHP benefits.

# ACA Basics – Premium Tax Credit Calculation

Example: A single adult, 40,  
lives in eastern Oregon and  
earns \$27,180 per year

Monthly income:  
**\$2,265**



**PTC may be applied to any health plan offered on Healthcare.gov**

	Bronze	Silver	Gold
Monthly premium	\$386	\$522	\$586
Tax credit	\$374	\$374	\$374
Cost after tax credit	<b>\$12</b>	<b>\$148</b>	<b>\$212</b>

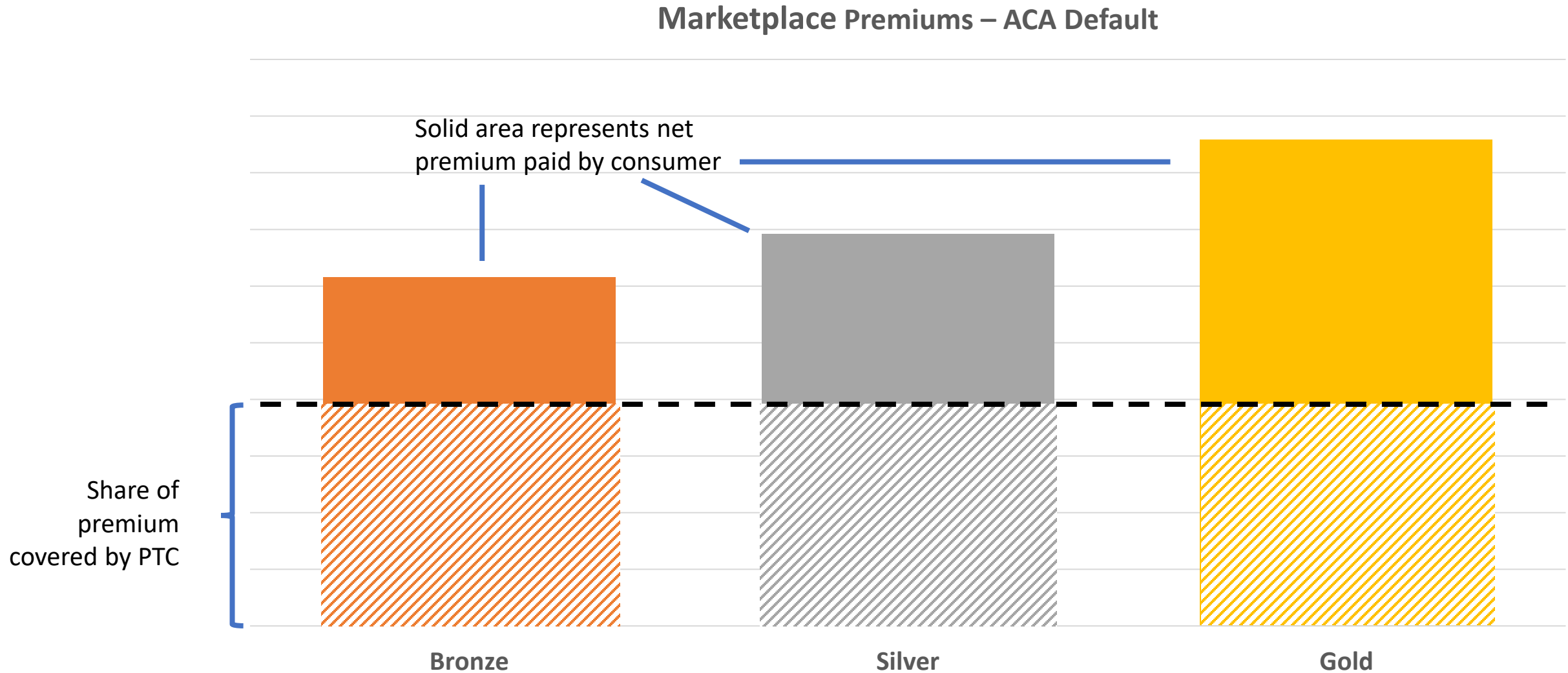
\*For the purposes of this discussion, this uses unadjusted 2022 premiums, and the 2023 FPL threshold with an assumption that ARPA subsidies have not been extended into 2023.

