



# AFFORDABLE CARE ACT MARKETPLACE SUBSIDIES IN ALASKA

November 2013

## KEY POINTS

- Families between 100% and 400% of Federal Poverty Levels (FPL) may be eligible for monthly premium subsidies in the form of tax credits.
- Deductibles, coinsurance, copays, and maximum out-of-pocket expenses may be reduced for families between 100% and 250% FPL. This is called “cost sharing reduction.”
- Fifteen different preventative care services are available without being subject to copays, coinsurance, or deductible.
- American Indians and Alaska Natives who purchase insurance through the Marketplace do not have to pay copays or other cost sharing if their income is under 300% FPL.
- Non-disabled adults without children at home, who are below 100% FPL, do not qualify for Medicaid, premium tax credits or assistance with out-of-pocket expenses.
- Two companies, Premera Blue Cross Blue Shield of AK and Moda Health are offering Qualified Health Plans for Alaska through the federal Health Insurance Marketplace.
- Policies are organized into precious metal categories (bronze, silver, or gold), representing increasing actuarial values (60%, 70%, and 80% respectively).
- Premium subsidies vary considerably based on family size, ages, and income.

## KEY EXAMPLES

*The following examples are for illustration only.* The actual premium tax credits may vary based on the plan selected, the household size, location within Alaska, and income. More examples are included at the end of the document.

**Brianne is a single mother, 29 years old, with three children.** Her annual income is 175% FPL (\$51,520). Because of her income, the children are on Denali KidCare. Brianne, however, is uninsured. She can purchase a silver plan just for herself for \$379 per month. Her tax credit is based on a family of four, so she will pay \$221 per month (5.15% of her income), and receive a tax credit of \$158. Her out-of-pocket costs are also limited to an annual family maximum of \$4,500.

**James is a single father, also 29 years old, with three children.** His annual income is 250% FPL (\$73,600), so his children are not eligible for Denali KidCare. He can purchase a silver policy for \$1,024 for the whole family. He is responsible for paying \$494 monthly, and receives a tax credit of \$530 each month. His out-of-pocket costs for the family, not including the monthly premium, are limited to an annual maximum of \$10,400.

**Ona and Bill are 37 and 35, with four children.** Their income is exactly 400% FPL (\$158,000) annually. They can purchase a silver policy for their family for \$1,478 monthly. They must contribute \$1,251 and their tax credit is \$227 per month. However, should their income exceed 400% FPL, even by \$1, they would not be eligible for the health insurance tax credit. Their annual out-of-pocket is not subsidized, but it is capped at \$12,700, as it is for everyone above 250% FPL.

**Dick and Jane are 58 and 62, and their income is 300% FPL (\$58,140).** They can purchase a silver policy in the Marketplace for \$1,836 per month. Based on their income, they will pay \$460 per month for the premium, and receive a monthly tax credit of \$1,376. They will not receive subsidies for their annual out-of-pocket costs.

## BACKGROUND

The Patient Protection and Affordable Care Act authorizes financial assistance in the form of health insurance subsidies for individuals and families between 100% and 400% of the Federal Poverty Levels (FPL)<sup>1</sup> who do not have access to affordable coverage through their employer or other government agency. These subsidies become available January 1, 2014. The purpose of the financial assistance is to make health insurance more affordable and to encourage participation in the Health Insurance Marketplace.

This Policy Brief explains the subsidies available to Alaskan families at different income levels, gives examples of insurance policies available through the Alaska Marketplace, and explains how subsidies will be applied to monthly premium and out-of-pocket expenses. If a person requires a quote for possible coverage, he/she is directed to Enroll Alaska at 1-855-385-5550 or 1-907-770-5100, or to local patient navigators employed at health care sites for help determining actual coverage options. ***This document is not intended to be a definitive quote for actual policies, nor does it explain all of the requirements for Medicaid eligibility.*** It is to be used only to explain the general concepts of subsidies available through the Alaska Health Insurance Marketplace.

## SUBSIDIES AVAILABLE

Two types of subsidies are available. The first is a monthly premium tax credit. The family pays a portion of their monthly premium, based on a percentage of their income which ranges from 2% to 9.5%. The federal government pays the remainder of the premium, in the form of a tax credit. The monthly tax credit is the amount that the federal government will pay directly to the health insurance plan, based on the projected family income for the year.

