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# **Final Affordability Schedule for Calendar Years 2015 & 2016 (VOTE)**

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# Today's Focus



- Review comments received during the public comment period on the proposed affordability schedules discussed last month
  - One public comment and one correction
- Staff recommendation to be discussed:
  - That the Board vote to adopt the recommended 2015 and 2016 affordability schedules for Individuals, Couples, and Families as proposed, with the exception of one technical correction to address alignment of the state schedule with the federal schedule at higher incomes

# Recap: Proposed Approaches for CY 2015 and 2016



Income Range	2015 Proposal	2016 Proposal
Up to 300% FPL	<ul style="list-style-type: none"> <li>Implement a percentage-based standard for representing contributions consistent with the ConnectorCare premiums available in 2015</li> </ul>	<ul style="list-style-type: none"> <li>Update standards by returning to percentage of income required under 2012 schedule, resulting in a modest increase to the dollar amounts this population is required to contribute towards the cost of their health insurance</li> </ul>
300.1 – 400% FPL	<ul style="list-style-type: none"> <li>Implement a percentage-based standard for the 300.1 – 350% and 350.1 – 400% FPL income brackets reflecting the average percentage of income represented by the fixed dollar standards for these households in prior affordability schedules</li> </ul>	<ul style="list-style-type: none"> <li>Adjust standards up slightly to maintain progressivity throughout the schedule</li> </ul>
Over 400% FPL	<ul style="list-style-type: none"> <li>Maintain parity with federal standard, resulting in a slight increase for indexing</li> </ul>	<ul style="list-style-type: none"> <li>Maintain parity with federal standard, resulting in a slight increase for indexing</li> </ul>

# Summary of Public Comments

## *The ACT!! Coalition provided public comments:*

- Expressed support for progressivity in affordability standards for low-income individuals
- Also expressed concern that the percentage-based standards represented relatively large increases in the affordability standards for individuals at the high end of each income bracket up to 300% FPL
  - Suggested choosing a different percentage of income or pursuing a more gradual approach to implementing standards
- Consistent with prior years, expressed concern that the affordability schedule does not account for cost-sharing beyond premiums
- Suggested modifications to other aspects of individual mandate policy not directly related to affordability

# Discussion and Analysis of Comments



- We appreciate the ACT!! Coalition’s concern for increases in the affordable amount for households at the high end of each subsidized income bracket, but their suggested changes would result in ConnectorCare base enrollee premiums being considered unaffordable for households at the low end of each bracket
  - Further, the range of dollar-based premiums deemed affordable under the proposed 2015 schedule is within the range of 2015 ConnectorCare premiums; we expect similar access to affordable coverage in 2016

Income Bracket	Affordable Premiums	ConnectorCare Premiums
150.1 – 200% FPL	\$40 - \$53	\$40 - \$81
200.1 – 250% FPL	\$78 - \$97	\$78 - \$133
250.1 – 300% FPL	\$118 - \$141	\$118 - \$178

- We recognize that cost-sharing is an important component of coverage costs, and we look forward to continuing our collaboration with ACT!! and others in exploring ways to incorporate cost-sharing into the affordability schedule in a thoughtful way

# Recommended CY 2015 and 2016 Schedules and Next Steps



- Health Connector staff recommend adoption of the Affordability Schedule as presented in February, with a correction to the >400% FPL bracket on the 2016 schedule
  - 2016 federal standard is 8.13%, not 8.3% as was previously indicated
- While the multi-year transition to a percentage-based schedule informed by federal standards is now complete, staff will continue to work with the Board and interested stakeholders regarding future approaches to affordability in Massachusetts

# Recommended 2015 Schedule: Individuals



## Recommended CY 2015 Affordability Schedule: INDIVIDUALS

Recommended CY 2015 Affordability Schedule: INDIVIDUALS					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$17,505	0%		
150.1 - 200%	\$17,506	\$23,340	2.75%	\$40	\$53
200.1 - 250%	\$23,341	\$29,175	4.00%	\$78	\$97
250.1 - 300%	\$29,176	\$35,010	4.85%	\$118	\$141
300.1 - 350%	\$35,011	\$40,845	7.20%	\$210	\$245
350.1 - 400%	\$40,846	\$46,680	7.40%	\$252	\$288
Above 400%	\$46,681		8.05%	\$313	