# ACA Basics – Affordability Limits by Income

	Annual Income	Monthly Income	“Affordability” Limit	Monthly PTC 40-yr old, Eastern Oregon
200% FPL	\$ 27,180	\$ 2,265	\$ 148	\$ 374
250% FPL	\$ 33,975	\$ 2,831	\$ 236	\$ 286
300% FPL	\$ 40,770	\$ 3,398	\$ 334	\$ 188
350% FPL	\$ 47,565	\$ 3,964	\$ 390	\$ 132
400% FPL	\$ 54,360	\$ 4,530	\$ 445	\$ 77
450% FPL	\$ 61,155	\$ 5,096	N/A	\$ 0
500% FPL	\$ 67,950	\$ 5,663	N/A	\$ 0

These figures use the FPL threshold for 2023 and baseline ACA “affordability” percentages (i.e. no ARP subsidies).

# ACA Basics – Premiums & PTC



# ACA Basics – Cost Sharing Reductions

## Benefit & Premium Comparison – Standard Silver Plans 2023

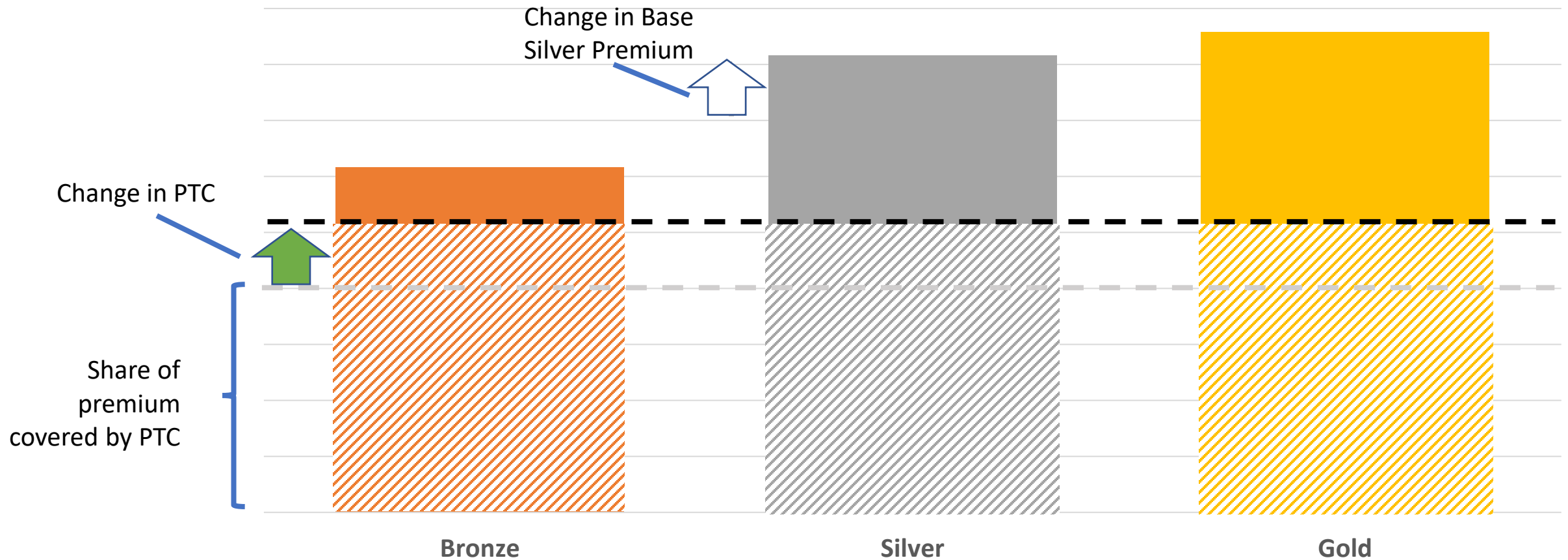
	94% Silver CSR 138-150% FPL	87% Silver CSR 150%-200% FPL	73% Silver CSR 200%-250% FPL	Standard Silver 250%+ FPL
Monthly Premium (No ARP)	\$50-\$70	\$70-\$148	\$148-\$236	\$236 - \$1,614
Deductible	\$ 125	\$ 1,300	\$4,800	\$ 4,800
Maximum OOP	\$ 1,000	\$ 3,000	\$7,250	\$ 9,100
PCP Visit	\$ 10 Co-pay	\$ 15 Co-pay	\$40	\$ 40 Co-pay
Rx Generic	\$ 5 Co-pay	\$ 10 Co-pay	\$15	\$ 15 Co-pay
Rx Preferred Brand	\$ 25 Co-pay	\$ 25 Co-pay	\$55 Co-pay	\$60 Co-pay
Rx Specialty	50% Coinsurance	50% Coinsurance	50% Coinsurance	50% Coinsurance

