Everything you want to know about Financial Assistance for 2019 Health Plans

Liesl Lu: Good afternoon everyone and welcome to today's ACE TA Center Webinar. I'm Liesl Lu, the ACE TA Center Project Manager and a consultant here at JSI. Our goal at the ACE TA Center is to help Ryan White Program recipients and sub recipients support their clients, especially people of color to navigate the healthcare environment through enrollment in health coverage and improved health literacy.

Liesl Lu: Today we are going to focus on eligibility for financial assistance through the health insurance marketplace, as well as through the Ryan White HIV/AIDS program. By the end of today's call we hope that each of you will be able to use client income and other eligibility criteria to assess eligibility for premium tax credits and cost sharing reductions, explain the role of taxes in maintaining eligibility for advanced premium tax credits, educate clients about how to avoid underpayments and overpayments of APT fees, and find out about additional financial assistance that may be available through the Ryan White HIV/AIDS Program, including ADAP.

Liesl Lu: So before we get started, here are some technical details for those of you that are new to our webinars. First attendees are in listen only mode, but we do encourage you to ask lots of questions using the chat box. You can submit your questions at any time during the call or during the question period at the end. Our presenters will take as many of your questions as they can at the end of today's session, and if you think of a question after today, you can email us at acetacenter@jsi.com.

Liesl Lu: The easiest way to listen to our webinar is through your computer. If you can't hear very well check to make sure your computer audio is turned on and the volume is turned up. If you still can't hear us or if you experience a sound delay at any point today, try refreshing your screen or your web browser. And finally, if needed, you can mute your computer audio and call in using your telephone and we're chatting out the call in information right now.

Liesl Lu: So at the ACE TA Center we are focused on helping you engage, enroll, and retain clients in health coverage, and we do this by building your capacity and helping you communicate with your clients about how to stay enrolled and use health coverage. We help build your organization's health insurance literacy capacity, thereby improving your clients' capacity to use the healthcare system, and we do this by developing and disseminating best practices and supporting resources and by providing technical assistance and training through national and localized activities.

Liesl Lu: We have a number of audiences of focus including program staff, clients, program managers and administrators, but also people who help enroll Ryan White Program clients such as navigators and certified application counselors. So you'll be able to find all of the resources that we'll be sharing on today's webinar on the Target Center page at targethiv.org/ACE, and today's Webinar will also be archived on the Target Center. You'll also receive an email when the webinar is posted so you can share it with your colleagues. If you forget the direct link, you can always find us by going to the Target website homepage. All of the TA projects are now highlighted at the bottom of the homepage in the new website design.

Liesl Lu: So today I'm joined by Mira Levinson and Molly Tasso from the ACE TA Center and Amy Killelea from the National Alliance of State and Territorial AIDS Directors, or NASTAD.

Liesl Lu: Mira is the ACE TA Center Project Director. She has been providing onsite and distance based technical assistance to Ryan White HIV AIDS Program grantees since 1998, developing and disseminating TA products and designing and implementing monitoring and reporting systems.

Liesl Lu: Molly is a Policy Analyst for the ACE TA Center. She specializes in health reform and its implications for people living with HIV as well as on Ryan White HIV AIDS Program community HIV/AIDS planning efforts.

Liesl Lu: And Amy is the Director of Health Systems Integration at NASTAD. She leads their health reform, public and private insurance and healthcare financing efforts, including providing resources and technical assistance for state HIV programs and developing recommendations to inform state and federal policy.

Liesl Lu: Also with us today to help us respond to your questions at the end of today's webinar is Rachelle Brill. Rachelle is a Senior Policy Analyst at community Catalyst and provides policy expertise to supporting enrollment assisters. She also researches and analyzes enrollment issues and trends and synthesizes them to share with federal and state policy makers. So we'll be hearing from her at the end of the webinar.

Liesl Lu: So during today's webinar we'll start off by hearing from Mira who will go over the basics of premium tax credits, or PTCs, and cost sharing reductions, also called CSRs. She'll explain how these subsidies are calculated and how they are different from each other.

Liesl Lu: Molly will then talk about how you can determine who is eligible for each subsidy using income and other criteria, and after that Molly will take us through a couple of case studies so that we can work through examples together of how these subsidies work.

Liesl Lu: Then after the case studies, Amy will explain how the Ryan White HIV/AIDS program, including ADAP, can provide additional financial assistance to help cover insurance costs. We set aside plenty of time for questions and discussion at the end. So go ahead and jot down your questions as they come to you and chat them to us as we go along.

Liesl Lu: So let's start off with a quick poll. We just wanted to see how many of you have been on an ACE TA Center webinar before, so I'll just give you a few moments to do that.

Liesl Lu: Okay, great. So it looks like about 75% of you have been on an ACE TA Center webinar before. That's great. Welcome back. And about 25% of you are new. So I think there'll be information that will be helpful to all of you, those returning as well as new attendees as we've updated the information from last year and included some timely info for this year's open enrollment.

Liesl Lu: So this year the marketplace annual open enrollment period will run from November 1st to December 15th, 2018. This 45 day open enrollment period applies to both federally facilitated marketplace states and state based marketplaces. However, state based marketplaces are allowed to extend their open enrollment period if they choose.

Liesl Lu: So just to go over some of those states specific open enrollment periods, there are seven states that are extending their open enrollment dates for their state based marketplaces. They include California, Colorado, Massachusetts, Minnesota, New York, Rhode Island, and the District of Columbia. As you can see here, California is the only state so far that's extending it's open enrollment on both ends, starting earlier and ending later. California's open enrollment will start on October 15th and it runs through January 15th, 2019.

Liesl Lu: For those of you that are in a state based marketplace state, you can check with your state's enrollment portal to find out the exact dates of open enrollment and if there've been any updates to those dates. We're going to chat out a link now that you can use to look up whether or not you live in a state with a federally facilitated marketplace or a state based exchange.

Liesl Lu: Now I'll hand it over to Mira to give you an overview of PTCs and CSRs.

Mira Levinson: Thanks Liesl and hi everybody. So PTCs and CSRSs, these are two forms of financial assistance offered through the health insurance marketplace. PTC stands for premium tax credits and CSR stands for cost sharing reductions. They have some things in common and they also have some important differences.

