



American Rescue Plan Act

April 8, 2021, 12:00 p.m.

The webinar is not being recorded, but this PowerPoint will be available on Assister Central

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American Rescue Plan of 2021

- On March 11, President Biden signed the “American Rescue Plan Act of 2021” which strengthens and expands the Affordable Care Act:
 - Increases tax credits for those already eligible for plan year 2021 and 2022
 - Expands eligibility to tax credits for those over 400% of the federal poverty level (FPL) for plan year 2021 and 2022
 - Increases financial assistance for those who have received unemployment insurance in 2021
 - Taxpayers who received too much in advance premium tax credits in 2020 will not have to repay the excess amount

American Rescue Plan Act of 2021

Key Provisions

- What the act means for Minnesotans:
 - Those enrolled on the exchange and receiving tax credits will see increased savings
 - Those enrolled on the exchange but not currently receiving tax credits might be eligible to receive them
 - Those purchasing coverage directly from an insurance company rather than MNsure can cancel their policy and move to MNsure where they can receive tax credits
 - Higher subsidies might make premiums more affordable for those who are uninsured

Some Basics on Tax Credits

- Tax credit amount is based on second lowest cost silver benchmark, but can be used to purchase any metal level plan
- Anyone who is eligible will receive tax credits for the months they are enrolled through MNsure as a refundable tax credit when they file federal taxes – even if they enrolled “without financial help”
- Eligibility rules around access to employer-sponsored insurance still apply (no change to the affordability standard and no fix to the “family glitch”)
- Consumer must be enrolled in a plan through MNsure to qualify

Changes to Tax Credit Benefits

- For Minnesotans at or below 400% FPL (and not eligible for Medical Assistance and MinnesotaCare)
 - Two-year enhancement to premium tax credits available to eligible individuals who qualify to purchase coverage through MNsure:
 - 200% to 250% FPL: Premium as a percentage of household income previously limited to 6.52 - 8.33%, now 2.0 - 4.0%
 - 250% to 300% FPL: Previously 8.33 - 9.83%, now 4.0 - 6.0%
 - 300% to 400% FPL: Previously 9.83%, now 6.0 - 8.5%
- For Minnesotans over 400% FPL
 - Previously not eligible for tax credits, now for plan year 2021 and 2022 the premium as a percentage of household income is limited to 8.5%

Income Levels for Plan Year 2021

People in household	Medical Assistance for adults over age 18 Monthly/Annual income (up to)	Medical Assistance for children Monthly/Annual income (up to) <i>(Slightly higher income limits apply for infants under age 2)</i>	Medical Assistance for pregnant women Monthly/Annual income (up to)	MinnesotaCare Annual income (up to)	Tax credits for 2021 private health plans Annual income above
1	\$1,414 / \$16,970	\$2,924 / \$35,090	does not apply	\$25,520	\$25,520
2	\$1,910 / \$22,929	\$3,950 / \$47,410	\$3,993 / \$47,927	\$34,480	\$34,480
3	\$2,407 / \$28,887	\$4,977 / \$59,730	\$5,031 / \$60,381	\$43,440	\$43,440
4	\$2,903 / \$34,846	\$6,004 / \$72,050	\$6,069 / \$72,836	\$52,400	\$52,400
5	\$3,400 / \$40,804	\$7,030 / \$84,370	\$7,107 / \$85,290	\$61,360	\$61,360
6	\$3,896 / \$46,762	\$8,057 / \$96,690	\$8,145 / \$97,744	\$70,320	\$70,320
7	\$4,393 / \$52,721	\$9,084 / \$109,010	\$9,183 / \$110,199	\$79,280	\$79,280
8	\$4,889 / \$58,679	\$10,110 / \$121,330	\$10,221 / \$122,653	\$88,240	\$88,240
For each additional person add	\$496 / \$5,958	\$1,026 / \$12,320	\$1,037 / \$12,454	\$8,960	\$8,960

- Updated Income Guidelines Fact Sheet is available on mnsure.org under Learn More/Fact Sheets/2021 Income Guidelines for Financial Assistance

Implementing Phase One: ≤400% FPL

- Phase One is updating METS (the eligibility system) to calculate the increase in tax credits for those already eligible (at or below 400% FPL)
- New applications submitted on April 3 or later now reflect the increased tax credit amount for coverage starting May 1
- Existing applications that are reassessed after April 3 (such as processing a life event) will also reflect the increased tax credit amount
- All other existing applications for those at or below 400% FPL will have their advanced premium tax credit (APTC) updated this spring:
 - Updated tax credits will automatically be applied to current enrollees, overriding any current APTC selections
 - At this time, we do not know when these updated APTCs will begin showing up on carrier monthly invoices

Implementing Phase One: ≤400% FPL

- Consumers enrolled off exchange or who are currently uninsured can utilize the COVID-19 special enrollment period which has been **extended through July 16, 2021**
- MNsure's [Plan Comparison Tool](#) has been updated and now estimates expanded tax benefits for those at or below 400% FPL
- An increase in tax credit amount does not make a consumer eligible to change their plan
- These new savings cannot be applied to stand-alone dental or catastrophic plans
- A consumer can update the amount of advanced premium tax credit they apply to their premium online through their enrollment dashboard. The change will take effect the following month.