These figures use the FPL threshold for 2023 and baseline ACA “affordability” percentages (i.e. no ARP subsidies).



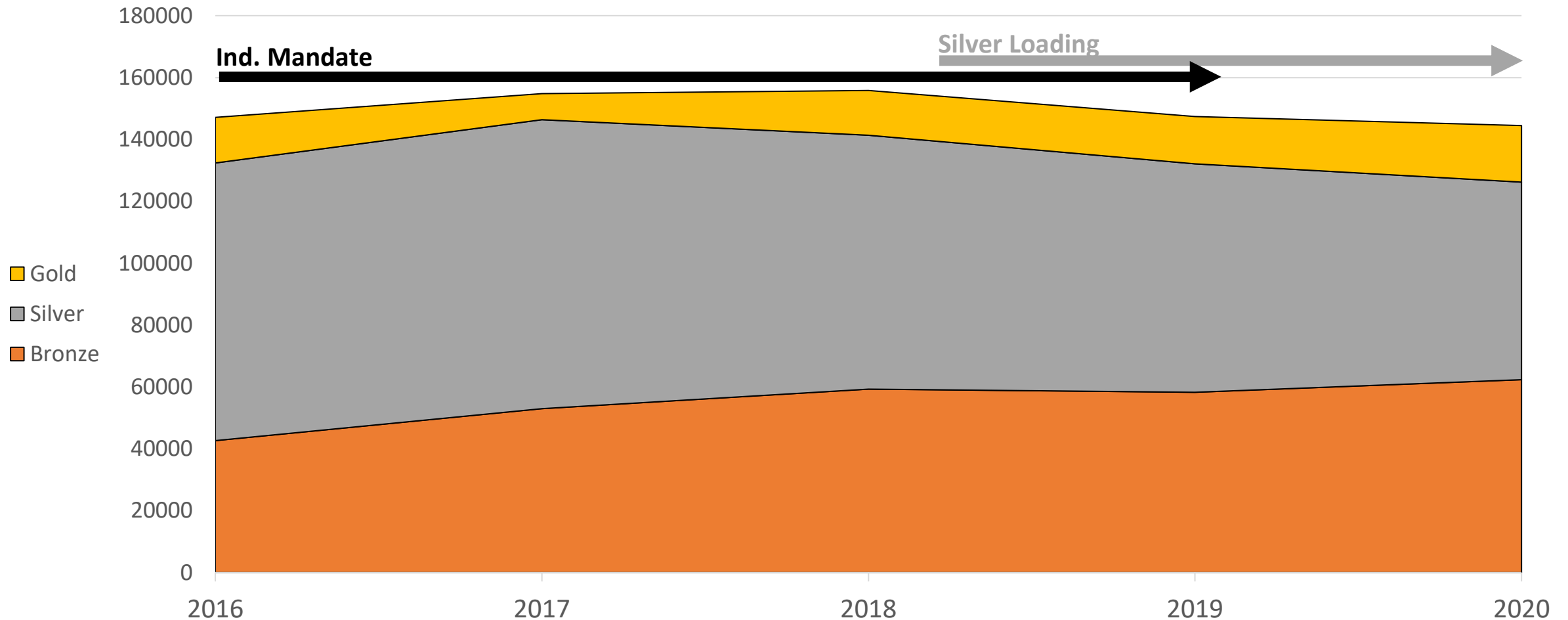
# ACA Basics – Silver Loading

Marketplace Premiums and PTC with Silver Load



# Impact of Silver Loading on Plan Choice

## Marketplace Plan Selections By Year



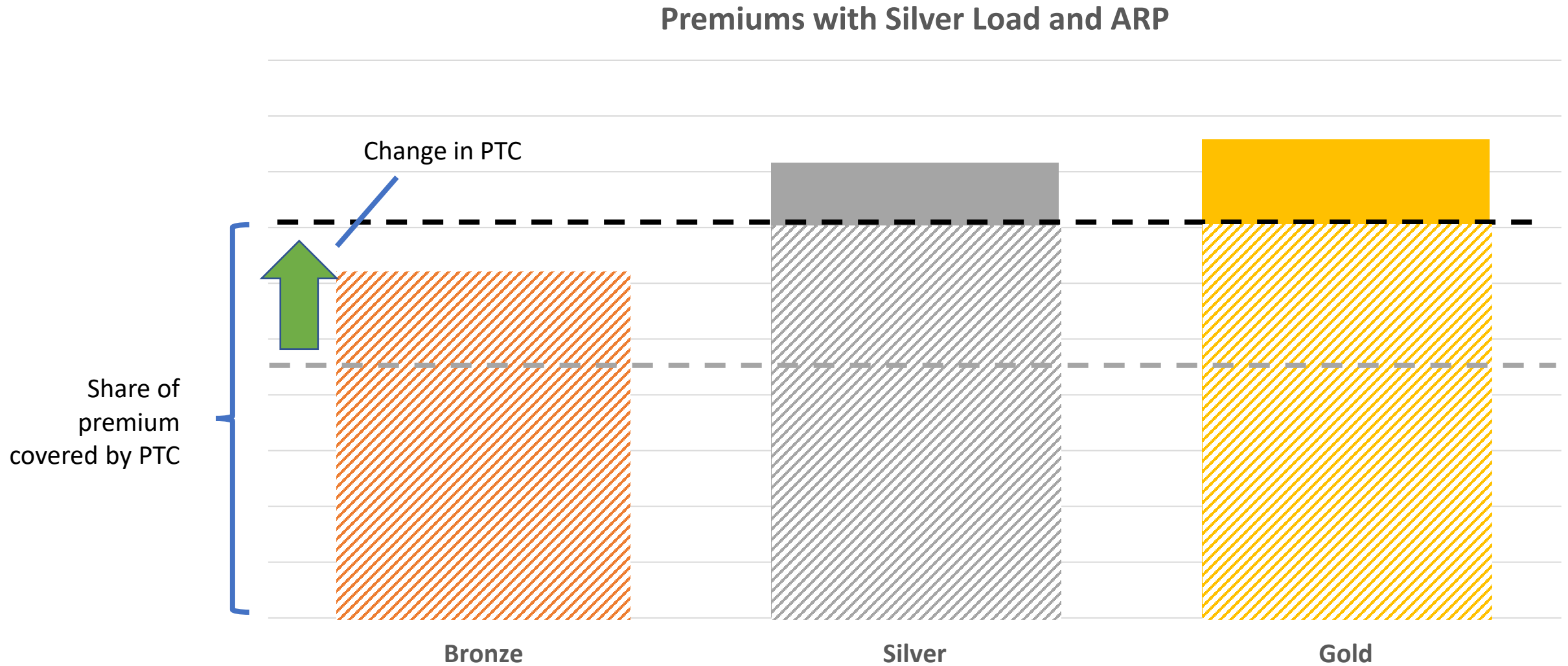