Mira Levinson: So let me just start by saying that when I say marketplace, I'm referring to healthcare.gov. That's the federally operated marketplace that Liesl was just talking about, but I'm also talking about all of the state operated marketplaces like Covered California and New York State of Health. These services help people shop for and enroll in affordable health insurance and the marketplaces provide health plan shopping and enrollment services through websites, call centers, and in person health. Financial assistance in the form of PTCs and CSRs is available to eligible clients who enroll in health insurance through the marketplace.

Mira Levinson: Let's start with premium tax credits, or PTCs for short. This is financial assistance from the federal government that is given in the form of a tax credit to lower the cost of premiums. That's the monthly bill we pay every month to keep our coverage. So premium is the big hint in premium tax credits. Again, PTCs are only available for plans purchased through the marketplace, PTCs are not available for off marketplace plans.

Mira Levinson: So now what's an advanced premium tax credit? It turns out there are two ways to get a PTC. First, during open enrollment clients can apply to get the credits in advance. In this case the tax credit is paid directly to the insurer by the marketplace every month and the person or family then pays that much less for their monthly premium. This is known as an advance payment of the premium tax credit, or APTC. In most cases, Ryan White clients are required to take the APTC to avoid owing any money to the program. Another advantage of the APTC to the client is that they don't have to pay out of pocket each month.

Mira Levinson: With the APTC, the tax credit is calculated based on the client's most recent income and in most cases this comes from their tax return. Then the amount of the APTC will be compared with their final income for the year to find out if they got the right amount. So any underpayments or overpayments have to be reconciled at the end of the year as part of the tax filing process, and Amy's going to talk about tax reconciliation a little later.

Mira Levinson: The other option is not to take the advanced payment. Instead some people wait to get the lump sum credit after they file their federal income tax. The person or family pays their full premium each month and gets money back at the end of the year, but this option is not recommended by Ryan White programs.

Mira Levinson: Now CSRs. Like premium tax credits, cost sharing reductions also come from the federal government. However, while PTCs help with premiums, CSRs are designed to reduce out-of-pocket costs. Those include deductibles, copays and coinsurance. Another way to refer to out-of-pocket cost is cost sharing, and that's why financial help for out-of-pocket cost is called cost sharing reduction.

Mira Levinson: ... may already know, marketplace plans come in four medal levels, bronze, silver, gold, and platinum, but cost sharing reductions are only available for silver level plans. When someone is available for CSR, the discounts are automatically applied to the CSR silver plan they enroll in, and this makes it nice and easy because they don't need to worry about reconciling CSRS at tax time. In other words, once a client is eligible for CSRs for the year, they just enroll in one of these discount plans and that's it. They get the benefit all year long.

Mira Levinson: So here's an image of the four medal levels in the marketplace, platinum, gold, silver, and bronze. The platinum plan has the highest premium and the lowest out-of-pocket costs. Individuals who plan to use a lot of health care services may find this level plan a good option. At the other end of the spectrum are bronze plans. These plans tend to have much higher out-of-pocket costs, including high deductibles and lower premiums. The silver plan is a good option for balancing the cost of the monthly premium with out-of-pocket costs, and also as we just discussed, CSRs are only available with silver plans. However, PTCs, premium tax credits can be applied at any medal level.

Mira Levinson: Ultimately, it's a matter of looking at the plans in your area to figure out which ones are going to be most cost effective for your clients while also providing the level of coverage they need.

Mira Levinson: Generally speaking, CSRs are available to people with household incomes between 100 and 250% of the federal poverty level, while people with household incomes between 100 and 400% can get PTCs. However, in states that have implemented Medicaid expansion, the low end of this range changes from 100 to 138% of the federal poverty level. That's because in Medicaid expansion states clients under 138% of federal poverty are eligible for expanded Medicaid. However, to keep things simple, we're just going to show 100% of FPL on these charts to keep things clear and just go with that.

Mira Levinson: So this table illustrates the relationship between eligibility for financial subsidies and family size. These numbers reflect the federal poverty level, or FPL guidelines, in 2018 for the continental U.S. and FPL guidelines are slightly different in both Hawaii and Alaska.

Mira Levinson: So for example, let's look at the first row. In a single person household, a person who earns between $12,140 and $30,350 is eligible for CSRs and if this person earns between $12,140 and $48,560, they are also eligible for premium tax credits.

Mira Levinson: Now let's take a look at the fourth row. Here you can see that a family of four can get cost sharing reductions if their household income is between $25,100 and $62,750. If they earn between $25,100 and $100,400, they can also get premium tax credits. Notice that the minimum income for both PTCs and CSRs is the same. So anyone that gets CSRs can also get PTCs. However, people between 250 and 400% of FPL are only eligible for PTCs.

Mira Levinson: The reason I'm showing you this slide is to just give you an idea of which of your clients are eligible for which subsidies. However, eligibility for both will be confirmed by the marketplace as part of the application process. We'll talk about that more in a little while.

Mira Levinson: Now let's look at an example of how cost sharing reductions work. So this table shows how CSRs reduced costs for a variety of different out-of-pocket costs depending on income. Again, your income needs to be in that bracket between 100% and 250 of FPL, but the thing here is that different amounts of CSRs are available depending on actual income.

Mira Levinson: So the first column shows the full pay amount for a person that does not qualify for CSRs at all. The second column shows costs for someone that earns between 201 and 250% FPL, and the third column shows costs for someone earning a bit less between 151 and 200. The last column is for people under 150% of federal poverty. So as you can see, costs for deductibles, annual out-of-pocket limits, copays, hospital visits, et cetera, are all reduced more and more as income goes down.

Mira Levinson: For example, the full cost of the deductible for our example plan is $2,000, but someone at the lowest end of the income scale, there is no deductible cost. Similarly, the annual maximum out-of-pocket limit for this plan, for someone with no CSR might be ... Let's see. $7,350 whereas for someone at the lowest income level, this limit is $1,000.

Mira Levinson: So remember this is just an example to show you how much CSRs can help with out-of-pocket costs. The chart does not reflect actual plan costs. Also, as I mentioned before, CSR reductions are automatically applied. People do not have to keep track of their own spending or get reimbursed.

Mira Levinson: Okay, so let's shift back to premium tax credits again. Remember, these are the tax credits that reduce premium costs for marketplace applicant's up to 400% of FPL and those are calculated based on household income.