When the family files their annual income tax return, an adjustment may be necessary to ensure that the proper amount of tax credit was applied. Families may also choose to purchase a Qualified Health Plan through the Marketplace without receiving monthly premium tax credits in advance, applying for the credit on their annual tax returns instead. The premium tax credit is available for families between 100% and 400% FPL who do not have access to affordable coverage through their employer or other government agency. Premium subsidies are not available for catastrophic plans, which are only available to adults under 30 or people for whom a bronze, silver, or gold plan is unaffordable.

The second type of subsidy is cost sharing assistance which limits out-of-pocket costs for deductibles, coinsurance, and/or copays. The subsidies decrease as family income increases, up to 250% FPL. The maximum annual out-of-pocket does not include monthly premiums. For families above 250% FPL, maximum annual out-of-pocket is capped at \$6,300 per individual and \$12,700 for families, when they receive care in-network.

Families can shop for policies and get specific information about subsidies available to them at the Health Insurance Marketplace of Alaska, operated by the federal government at [healthcare.gov](http://healthcare.gov). In addition, people with employer-sponsored insurance may be eligible for coverage and the tax credit through the Marketplace if their share of the premium for the employer-sponsored coverage (for self-only, not including family) exceeds 9.5% of their income.<sup>2</sup>

## COVERAGE GAP

Alaska is not participating in the Medicaid Expansion which would have expanded Medicaid to non-disabled adults with incomes from 0-138% FPL. For Alaskans below 100% FPL, there are no subsidies available on the marketplace. Children in families with income up to 203% of the FPL will be eligible for Denali KidCare (Medicaid), based on new income-determination methods required by the Affordable Care Act. Parents in a household with children are eligible for Medicaid if their income is up to 129% FPL.<sup>3</sup>

Non-disabled adults without children at home who are below 100% FPL do not qualify for Medicaid, premium tax credits or assistance with out-of-pocket expenses. This is often termed the “coverage gap”. According to the Urban Institute, 32,000 Alaskans (4.4% of the population) fall into this category. 13,000 are Alaska Native or American Indian and can obtain some services at IHS or tribally operated facilities. 19,000 Alaskans are below 100% FPL, do not qualify for Medicaid, are not Alaska Native or American Indian, and do not have access to coverage assistance through the Affordable Care Act Marketplace. Options for health care are very limited for these Alaskans:

- pay out-of-pocket for their care;
- purchase health insurance at full price;
- obtain primary care services at a sliding discount if they live in a community with a community health center;
- rely on charity care from local hospitals if they live in a community with a hospital that offers charity care;
- go without health care services.

The following two tables illustrate the amount various families will be responsible for contributing to their premiums and out-of-pocket expenses annually, based on a percentage of their income and family size. The monthly premium contribution is the amount that a family will contribute towards their premium, based on the second lowest cost silver plan for the area they live in, and assuming the premium is at least that amount. If a family chooses a more expensive plan, they pay the difference in the premium between the plan they choose and the second lowest cost silver plan.

**Table 1** are examples at the lower and upper range of subsidies. Premium subsidies are not available for families at income levels above 400% FPL or below 100% FPL. Additional tables for other income levels are included in **Appendix 1**.

**Table 1 INCOME AND SUBSIDIES AT 100%, 150%, 300%, 400% OF THE FEDERAL POVERTY LEVEL**

100% FEDERAL POVERTY LEVEL <sup>3</sup>						150% FEDERAL POVERTY LEVEL					
FAMILY SIZE <sup>4</sup>	AVERAGE HOURLY INCOME	MONTHLY INCOME <sup>5</sup>	ANNUAL INCOME	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET	FAMILY SIZE	AVERAGE HOURLY INCOME	MONTHLY INCOME	ANNUAL INCOME	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE <sup>6</sup>	MAX. ANNUAL OUT-OF-POCKET
1	\$6.90	\$1,196	\$14,350	\$24	\$2,250	1	\$10.35	\$1,794	\$21,525	\$72	\$2,250
2	\$9.32	\$1,615	\$19,380	\$32	\$4,500	2	\$13.98	\$2,423	\$29,070	\$97	\$4,500
3	\$11.74	\$2,034	\$24,410	\$41	\$4,500	3	\$17.60	\$3,051	\$36,615	\$122	\$4,500
4	\$14.15	\$2,453	\$29,440	\$49	\$4,500	4	\$21.23	\$3,680	\$44,160	\$147	\$4,500
5	\$16.57	\$2,873	\$34,470	\$57	\$4,500	5	\$24.86	\$4,309	\$51,705	\$172	\$4,500
6	\$18.99	\$3,292	\$39,500	\$66	\$4,500	6	\$28.49	\$4,938	\$59,250	\$198	\$4,500

Although the tables show the required monthly contribution as an amount, it is actually calculated as a percentage of Modified Adjusted Gross Income (MAGI)<sup>7</sup>; and the percentage rises incrementally. For example, up to 133% of FPL, the premium contribution is 2% of income; it rises to 4% of income at 150% FPL, 8.05% at 250% FPL, and at 300-400%, the contribution is 9.5% of income.