# ARP – Enhanced Premium Tax Credits

## Affordability Limits by Income - 50 year old, Eastern Oregon - ACA Default vs ARPA (2023 FPL threshold of \$13,590)

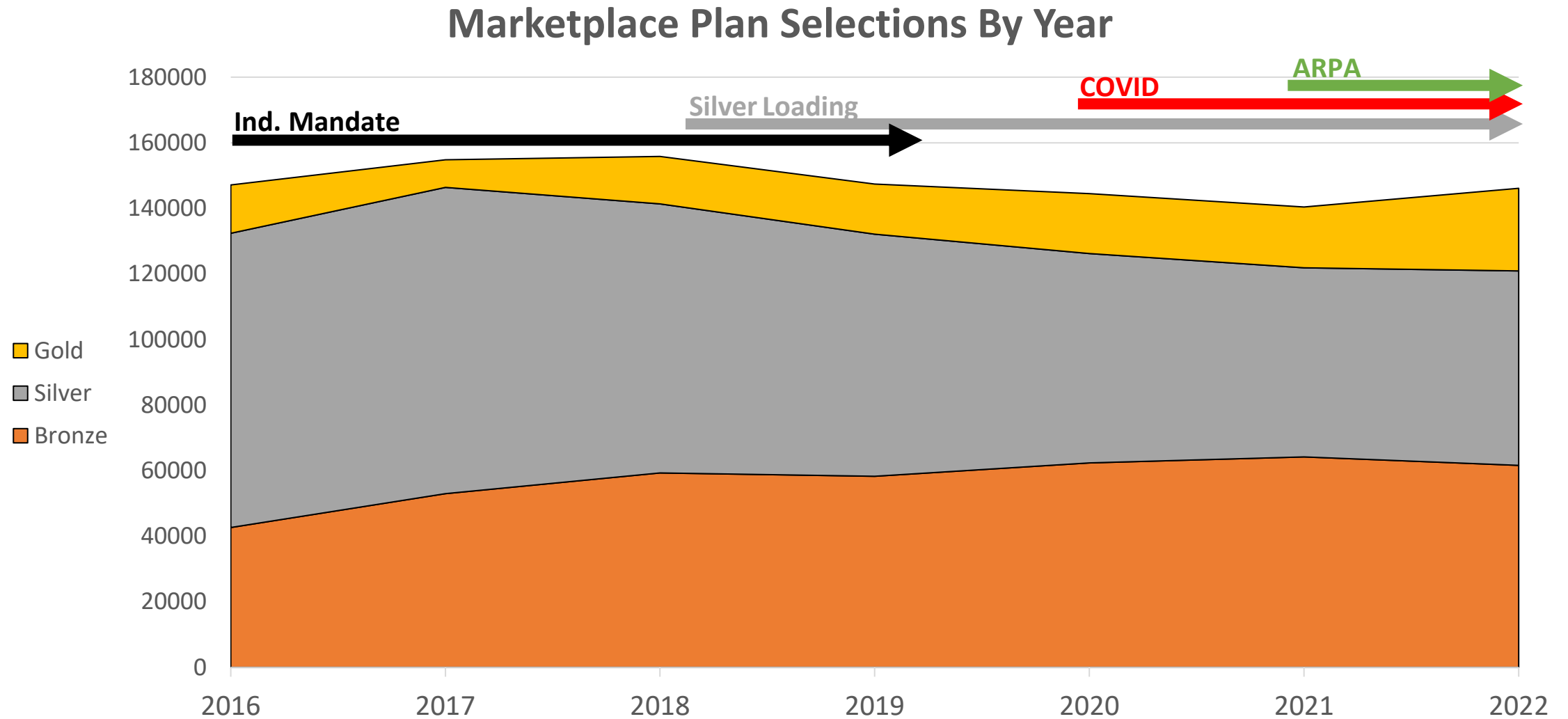
	Monthly Income	“Affordability” limit	ARPA “Affordability” Limit	PTC (baseline)	PTC (ARPA)	Difference
200% FPL	\$ 2,265	\$ 148	\$ 45	\$ 784	\$ 887	+ \$ 103
250% FPL	\$ 2,831	\$ 236	\$ 113	\$ 696	\$ 819	+ \$ 123
300% FPL	\$ 3,398	\$ 334	\$ 203	\$ 598	\$ 729	+ \$ 131
350% FPL	\$ 3,964	\$ 390	\$ 287	\$ 542	\$ 645	+ \$ 103
400% FPL	\$ 4,530	\$ 445	\$ 385	\$ 487	\$ 547	+ \$ 60
450% FPL	\$ 5,096	N/A	\$433	\$ 0	\$ 433	+ \$ 433
500% FPL	\$ 5,663	N/A	\$ 481	\$ 0	\$ 481	+ \$ 481

These figures use the FPL threshold for 2023.