Mira Levinson: The calculation is structured so that someone with a lower income pays a lower percentage of their income for their premium. So the lower their income, the bigger the tax credit. All this calculation happens behind the scenes and the amount is calculated automatically as part of a client's marketplace application. The calculation is based on income and how much certain benchmark plans cost. Once the client's income has been entered, they can look at marketplace plans and the premium amounts will automatically be reduced based on their tax credits. Also, the same amount of PTC is available for every marketplace plan at every medal level, not just silver plan.

Mira Levinson: So what do PTCs and CSRs have in common? First, lower income households between 100 and 250% FPL can receive both tax credits and cost sharing reductions. Whereas households between 250 and 400% are only eligible for tax credits. That means anyone who's eligible for a CSR can also get a PTC.

Mira Levinson: Second, eligibility for both tax credits and cost sharing reductions is determined when someone either applies or renews their coverage. The amount of financial help for both of these depends on both household income and the cost of the plan. It's important to remember here that not only does household income often change from one year to the next, but plan costs and subsidy amounts change too. So it's really important to help your clients review plan options every year based on how much financial health they might get. Along these lines, someone who wasn't eligible for financial assistance last year may well qualify for 2019. On the other hand, this works both ways, so just because someone received assistance last year doesn't mean they'll be eligible for the same amount in 2019.

Mira Levinson: So an important difference between PTCs and CSRs is when they get paid. We earlier talked a little bit about the two payment options, the APTC where the credit is paid directly to the insurance company every month in advance lowering the monthly premium payment. Or regular PTSs where the individual pays the full amount and waits to get their credit at the end of the year in a lump sum, which is generally not recommended for Ryan White Program. On the other hand, the CSR reduces the cost of all deductibles, co-payments and coinsurance all year long. There's also reduction there in the maximum amount a client can pay out of pocket for the year. So this means that once a consumer selects a CSR plan, their plan costs are automatically discounted.

Mira Levinson: While PTCs and CSRs can go a long way towards lowering the cost of health insurance, it's important to know that even if somebody has both types of assistance, there may still be some insurance costs. This is where the Ryan White program can step in. In many cases, Ryan White programs at state and local levels such as ADAP help pay the remaining costs for premiums and out-of-pocket expenses. Also, some of these programs review plans and recommended and support particular plans for Ryan White clients.

Mira Levinson: In these cases, it's especially important for clients and enrollment assisters to find out which plans are eligible for Ryan White support. So if you're helping clients through the enrollment or renewal process, make sure that the clients understand about these costs and also what they need to do to keep their coverage.

Mira Levinson: For example, they may need to stay enrolled in ADAP or they may need to fill out other sorts of paperwork on a routine basis. The ACE TA Center has two resources you can share with clients to help reinforce these talking points. The first is called Making the Most of Your Coverage and it provides information in plain language about how to identify important health insurance documents, understand basic insurance terms, and anticipate potential healthcare costs.

Mira Levinson: The second one, called Stay Covered All year Long, helps clients understand the importance of paying premiums on time and reporting income and household changes. It also talks about what to do if clients are worried they might lose coverage. So we're going to chat those links out to you now.

Mira Levinson: Okay, so let's recap. We've covered a lot of ground already. Here's a little chart showing what we've talked about so far. So, premium tax credits can be used to lower premiums while cost sharing reductions are used to lower everything else you see on the top of the slide, deductibles, copays and coinsurance. Tax credits can be paid in advance to lower monthly premiums or as one yearly lump sum. The cost sharing reductions are applied throughout the year to lower out-of-pocket costs. Also, remember that while PTCs are available to individuals earning up to 400% of FPL, CSRs are only available up to 250.

Mira Levinson: In addition, PTCs can be applied to any marketplace plan medal level while the cost sharing reduction can only be applied to silver plans. You can find all this information including a longer version of the chart I just showed you in our frequently asked questions document which is called FAQ Premium Tax Credits and Cost Sharing Reductions. So we're going to chat out a link to that now.

Mira Levinson: Let's do a little knowledge check. I'm gonna just put out a question to everybody and just select one of these answers because only one is correct. So what do premium tax credits and cost sharing reductions have in common? Let's see what people have to say. We're going to give you another minute or so to pick one of these. Okay. So option A is they both help pay for insurance premiums and actually no, the answer is on B that only premium tax credits help with that. Then a few people have chosen C, that they can both only be used for a silver plan, but actually you can use premium tax credits on any medal level.

Mira Levinson: So it looks like about three quarters of you chose that the amount depends on income. That is one thing that both PRCs and CSRs have in common so that item B is correct. So that's about it for me. I'm going to go ahead and turn it over to Molly now to talk more about eligibility.

Molly Tasso: Great. Thanks so much Mira. So now that we've covered the basics of PTCs and CSRs, let's talk a little bit about the application process and review some aspects of eligibility that go beyond income. Then, as Mira mentioned, I'll take us through a couple of case studies.

Molly Tasso: So the exact amount of both PTCs and CSRs is calculated by the marketplace as part of the application process and it's based on income. This process is called eligibility determination. However, in order to be eligible for PTCs and CSRs, clients must authorize collection of tax data from the IRS every year in order to receive or continue to receive these tax credits and cost sharing reductions. If a consumer does not authorize collection of tax data as part of their application process, they will not be able to get that financial assistance.

Molly Tasso: Also, tax credits and cost sharing reductions are only available for health plans purchased through the marketplace. So if your client is looking at a health insurance plan that's off the marketplace, just know that that financial assistance, the premium tax credits and the cost sharing reductions will not be available to support those plans.

Molly Tasso: Let's go over the rest of the eligibility criteria. So we've covered the first three rows in this table. The first two rows showing the income requirements for each of the subsidies.

Molly Tasso: Again, I just also wanted to take a moment and remind you that everything that PTCs and CSRs and all of the eligibility criteria listed in this table is only applicable to people buying plans on the marketplace.

Molly Tasso: So now let's look at the fourth row of the eligibility criteria. So people who receive premium tax credits or cost sharing reductions cannot also be eligible for CHIP, Medicaid or Medicare. They also can't be eligible for an employer plan that meets the ASA's definition of minimum essential coverage. Individuals applying for PTCs and CSRs may also not file a married filing separate tax return, except in cases of domestic abuse or spousal abandonment. Also people are not eligible if they are claimed as a dependent by another person.