# Recommended 2015 Schedule: Couples



## Recommended CY 2015 Affordability Schedule: COUPLES

Recommended CY 2015 Affordability Schedule: COUPLES					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$23,595	0%		
150.1 - 200%	\$23,596	\$31,460	4.05%	\$80	\$106
200.1 - 250%	\$31,461	\$39,325	5.95%	\$156	\$195
250.1 - 300%	\$39,326	\$47,190	7.20%	\$236	\$283
300.1 - 350%	\$47,191	\$55,055	7.20%	\$283	\$330
350.1 - 400%	\$55,056	\$62,920	7.40%	\$340	\$388
Above 400%	\$62,921		8.05%	\$422	



# Recommended 2015 Schedule: Families



## Recommended CY 2015 Affordability Schedule: FAMILIES

Recommended CY 2015 Affordability Schedule: FAMILIES					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$29,685	0%		
150.1 - 200%	\$29,686	\$39,580	3.25%	\$80	\$107
200.1 - 250%	\$39,581	\$49,475	4.75%	\$157	\$196
250.1 - 300%	\$49,476	\$59,370	5.75%	\$237	\$284
300.1 - 350%	\$59,371	\$69,265	7.20%	\$356	\$416
350.1 - 400%	\$69,266	\$79,160	7.40%	\$427	\$488
Above 400%	\$79,161		8.05%	\$531	

# Recommended 2016 Schedule: Individuals



## Recommended CY 2016 Affordability Schedule: INDIVIDUALS

Recommended CY 2016 Affordability Schedule: INDIVIDUALS					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$17,655	0%		
150.1 - 200%	\$17,656	\$23,540	2.90%	\$43	\$57
200.1 - 250%	\$23,541	\$29,425	4.20%	\$82	\$103
250.1 - 300%	\$29,426	\$35,310	5.00%	\$123	\$147
300.1 - 350%	\$35,311	\$41,195	7.40%	\$218	\$254
350.1 - 400%	\$41,196	\$47,080	7.60%	\$261	\$298
Above 400%	\$47,081		8.13%	\$319	

# Recommended 2016 Schedule: Couples



## Recommended CY 2016 Affordability Schedule: COUPLES

Recommended CY 2016 Affordability Schedule: COUPLES					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$23,895	0%		
150.1 - 200%	\$23,896	\$31,860	4.30%	\$86	\$114
200.1 - 250%	\$31,861	\$39,825	6.20%	\$165	\$206
250.1 - 300%	\$39,826	\$47,790	7.40%	\$246	\$295
300.1 - 350%	\$47,791	\$55,755	7.40%	\$295	\$344
350.1 - 400%	\$55,756	\$63,720	7.60%	\$353	\$404
Above 400%	\$63,721		8.13%	\$432	

# Recommended 2016 Schedule: Families



## Recommended CY 2016 Affordability Schedule: FAMILIES

Recommended CY 2016 Affordability Schedule: FAMILIES					
Income Bracket				Dollar Amount	
% of FPL	Bottom	Top	Monthly Affordability Standard	Bottom	Top
0 - 150%	\$0	\$30,135	0%		
150.1 - 200%	\$30,136	\$40,180	3.45%	\$87	\$116
200.1 - 250%	\$40,181	\$50,225	4.90%	\$164	\$205
250.1 - 300%	\$50,226	\$60,270	5.90%	\$247	\$296
300.1 - 350%	\$60,271	\$70,315	7.40%	\$372	\$434
350.1 - 400%	\$70,316	\$80,360	7.60%	\$445	\$509
Above 400%	\$80,361		8.13%	\$544	

# VOTE



**Moved that the Board approve the issuance of the Affordability Schedules for Individuals, Couples, and Families for Calendar Years 2015 and 2016, as set forth in the staff recommendation, as final.**