# Basics of ACA Subsidies, Silver Loading, and ARP



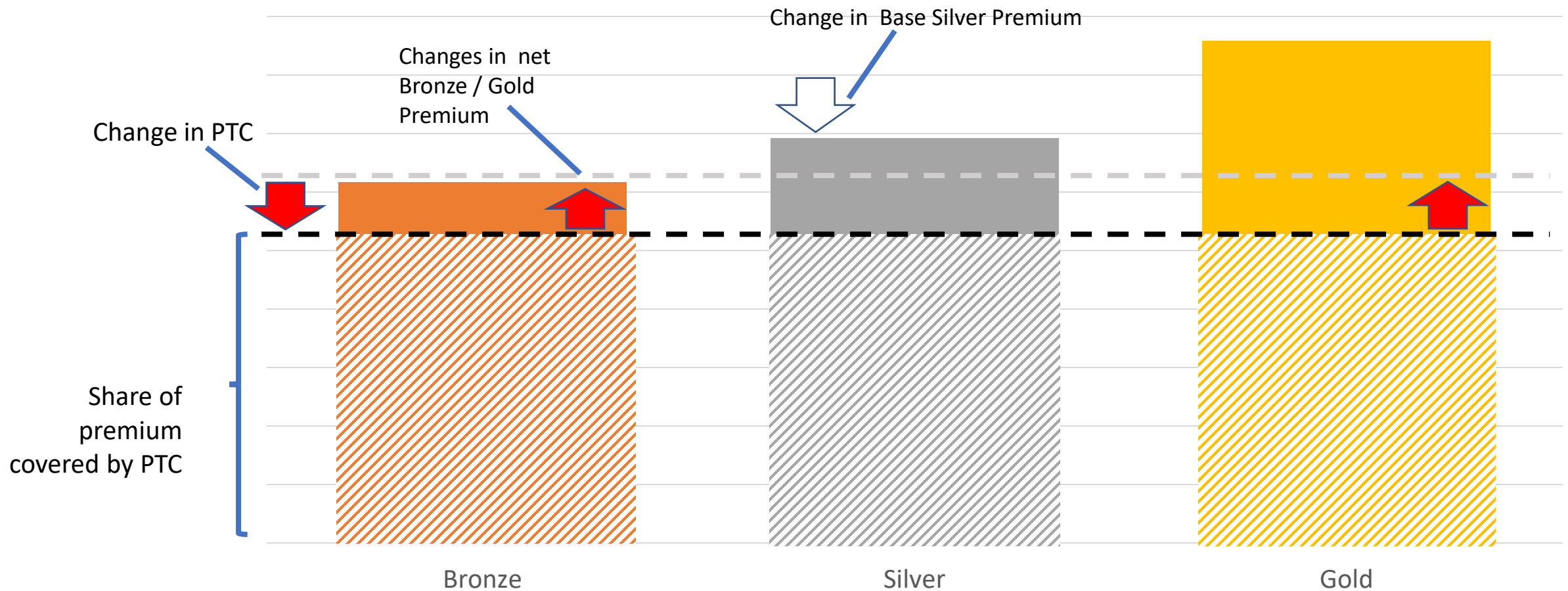
# Impact of ARPA on Plan Choice



Data Source: CMS Open Enrollment Public Use Data, 2016-2022. Does not represent effectuation.