Molly Tasso: I also want to mention how immigration status impacts eligibility for financial assistance. So if your clients are lawfully present in the United States, meaning that they are not a U.S. citizen but they have permission to live or work here and they meet the other eligibility requirements that we've talked about, they are eligible for the same PTCs and CSRs. If you'd like more information about the relationship between immigration status and health coverage, we're going to chat out a link to our immigration fact sheet right now.

Molly Tasso: Quickly, let's spend a moment on plan renewals. So even if a client feels they're happy with their current plan, it's important that they log into their marketplace account to update any income, or household information, household changes that may have occurred in the last year. These include an adoption or birth of a child, or someone moving in or out of the household, and this is a way that they can make sure that they're qualifying for the correct amount of advanced premium tax credits.

Molly Tasso: That said, we do strongly encourage all clients to carefully review the 2019 plans. So even if they are happy with their plan last year, the plans change from year to year and people's health needs change as well, and new options may be available as well. That could be a different price that may be better for our client. So regardless if they're happy with their plan or not, we encourage everyone to log on and review their plan options.

Molly Tasso: So before we move on, let's do another quick poll to see what we've learned. You can check all that apply on here. So take a moment and check off one or more answers that you think are correct. So which of these must be true for someone to be eligible for both premium tax credits and cost sharing reductions? All right. So it looks like A and C that they cannot be eligible for Medicaid and that they must be lawfully present in the United States, those are the two correct answers and it looks like people answered those together, which is great to see.

Molly Tasso: So B again, is not correct in that to be eligible for an advanced premium tax credit, the client's income must be between 100 and 400% of the federal poverty line, but to be eligible for a cost sharing reduction, the client must be under 250% of the federal poverty line.

Molly Tasso: So now we're going to walk through a couple examples that will help us understand how tax credits and cost sharing reductions work in practice and help you prepare to work with your clients during this year's open enrollment period.

Molly Tasso: So first up is our case study about Alex. You can see Alex here. For this exercise let's think as though we are his case manager, helping him review and enroll into an insurance plan. So after I describe him we will walk through some questions that we should be considering while assisting him. As you can see here, Alex lives alone and because his hours were reduced at his job, he now makes about $24,000, which puts him at about 200% of the federal poverty line.

Molly Tasso: He is currently enrolled in ADAP and also receives services through the Ryan White Part A Program in his community. Last year Alex enrolled in a plan through the marketplace and did receive premium tax credits. He liked his plan. So this year he's just looking to renew it and not make any changes.

Molly Tasso: So when we think about Alex and helping him enroll, there are a few important questions that we need to consider. So first of all, we need to be thinking about his eligibility for premium tax credits and/or cost sharing reductions. So if you want to go ahead and select one answer here. We are wondering, is Alex eligible at 200% of the federal poverty line to receive a premium tax credit and/or a cost sharing reduction?

Molly Tasso: So I'm not sure, on my end I don't see the poll being activated. So I'm just going to go ahead and walk us through this. So the correct answer is C, he is eligible for both because his income is between 100 and 200% of the federal poverty line. He's eligible for both premium tax credits and cost sharing reductions.

Molly Tasso: So moving on to the next slide. We need to know what medal level plan Alex can enroll into. So if he is receiving cost sharing reductions we should be thinking about whether or not there are specific medal level plans he should be looking at. So obviously the options are platinum, gold, silver, or bronze, or the option also is that we need to know if he can go ahead and enroll into any level plan.

Molly Tasso: So as we've talked about the correct answer to this poll is C, silver. Alex must enroll into a silver medal level plan if he does want to receive cost sharing reductions for deductibles, copays, and coinsurance. I want to note that the polls right now are ... I'm just going to be walking us through them. So don't worry if it's not popping up for you to select an answer. I trust that you would all get them correct.

Molly Tasso: So lastly, we need to figure out if Alex is eligible to be receiving financial assistance through the Ryan White and ADAP program. So we mentioned before that the Ryan White program may be able to provide financial assistance for premiums, copays and deductibles, but how do we know if he's eligible and if so, through what program?

Molly Tasso: So the options he could be eligible for financial assistance through ADAP, he could be eligible for assistance through the Ryan White Part A Program, he might not be eligible for any assistance at all, or we might just not know. So this was a bit of a trick question if you will, in that the answer is D, that we today cannot determine exactly if he is eligible for financial assistance.

Molly Tasso: So I had told you that he lives alone, but I didn't tell you what state he lives in. So because the Ryan White program, and the ADAP program, their financial assistance programs are different in every state, we can't say for sure whether or not he's eligible. But that just makes it so much more important for him to be working with either a case manager an enrollment assister, a Ryan White Program Director, or someone in his community to determine what financial assistance is available to him and then use that to purchase then a health insurance plan.

Molly Tasso: So the quick summary of Alex's situation, we know because he lives at approximately 200% of the federal poverty line he is eligible for both premium tax credits and cost sharing reductions. As a reminder, because Alex will be receiving a premium tax credit, he'll need to reconcile his taxes at the end of the year to make sure he'll be eligible for the same assistance next year.

Molly Tasso: Second, even though Alex likes his current plan, it is important that he visits the marketplace and compares the plans because his income also has dropped a little bit this year he's now eligible for discounted cost sharing reduction plans and, excuse me, new plans might be available that would be more appealing to him. Lastly, again while we can't say for certain, depending on his local Ryan White programs, Alex may qualify for financial assistance through the Ryan White program, including ADAP. So he could receive help paying for premiums, copays, and deductibles. So it's important for him to be working with his case manager to determine what type of assistance is available. As always, if there's any uncertainty, his case manager should always check with the program director, or the state ADAP coordinator to learn more.

Molly Tasso: So next, let's review the case of Vanessa. As the same with Alex I'm going to introduce Vanessa and we'll walk through the specifics of her situation and keep in mind we should be asking ourselves the questions as though we are helping her enroll into a plan. So as you can see, Vanessa lives alone and earns about $35,000, which puts her at about 290% of the federal poverty line. The ADAP program in her state provides financial support for some but not all plans offered on the marketplace, and she's applying for coverage through the marketplace for the first time.