Implementing Phase Two: >400% FPL

- Phase Two is updating METS to calculate the new eligibility for tax credits for those over 400% FPL
- MNsure expects to implement this phase this summer. Once this has been implemented:
 - A consumer who previously submitted an application with financial assistance and enrolled through MNsure: New tax credits will be automatically applied.
 - A consumer who previously submitted an application **without** financial assistance and is enrolled through MNsure: Can contact MNsure to request to submit a financial assistance application and receive advance premium tax credits (APTCs) **or** can wait and claim all tax credits when they file their federal taxes for 2021.
 - Someone submitting a new application with financial assistance after this phase is implemented will automatically receive the correct APTC amount.

Unemployment Insurance

- Consumers who are eligible for premium tax credits (PTC) and receive unemployment insurance in 2021:
 - Will receive the increased tax credit like other MNsure enrollees once their eligibility is updated. Some of this benefit may be received as an additional tax credit when they file their federal taxes for 2021.
 - Will also receive **another** increase in tax credits when they file their federal taxes for 2021. The IRS will calculate their premium tax credit amount by excluding any of the tax household's income that exceeds 133% FPL for the family size.
 - The premium as a percentage of household income for a household at 133% FPL is 0% (based on the benchmark silver plan)
 - Consumers will not receive this additional amount as an advanced premium tax credit.
 - This calculation is solely for the purposes of determining additional tax credits and does not make someone eligible for Medical Assistance or MinnesotaCare.

Consumer Scenarios

- A consumer applied using the financial assistance path and is currently enrolled through MNsure.
 - There is no action to take at this time. We will provide assisters and consumers with more information as soon as we update their tax credit amount. Any updated tax credit will be automatically applied.
- A consumer applied without financial assistance and is currently enrolled through MNsure.
 - The consumer will still receive any tax credits they are eligible for when they file their federal taxes for 2021.
 - If the household is currently at or below 400% FPL, the consumer can contact MNsure for help with applying with financial assistance. Navigators, CACs and brokers can contact the ARC and Broker Service Line.
 - If the household is over 400% FPL, there is no financial benefit to closing and reapplying until Phase Two has been implemented.

Consumer Scenarios

- A consumer is currently uninsured. Uninsured Minnesotans can enroll now using the COVID-19 special enrollment period which has been extended until July 16.
 - Those at or below 400% FPL submitting a new application will see their updated tax credit amount starting with their first premium.
 - Those over 400% FPL who submit an application with financial assistance and enroll will have APTCs applied beginning this summer. They will receive any additional months of tax credit they are eligible for when they file their federal taxes for 2021.
 - If a household previously submitted an application and is currently eligible for APTC, but never enrolled because they could not afford coverage with their previous APTC amount, they can contact MNsure (or navigators, CACs and brokers can contact the ARC or Broker Service Line) to update their case so the household can shop in April with their increased APTC for coverage starting May 1.

Consumer Scenarios

- A consumer directly enrolled with BluePlus, HealthPartners, Medica or Quartz (Note: UCare does not sell plans off-exchange).
 - Consumers can use the COVID-19 SEP to enroll through MNsure and if eligible, will only qualify for tax credits for the months they have coverage through MNsure.
 - **Consumers who apply WITHOUT financial assistance will STILL qualify for premium tax credits when they file federal taxes for 2021.**
 - To understand the financial benefit of changing enrollment, consumers at or below 400% FPL should use the [MNsure's Plan Comparison Tool](#) and consumers over 400% FPL should use the [new benefits estimator](#).
 - MNsure health insurance carriers are offering additional support for their off-exchange enrollees to move on-exchange, by way of recognizing previously attained amounts towards deductibles and out-of-pocket max accumulators. MNsure suggests you work directly with the involved carrier for more information about which transitions qualify for this level of support.

Why Move to MNsure?

Example from Mower County

- Household of 2 (ages 59 and 61)
- Household income of \$75,000 – 435% of FPL
- Average bronze plan

	Previously	Under ARPA
Annual Premium Price	\$ 20,588	\$ 20,588
Annual PTC	\$ 0	\$ 18,060
Annual Cost	\$ 20,588	\$ 2,528
Savings		\$ 18,060

Consumer Scenarios

- A consumer is receiving the federal COBRA subsidy.
 - Consumers who are enrolled in COBRA coverage qualify for a special enrollment period through MNsure when their federal COBRA subsidy ends if they must then pay the full cost of the premium.
- A consumer receives unemployment insurance in 2021.
 - The consumer will receive additional premium tax credit benefits when they file their federal taxes for 2021.

Thank You for Attending!

To submit questions via chat, click on the “chat” bubble image on the bottom of your screen to access this feature.

