

Analysis of Net Health Insurance Costs under Current Law (Affordable Care Act) and the Draft House Republican Plan Released March 6, 2017

Example Set 1: Family of Four: two 40 year-olds; two 20-year olds

Comparison of Federal Financial Assistance for Health Insurance Costs (Individual Market):						
Affordable Care Act (ACA) vs. House Republican Plan¹						
Example of 4-Person AI/AN Family in Big Horn County, MT; 2017						
Two 40-year-olds; two 20-year-olds; all meet ACA definition of Indian						
	Household Income	Total Plan Premium ²	Average Out-of-Pocket (OOP) Costs ³	Premium Tax Credit (PTC) ^{4, 5}	Net Premium Costs	Net Total Costs
ACA (Current)	\$35,000	\$14,450	\$0	\$14,450	\$0	\$0
House GOP Plan	(144% FPL)		\$6,930	\$10,000	\$4,450	\$11,380
DIFFERENCE: House GOP plan vs. ACA:					\$4,450	\$11,380
ACA (Current)	\$50,000	\$14,450	\$0	\$13,913	\$537	\$537
House GOP Plan	(206% FPL)		\$6,930	\$10,000	\$4,450	\$11,380
DIFFERENCE: House GOP plan vs. ACA:					\$3,913	\$10,843
ACA (Current)	\$75,000	\$14,450	\$0	\$9,963	\$4,487	\$4,487
House GOP Plan	(309% FPL)		\$6,930	\$10,000	\$4,450	\$11,380
DIFFERENCE: House GOP plan vs. ACA:					-\$37	\$6,893
ACA (Current)	\$150,000	\$14,450	\$0	\$0	\$14,450	\$14,450
House GOP Plan	(617% FPL)		\$6,930	\$10,000	\$4,450	\$11,380
DIFFERENCE: House GOP plan vs. ACA:					-\$10,000	-\$3,070

¹ House Republican plan is based on March 6, 2017 draft legislation.

² Premium is for the selected bronze PPO (BC BS Basic 103, a MSP) on the Marketplace in 2017, with all four 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.

³ ACA eliminates cost-sharing for Marketplace enrollees who meet the definition of Indian. Average OOP costs for House Republican plan are based on average cost-sharing payments made to providers by the federal government on behalf of AI/AN Marketplace enrollees in Montana.

⁴ The PTCs shown for ACA are generated by HealthCare.gov and capped at the amount of the total plan premium. Additional PTCs might be available under ACA for a higher-cost plan.

⁵ The PTCs shown for House Republican plan are for 2020, with amounts in future years to include an adjustment for inflation. Under the House Republican plan, PTCs cannot exceed \$14,000 per taxpayer per year in 2020 (with cap adjusted for inflation in future years). PTCs begin phase out for single filers at \$75,000 and joint filers at \$150,000.

Comparison of Net Household Contribution for Health Insurance-Related Costs (Individual Market):							
Affordable Care Act (ACA) vs. House Republican Plan¹							
Example of 4-Person AI/AN Family in Big Horn County, MT; 2017							
Two 40-year-olds; two 20-year-olds; all meet ACA definition of Indian							
	Household Income		Net Enrollee Premium Costs		Total Costs: Premiums and OOP		Household Contribution Difference (House Rep. vs. ACA)
	Household Income (\$)	Federal Poverty Level (%)	Net Household Premium Contribution (\$)	Net Household Premium Contribution (%)	Total Net Household Contribution (\$)	Total Net Household Contribution (%)	
ACA (Current)	\$35,000	144%	\$0	0%	\$0	0%	+33 perct. points
House Rep. Plan			\$4,450	13%	\$11,380	33%	
ACA (Current)	\$50,000	206%	\$537	1%	\$537	1%	+22 perct. points
House Rep. Plan			\$4,450	9%	\$11,380	23%	
ACA (Current)	\$75,000	309%	\$4,487	6%	\$4,487	9%	+6 perct. points
House Rep. Plan			\$4,450	6%	\$11,380	15%	
ACA (Current)	\$150,000	617%	\$14,450	10%	\$14,450	10%	-2 perct. points
House Rep. Plan			\$4,450	3%	\$11,380	8%	

¹ House Republican plan is based on March 6, 2017 draft version.

Example Set 2: Family of Four: two 60 year-olds; two 20-year olds

Comparison of Federal Financial Assistance for Health Insurance Costs (Individual Market): Affordable Care Act (ACA) vs. House Republican Plan ¹						
Example of 4-Person AI/AN Family in Big Horn County, MT; 2017						
Two 60-year-olds; two 20-year-olds; all meet ACA definition of Indian						
	Household Income	Total Plan Premium ²	Average Out-of-Pocket (OOP) Costs ³	Premium Tax Credit (PTC) ^{4, 5}	Net Premium Costs	Net Total Costs
ACA (Current)	\$35,000 (144% FPL)	\$25,297	\$0	\$25,297	\$0	\$0
House GOP Plan			\$6,930	\$12,000	\$13,297	\$20,227
DIFFERENCE: House GOP plan vs. ACA:					\$13,297	\$20,227
ACA (Current)	\$50,000 (206% FPL)	\$25,297	\$0	\$25,297	\$0	\$0
House GOP Plan			\$6,930	\$12,000	\$13,297	\$20,227
DIFFERENCE: House GOP plan vs. ACA:					\$13,297	\$20,227
ACA (Current)	\$75,000 (309% FPL)	\$25,297	\$0	\$22,898	\$2,399	\$2,399
House GOP Plan			\$6,930	\$12,000	\$13,297	\$20,227
DIFFERENCE: House GOP plan vs. ACA:					\$10,898	\$17,828
ACA (Current)	\$150,000 (617% FPL)	\$25,297	\$0	\$0	\$25,297	\$25,297
House GOP Plan			\$6,930	\$12,000	\$13,297	\$20,227
DIFFERENCE: House GOP plan vs. ACA:					-\$12,000	-\$5,070

¹ House Republican plan is based on March 6, 2017 version.

Comparison of Net Household Contribution for Health Insurance-Related Costs (Individual Market): Affordable Care Act (ACA) vs. House Republican Plan ¹							
Example of 4-Person AI/AN Family in Big Horn County, MT; 2017							
Two 40-year-olds; two 20-year-olds; all meet ACA definition of Indian							
	Household Income		Net Enrollee Premium Costs		Total Costs: Premiums and OOP		Household Contribution Difference (House Rep. vs. ACA)
	Household Income (\$)	Federal Poverty Level (%)	Net Household Premium Contribution (\$)	Net Household Premium Contribution (%)	Total Net Household Contribution (\$)	Total Net Household Contribution (%)	
ACA (Current)	\$35,000	144%	\$0	0%	\$0	0%	+58 perct. points
House Rep. Plan			\$13,297	38%	\$20,227	58%	
ACA (Current)	\$50,000	206%	\$0	0%	\$0	0%	+40 perct. points
House Rep. Plan			\$13,297	27%	\$20,227	40%	
ACA (Current)	\$75,000	309%	\$2,399	3%	\$2,399	5%	+22 perct. points
House Rep. Plan			\$13,297	18%	\$20,227	27%	
ACA (Current)	\$150,000	617%	\$25,297	17%	\$25,297	17%	-4 perct. points
House Rep. Plan			\$13,297	9%	\$20,227	13%	

¹ House Republican plan is based on March 6, 2017 draft legislation.