Molly Tasso: First, we need to know if Vanessa is eligible for a premium tax credit and/or a cost sharing reduction. So the poll is up on your screens, so please go ahead and indicate what you think Vanessa would be eligible for.

Molly Tasso: Great. We've got a lot of answers coming in here, and it looks like most of you are indicating that the correct answer is A, premium tax credit only, which is the correct answer. So Vanessa is eligible for the premium tax credit only because if you remember, people are only eligible for, excuse me. Vanessa is eligible for a premium tax credit only, and it's important to remember that premium tax credits are eligible for people living between 250 and 400% of the federal poverty line. So because she falls in there at 290 she is eligible for that only.

Molly Tasso: Next we should know whether or not she's eligible to receive a premium tax credit. Now that we know, sorry, that she's eligible to receive a premium tax credit, we need to know if there are any restrictions on the type of plan that she can enroll into. So we need to know if she can enroll into any medal level plan she'd like. So go ahead and indicate yes or no on the screen there.

Molly Tasso: Awesome. So it looks like about three quarters of you have answered correctly that yes, she is able to enroll in a plan of any medal level with her premium tax credit. So because she is not eligible for cost sharing reductions, she's not required to enroll into a silver plan. You are only required to enroll into a silver plan if you're receiving those cost sharing reductions.

Molly Tasso: So finally, like we did with Alex let's just walk through a quick case study, sort of summary for Vanessa. So first, because she lives at approximately 290% of the federal poverty level she's only eligible for the premium tax credit and not also the cost sharing reduction.

Molly Tasso: Second, because she won't be receiving cost sharing reductions she's able to purchase any medal level plan in the marketplace and apply her premium tax credit to that plan. She is not restricted to only silver level plans as she would be if she were receiving cost sharing reductions. As a reminder though, Vanessa will need to work with her enrollment assister to know which plans her local ADAP will provide financial assistance for, because in some states it might not be the case that they will provide assistance for every plan. So it's very important to confirm that information.

Molly Tasso: Lastly, Vanessa should just remember that she will need to recertify her ADAP every six months to ensure that she's able to continue receiving the financial assistance through the Ryan White and ADAP program.

Molly Tasso: So I'm gonna wrap up here, but I just want to ... Again, it's been mentioned throughout the webinar, but I think it's really important to underscore again the importance of clients actively comparing plans during open enrollment. Even if they were happy with the plan that they have had this last year. If clients don't shop around, they may be auto enrolled into a plan that may just not be the best for their current financial or health needs.

Molly Tasso: So in the case of Alex, although he did like his plan from last year, he really should be logging into the marketplace and shopping around. If he doesn't actively choose a plan, he'll be automatically re-enrolled into his current plan on December 15th, which is the last day of open enrollment in most states.

Molly Tasso: This is important now, if his plan from last year is no longer available, he'll be auto enrolled into a different plan with a similar premium and although he'll be paying a similar price, there's no guarantee that the plan's benefit package will be the best option for his health needs. So like we say, plans change and people change, and it's crucial that clients actively renew their plans during this year's open enrollment.

Molly Tasso: With that I will turn it over to Amy who's going to talk with you about financial assistance available through the Ryan White and ADAP program.

Amy Killelea: Terrific. Thanks Molly and hi everyone. So yes, as molly said I'm going to talk in more detail about Ryan White program insurance assistance and particularly enrollment considerations for folks who rely on Ryan White and ADAP premium or copay assistance throughout the year.

Amy Killelea: First, a little bit of review on the HRSA HIV/AIDS insurance purchasing rules and we're not going to go into too much detail here, but we've got a link to the relevant policy clarification notice. For those of you on the call who are purchasing insurance for clients through Ryan White funds, I want to direct your attention to Policy Clarification Notice #18-01. It's fairly new, it was an update through consolidation of existing policies on insurance purchase that had existed in a bunch of different iterations and it's a really, really helpful resource on insurance purchasing across all of the Ryan White parts.

Amy Killelea: Just to sort of boil it down and review, Ryan White recipients, it may assist eligible low income clients with premiums and insurance cost sharing basically if two conditions are met. The first is that the plan covers a minimum number of HIV medications and the second, which is a little bit more complicated, is that it has to be cost effective to purchase insurance.

Amy Killelea: Really that boils down to looking on one side of the ledger, taking the cost of paying for health insurance coverage, so the premiums and cost sharing that you'd be paying. Then you compare those costs in the aggregate across all of your insured clients, not just person by person, but across everybody. You compare that to the other side of the ledger, which is what it would cost you to just pay for medications if you're ADAP and medications and ambulatory and outpatient care, if you are another Ryan White part.

Amy Killelea: So again, I'm not going to go into too, too much detail here, but I would direct you to 18-01 as a really helpful resource in spelling out some of the requirements and things to be aware of if you are purchasing insurance for folks.

Amy Killelea: So insurance assistance through the Ryan White program is not new. It's been around for many, many, many years. It predates the Affordable Care Act and Ryan White grantees have been and are helping clients with out-of-pocket insurance costs for a range of different insurance products, including employer sponsored insurance coverage, Medicare and COBRA.

Amy Killelea: For our purposes on that left side of the column, we're going to focus on those first two in bold, on and off marketplace coverage, but just know insurance purchase covers a much wider group of insurance plans and products. Then on the other side the types of costs, insurance costs that Ryan White and ADAP can and do support really is quite expansive. It includes premiums for sure, prescription drug cost sharing, deductibles, copays, and coinsurance associated with prescription drug coverage. [inaudible 00:44:07] cost sharing so the copays or coinsurance associated with HIV related medical care.

Amy Killelea: I'm going to say this throughout and I'll say it first now, it is very, very important to check with your state ADAP program as well as other Ryan White grantees in your area to see what insurance assistance is available. This is kind of a menu of options, but every insurance purchasing program is a little bit different and some may cover some things that another does not. So it's really important to first line talk to your ADAP and Part B Program, and then there may be other Ryan White parts in your local area who are doing insurance purchasing.

Amy Killelea: So we also wanted to give you a picture of what this assistant looks like in action. Just to sort of underscore how Ryan White and ADAP insurances just then sort of overlays on top of some of the premium tax credits and cost sharing reduction assistance that we just heard about.