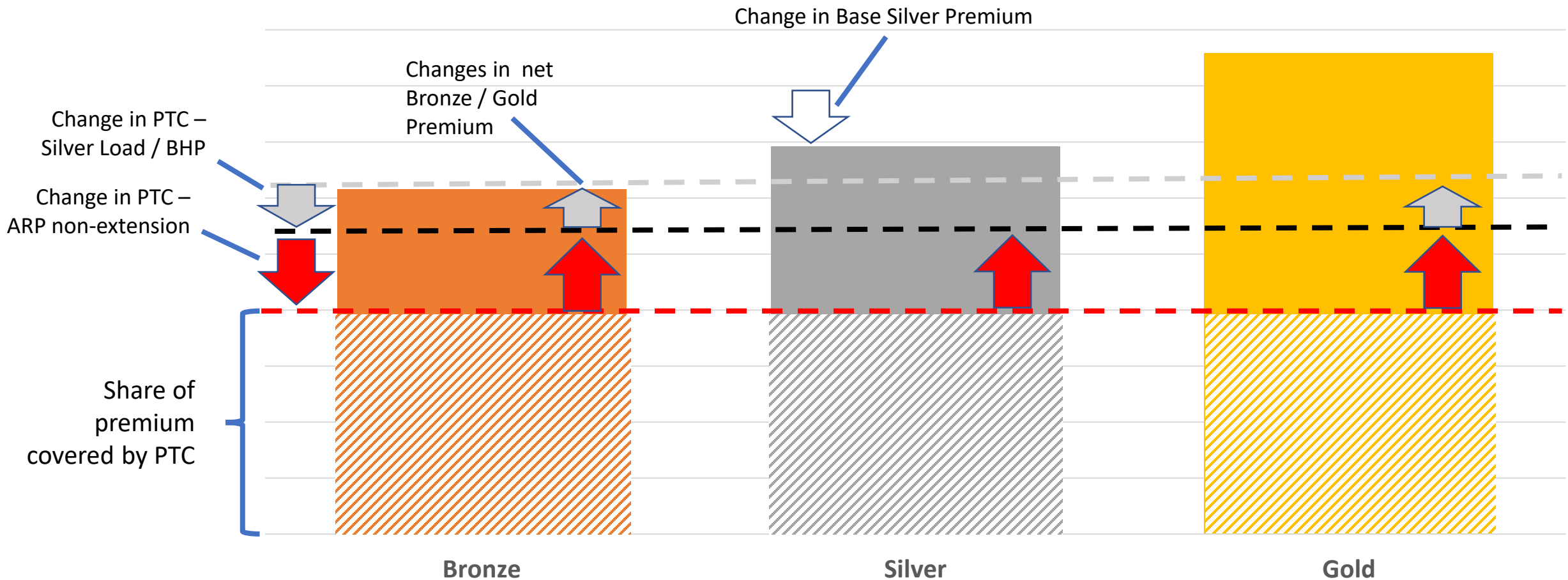
# Premium change due to BHP

## Marketplace premiums – ARPA extended, no Silver Load



# Premium changes due to ARP & BHP

## Marketplace Premiums – No Silver Load, No ARPA Subsidies



# Benefit packages on the marketplace

## Benefit & Premium Comparison – Standard Plans 2023

	Standard Bronze	Standard Silver	Standard Gold
Monthly Premium 200%-400% FPL	\$ 0- \$ 362	\$ 148 - \$ 445	\$ 188 - \$ 798
Deductible	\$ 8,700	\$ 4,800	\$ 1,500
Maximum OOP	\$ 8,700	\$ 9,100	\$ 7,300
PCP Visit	\$ 55 Co-pay	\$ 40 Co-pay	\$ 20 Co-pay
Rx Generic	\$ 20 Co-pay	\$ 15 Co-pay	\$ 10 Co-pay
Rx Preferred Brand	0% after deductible	\$ 60 Co-pay	\$ 30 Co-pay
Rx Specialty	0% after deductible	50% Coinsurance	50% Coinsurance capped at \$500 per Rx

These figures use the FPL threshold for 2023 and baseline ACA “affordability” percentages (i.e. no ARP subsidies).



# Possible Mitigation Options

## **A narrow amendment to our existing 1332 Waiver**

- Reducing Silver Loading will create a windfall for the Federal government at the expense of Oregon consumers
- A narrow change to our 1332 waiver alongside our BHP Blueprint could be used to recapture these lost federal funds and reduce the consumer impacts
- The most obvious way to implement this would be with state “wrap-around” payments to assist consumers with premiums, but this is difficult without an SBM
- We are exploring other ways to implement the captured federal savings for mitigation purposes with CMS, and we hope to present more options to the Task Force in September.

## **Consumer Outreach and Education**

- Concept: invest in additional consumer outreach work to explain premium changes and / or availability of other mitigation programs.

# Questions?

## Contact:

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Department of Consumer  
and Business Services