Amy Killelea: So in the first example, you've got a client whose income qualifies him for advanced premium tax credits and cost sharing reductions. So we've got sort of a sample sort of scenario there. As you can see, even though this person is eligible for quite a bit in advanced premium tax credits and a pretty generous cost sharing reduction plan, he still has a premium obligation and copay obligations for both medical visits and prescription drugs every month. So that's where a ADAP or a Ryan White grantee, who's helping with insurance assistance comes in to pay what's leftover, and that's really important.

Amy Killelea: That's sort of an overlay on top of federal subsidies. We'll talk in a minute about sort of the Ryan White grantees who are paying on top of the premium tax credit, what they can do to ensure they're paying the right amount throughout the year. It adds a little bit of complication, but we'll get to that in a minute.

Amy Killelea: Then you've got in the example of right below, you see a client who purchases an off marketplace plan. I wanted to include this, we focus a lot on marketplace plans and that makes sense. Those are the plans where you have to enroll in through the marketplace to get premium tax credits or cost sharing reductions, but off marketplace plans can be important for particular populations in particular jurisdictions. These plans are still subject to ACA requirements. They are not eligible for any subsidies.

Amy Killelea: So bottom line is that they can be a lot more expensive when you're not getting any premium tax credits or cost sharing reductions. They are relevant for against certain populations and in some jurisdictions. They may be the only option available for clients who are categorically ineligible to enroll through the marketplace or in some states, frankly, the off market place options sometimes can have a better provider network or sometimes more robust coverage in some cases.

Amy Killelea: So Ryan White programs can help folks with these much higher out-of-pocket costs associated with these plans. Again, they're more expensive, right? But because our cost effectiveness test is in the aggregate, more expensive clients can be balanced out by less expensive clients. So I wanted to put this as an option particularly for some populations for whom it's the only option.

Amy Killelea: Again, Ryan White programs vary in terms of what they cover and it's really important to check with your state and local Ryan White resources to see what kind of help is available in your area to see what sort of the off marketplace or on marketplace insurance purchase assistance landscape really looks like.

Amy Killelea: So this slide, it should not be new. We've sort of put this up in webinars passed and it specifically is just for ADAP, so I want to note that. There are other Ryan White grantees that are doing insurance purchasing. This slide is just about what ADAPs are doing and it's specific to insurance assistance for qualified health plans sold through the marketplace.

Amy Killelea: So it's sort of one slice of our insurance purchasing world, but really we've shown this map at virtually every enrollment webinar since the ACA went into effect and the map has grown gradually more purple and I think that's important. The vast majority of ADAPs are able to assist clients in some way with these costs, and it really does make sense to have ADAP be a sort of first pass at what insurance purchasing and assistance is available.

Amy Killelea: I will say, even in the red states, so Texas is a really good example, there are for sure local Ryan White grantees, other parts. Part A's for instance, who are able to offer some insurance assistance. So that's where it's important to look at your local resources as well.

Amy Killelea: So a quick review on taxes and tax filing and we start early. It's never too early to start thinking about taxes, to start talking to clients about tax time. It is something that should be done early and often so that there are no surprises come April.

Amy Killelea: As we've covered on these webinars before, so this is a sort of quick review that why this is important, why taxes are relevant to the conversation about insurance assistance and premium tax credits is that when folks apply for the advanced premium tax credits, what they're doing is they're actually estimating their annual income for the upcoming plan year. They're doing that based on last year's income, based on sort of finite things, but it is an estimate on the upcoming annual income and that is used to determine the amount of advanced premium tax credits that they're going to get starting in January.

Amy Killelea: So at tax time, what the IRS does is essentially they're doing a check to see if that estimate that you made at application was right and that the amount of advanced premium tax credits the person got throughout the year was the correct amount. So if the income amount was off, if you guess wrong, or if your income went up or down throughout the year, clients could owe money to the IRS at the end of the year, or on the opposite side of that they could be owed a refund. This is important for clients to know, but it gets far more complicated when you've got ADAP or another Ryan White grantee paying the premiums on behalf of the client, because then you have to coordinate the overpayment and the underpayment.

Amy Killelea: So really bottom line here, the goal here is to avoid the discrepancy at tax time and make sure that the client receives the right amount of advanced premium tax credits throughout the year. This is really why it's really, really important to make sure the marketplace has the most accurate and up to date information.

Amy Killelea: So a real quick review on sort of the phases of the process. You've got that application which we have been talking a lot about during this webinar where folks are applying. I'm sorry, back one. Where folks are applying for help for advanced premium tax credits, cost sharing reductions. That is step one. During the year that is really probably the most important time to be checking in about reporting income changes. Again, since the income determination at application was an estimate, it's really important if a person has a midyear change to be reporting that to the marketplace.

Amy Killelea: Then finally we get to tax time. So I'll reiterate this a couple of times because it's really, really important. Anyone who received advanced premium tax credits have to file their taxes or if they want premium tax credits as a refund, we have talked about how most Ryan White grantees steer folks away from getting premium tax credits as a refund. It's really important to emphasize taking that in advance, but you cannot avoid the federal taxes. That is a part of the eligibility for continuing to get advanced premium tax credits. You have to file your taxes and go through that reconciliation process and this is where the IRS does that check to see if the person received the right amount of advanced premium tax credits based on actual income reported on your federal tax return.

Amy Killelea: So I will have another webinar, the ACE TA Center will, just on taxes. An entire webinar on taxes. So we will delay the details then, but we want to flag this because really the processes you put in place at enrollment can make tax time go smoothly for all concerned when you get to filing your federal taxes.

Amy Killelea: The next slide. So just really quickly, with that sort of in mind of kind of the three areas, I wanted to review some policies that Ryan White grantees can put in place kind of throughout the year. At application and enrollment throughout the coverage year and then at tax time.

Amy Killelea: At application, and really right now as you're sort of getting ready for enrollment, it's important to message first off the importance of clients opting to receive the tax credit in advance as opposed to in the form of a refund when they file taxes. Then just a time to emphasize the requirement to file federal taxes if you receive advanced premium tax credits. Many case managers and grantees have really built that into their client education process so that the tax component is not a surprise come tax time.

Amy Killelea: During the year it's really, really important to be talking to clients about any changes in their income, helping clients to report changes to the marketplace, and really ensuring that the client is receiving the right amount of advanced premium tax credits throughout the year and avoiding any of the overpayments or underpayments.

Amy Killelea: For ADAP's six months recertification, this is a really good time to check in on this, but there are many interactions and touch points with clients throughout the year where reporting income changes [inaudible 00:54:11] part of that conversation.

Amy Killelea: Then at tax time, and again, we will discuss tax time in more detail in a future webinar, but I would say the biggest thing is to make sure that folks have access to appropriate tax resources. This is often not a skill set of case managers, nor really should it be but there are plenty of tax assistance help out there. There have been some programs that have actually engaged professional tax preparers as an allowed service to help clients get professional tax help and that has made a big difference in terms of how smoothly the reconciliation process goes.

Amy Killelea: We'll talk in more detail about sort of what ADAPs and Ryan White programs can do in the event of an overpayment and an underpayment, but there are policies that ADAPs can put in place and in some cases have to put in place when there is an underpayment or overpayment. Particularly on whether ADAPs or Ryan White grantees can help when somebody owes money back to the IRS, so they were paid too little in advanced premium tax credits throughout the year. Come tax time they find out that the IRS ...

Amy Killelea: Or I'm sorry. They were paid too muCh in tax creditS throughout the year. Come tax time they find out that the IRS owes the client a refund check. I'm sorry. I'm messing this up for you guys. They have to pay the IRS back because they were given too much in tax credits throughout the year. ADAP and Ryan White policies vary on whether Ryan White and ADAPs can help that client pay that amount back to the IRS. That's another area. Check with your local Ryan White grantee, check with ADAP.

Amy Killelea: On the flip side of that, ADAPs and Ryan White grantees really have to be working with clients to recoup any refunds that the client received. So these are, again, a little bit complicated, but these are important conversations to have not just at tax time but at application and throughout the year.

Amy Killelea: Finally, the last one I want to end with, and this is really critical to enrollment efforts and this is again a reminder that filing the federal taxes is a requirement for receiving advanced premium tax credits. So you really have to have filed in the past year in which you received the advanced premium tax credits and that becomes relevant when you go to enroll in subsidized coverage for the upcoming year.

Amy Killelea: So in this example, you've got a client who is enrolled in coverage, receiving advanced premium tax credits in 2017. So their taxes would have been due in April of 2018. So it's important to be talking with that client in April, and even past April if the tax return has not yet been filed, to ensure that that client filed federal taxes.

Amy Killelea: So you've got sort of two options here. The simple option is yes, the client filed their federal taxes as they had to do, reconciled their income for 2017, and they're good to go. IRS will, in most cases, send updated information to the marketplace about income and the client can enroll in subsidized coverage for the 2019 plan year. So that's simple, that's the way that it's supposed to go, but there are going to be cases where the answer is no.

Amy Killelea: The client was supposed to file their federal taxes for 2017, but they have not yet done that and so now they're trying to get subsidies again for 2019 coverage and you have to have filed your federal taxes. So the first response is going to be you're not eligible for APTCs because you did not file your federal taxes for that last year in which you received APTCs.

Amy Killelea: I would say a couple of things about that. It's not too late. Clients should still be urged to file their federal taxes for 2017. Now is a perfect time to be making sure that clients have done that. The other thing that's important to know that's a little bit different is that previous rules have required that the marketplace had to provide enrollees with information about failing to reconcile. So if you were in that situation where you just didn't file your federal taxes in April of 2018, you just kind of let that slide, you were getting notices from the marketplace that said, "Hey, you have to reconcile or you're losing APTCs," and given a chance to sort of correct that.

Amy Killelea: So now the new rule that's in effect has removed that requirement to send the notice before discontinuing the advanced premium tax credits moving forward and that's important. That I think puts an even stronger role of the case manager to remind consumers to be filing taxes and to remind consumers that if they didn't file taxes, they're not going to be eligible for advanced premium tax credits. They would be eligible for unsubsidized coverage but not the premium tax credits.

Amy Killelea: So, just to sum up some considerations, it's really important to ensure that clients know what all assistance is available to them. It varies from jurisdiction to jurisdiction. State programs vary, local Ryan White assistance varies so it's very important to check in with state and local resources. I've said it a lot, it's really important to remind clients at every step and every opportunity to file their federal taxes if they've received advanced premium tax credits and that will continue to be true.

Amy Killelea: Then it is enrollment, but tax season is going to come up before we know it and it is important to keep abreast, to remind yourself and remind clients of the tax reconciliation requirements, and kind of figure out what you can do to prepare for tax reconciliation at tax time, and what processes you can have in place to make the tax process easy and simple for folks.

Amy Killelea: Then finally, and this will start right in January, reminding clients at various points to report any changes in income. Really the easiest way to avoid reconciliation challenges is not to have a discrepancy, is to have the amount that you are getting in advanced premium tax credits throughout the year be the right amount, reflect your income. The only way really to do that is to make sure the marketplace is aware of accurate and up to date income.

Liesl Lu: Great. Thank you Amy. So now we're going to open it up for questions and we have had some come in during the webinar. Before we get to those, I just want to let everyone know that we will be sharing a copy of the slides later this week. We apologize we weren't able to get it out in time before the webinar because of some last minute changes, but we will have that for you later this week. So please chat in your questions if you have them.

Liesl Lu: Just as a reminder, we have Rachelle Brill here from Community Catalyst. She's a senior policy analyst who will be helping answer many of the questions today. So the first one we have is, "What is silver loading and how does it impact folks that apply for coverage for 29th team plans on the marketplace?" Rachelle, you want to take that one?

Rachelle Brill: Thanks, yes. Well, I'll answer the definition of silver loading first and then how it impacts folks applying for coverage. So silver loading is a technique that's used by insurers recently in which they increase the cost of the second lowest cost silver plan on the marketplace. The reason they did this is because the federal government recently decided to no longer reimburse insurers for cost sharing reductions, but what's important to remember is that insurers are still required to provide these cost sharing reductions to their enrollees. So cost sharing reductions are definitely still available for this upcoming open enrollment period for individuals between 100 and 250% of the federal poverty level.

Rachelle Brill: However, as a way to sort of recoup some of the costs that they have lost from that reimbursement, they increased the cost of the second lowest cost silver plan. This shouldn't have an impact though on individuals applying for coverage if they're APTC eligible and enroll in either the second lowest cost silver plan or even a bronze plan because even when the cost of those plans go up, the amount of the premium tax credit you're able to receive is the same. So even as a result of silver loading, health coverage should still be affordable for individuals eligible for PTCs and APTCs.

Liesl Lu: Great. Thank you. So the next question is, "Is there a resource where I can get more information for enrollment assisters or speak with other enrollment assisters?"

Rachelle Brill: Great question. Yes. There's actually a private online forum specifically meant for enrollment assisters such as navigators, certified application counselors or other individuals assisting with the Affordable Care Act enrollment called In the Loop. I think we'll chat out the link to that website right now. It's www.enrollmentloop.org. There is a registration process in which you're just supposed to notify us about how you assist with enrollment, but then once you get through the registration process you are able to speak with individuals providing enrollment assistance in both federally facilitated and state based marketplaces.

Liesl Lu: Great. Thanks Rachelle and then we have a number of questions clarifying PTCs and CSRs. So the first one is, "Can you have both a PTC and a CSR?"

Rachelle Brill: Yes, the short answer is yes. If you meet all of the eligibility requirements for both. So if you're eligible for PTCs and your income is between 100 and 250% of the poverty level and you enroll in a silver level plan, you can get both. So I think a good way to go about determining eligibility for both is to walk through the eligibility requirements for PTCs first that Molly went through earlier. Such as not being eligible for a different type of minimum essential coverage, being a U.S. citizen or lawfully present individual, filing a married filing jointly tax return if you are married and those other types of requirements. Then look at your client's income and what type of plan they're enrolling in.

Rachelle Brill: So if they're between 100 and 250%, they're eligible for both PTCs and CSRs if they're also enrolled in a silver plan, but if they're above 250% or not enrolled in a silver plan, they won't be eligible for CSRs but still be eligible for PTCs.

Liesl Lu: Great. Thanks for that clarification and then the next one is, "Can you clarify the eligibility percentage for PTC and CSRs?"

Rachelle Brill: Sure thing. So the general rule is that to be eligible for PTCs you need to be between 100 and 400% of the federal poverty level, but for CSRs it's a smaller income percentage window. You need to be between 100 and 250% of the federal poverty level to be eligible for CSRs. The only exception to the PTC eligibility rule though is that lawfully present individuals who aren't U.S. citizens, so individuals who have green Cards or Visas can still be eligible for PTCs even if their income is below 100%.

Liesl Lu: Thanks Rachelle and I think we have a few more for you. So the next one is, "I have a patient who wants to opt out of his employer plan. Can he enroll in the marketplace?"

Rachelle Brill: He can if the offer of employer sponsored insurance is unaffordable or doesn't meet minimum value. This year an offer of employer sponsored insurance is considered affordable if the total amount an individual's expected to spend on premiums is less than 9.86% of their income, so close to 10% of their income. If the offer is above that amount, if they're expected to contribute more than 9.86% of their income just towards premiums, that offer will be considered unaffordable and they can be eligible for tax credits on the marketplace.

Rachelle Brill: In addition, the offers of employer sponsored insurance are also supposed to meet what's called minimum value, which is where they cover at least 60% of the cost of medical services. So an offer of ESI really needs to be both, both affordable and minimum value and if they're not, an individual can be eligible for premium tax credits and cost sharing reductions.

Liesl Lu: Great. Thanks Rachelle. So now we're going to have one for Amy. The question is, "How does enrollment in EB-HIPP and reimbursement for healthcare premiums by the employer affect an employee's tax status? Does it raise their income and potentially charge their tax bracket?" Amy, can you take that one?

Amy Killelea: Yeah. I can take that one and we believe that EB-HIPP is California's ADAP premium subsidy program. So many ADAPs, as I said in the list of different insurance that ADAP or Ryan White grantees are helping with, it includes employer sponsored insurance. So they are paying the employee responsibility for the premium for the employer sponsored insurance. The short answer to this question is that ADAP assistance does not count as taxable income. So it will not have an impact on an employee's tax status. I will say that this is a little bit of a sort of specific and technical issue that's come up for ADAPs.

Amy Killelea: NASTAD has some resources on some of the legal citations for this and so if you want to chat out my email or someone wants to follow up with me if you are from an ADAP with this question, I'm happy to follow up with those more specific and technical sort of legal citations and resources about this issue.

Liesl Lu: Thanks, Amy. So the next question is, "One of my clients did not file taxes because she was told that since she did not have any income, she didn't have to have health insurance. Would she qualify to apply?"

Amy Killelea: Yeah. So I was trying to figure out the specifics of this question. So I will kind of say based on my assumptions and first off, we sort of have to parse out why the tax filing was important, and that's if you are applying for advanced premium tax credits for marketplace coverage. For the most part, those are available for folks between 100 and 400% of the federal poverty level. So those folks would not qualify for an exemption from filing federal taxes, and the federal tax filing is a part of the eligibility process, or requirement rather if you're receiving advanced premium tax credits.

Amy Killelea: That said, then there are also exemptions from ... Or what previously, no longer exist for 29, but there previously were exemptions for the requirement to have health insurance or pay a penalty at tax time. Folks who didn't have to file federal taxes did not have to enroll in coverage. But for the most part when we're talking about eligibility for advanced premium tax credits, we're talking about people who make above the tax filing threshold and are part of that requirement.

Liesl Lu: Thanks Amy. We're just assessing a few more questions if you just give us a minute here. If you have any additional questions, please do chat them in to us and we will answer them. So it looks like that may be all the questions that we've received today. If you have any additional questions that come up after we log off this afternoon, as I had mentioned before you can always send us an email at ACE TA Center. So it's A-C-E T-A Center@jsi.com. I was just checking to make sure we didn't have any other questions.

Liesl Lu: So I think with that we will conclude today's webinar. I'll just remind you to keep your webinar window open to complete the evaluation when it pops up and to sign up for our mailing list if you haven't already. I want to thank all of our presenters today for being here, for presenting and helping with answering questions and we will have our tax webinar in the middle of the winter sometime, February or March. So stay tuned for that. So thanks everyone and have a great afternoon. Goodbye.