300% FEDERAL POVERTY LEVEL						400% FEDERAL POVERTY LEVEL <sup>7</sup>					
FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET	FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$20.70	\$3,588	\$43,050	\$341	\$6,350	1	\$27.60	\$4,783	\$57,400	\$454	\$6,350
2	\$27.95	\$4,845	\$58,140	\$460	\$12,700	2	\$37.27	\$6,460	\$77,520	\$614	\$12,700
3	\$35.21	\$6,103	\$73,230	\$580	\$12,700	3	\$46.94	\$8,137	\$97,640	\$773	\$12,700
4	\$42.46	\$7,360	\$88,320	\$699	\$12,700	4	\$56.62	\$9,813	\$117,760	\$932	\$12,700
5	\$49.72	\$8,618	\$103,410	\$819	\$12,700	5	\$66.29	\$11,490	\$137,880	\$1,092	\$12,700
6	\$56.97	\$9,875	\$118,500	\$938	\$12,700	6	\$75.96	\$13,167	\$158,000	\$1,251	\$12,700

## HEALTH PLANS AVAILABLE

All health plans offered through the Marketplace must meet the requirements of “Qualified Health Plans.” This means they will cover essential health benefits, limit the amount of cost sharing (such as deductibles and copays) for covered benefits, and satisfy all other consumer protections required under the Affordable Care Act.<sup>8</sup> There are two health insurance companies eligible to offer Qualified Health Plans through the Marketplace to Alaskans; Premera Blue Cross Blue Shield of Alaska, and Moda Health. Other insurance agencies, such as Aetna and Assurant Health, offer policies for Alaskans outside the Marketplace.<sup>9</sup>

### *Qualified Health Plans: Ten Essential Benefits*

1. ambulatory patient services;
2. emergency services;
3. hospitalization;
4. maternity and newborn care;
5. mental health and substance use disorder services, including behavioral health treatment;
6. prescription drugs;
7. rehabilitative and habilitative services and devices;
8. laboratory services;
9. preventive and wellness services and chronic disease management; and
10. pediatric services, including oral and vision care.

Insurance policies must cover these benefits in order to be certified and offered in the Health Insurance Marketplace. All Qualified Health Plans must cover a list of preventive services without charging a copayment or coinsurance, if delivered in-network.<sup>10</sup> This is true even if the annual deductible is not yet met.

Health plans vary based on the level of cost sharing required. Plans are organized into Bronze, Silver, and Gold levels to indicate the overall amount of cost sharing they require (actuarial value - 60%, 70%, and 80% respectively). Premiums also vary by the number of people on the plan, the ages of people covered, and tobacco usage. Premera has three geographic rating areas in Alaska.<sup>11</sup> Moda and Premera have different networks, which may influence which plan is best based on where a family lives.

The following tables include a sample of some available plans from the two insurers. Combined tables for young and middle-aged families are included in [Appendix 2](#). The examples all show *in-network* copays, deductibles, coinsurance, and maximum out-of-pocket. Out-of-network may vary considerably.

The plans vary by deductible, coinsurance, copays, and out-of-pocket maximums. The tax credit and other subsidies are all based on the “second lowest cost silver plan” available in the area. A family may purchase a bronze plan and pay a lower premium; the tax credit will remain the same. Similarly, the family may purchase a gold plan and pay a higher premium; the tax credit remains unaffected.

Six sample families are presented in the tables. Younger families are represented in [Table 2](#), and more middle-aged families in [Table 3](#). Premera and Moda monthly premium rates are specific to the precise age of each family member.

**Table 2 YOUNGER FAMILIES**

SELECTED PLAN CHARACTERISTICS-IN NETWORK	PREMERA BC/BS OF ALASKA <sup>12</sup>				MODA HEALTH ALASKA SAMPLE PLANS <sup>13</sup>				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
DEDUCTIBLE FOR INDIVIDUAL	\$6,350	\$2,500	\$2,000	\$1,000	\$5,250	\$2,500	\$1,250	\$750	\$6,350
MAXIMUM DEDUCTIBLE FOR FAMILY	\$12,700	\$5,000	\$4,000	\$2,000	\$10,500	\$5,000	\$2,500	\$1,500	\$12,700
PRIMARY CARE COINSURANCE OR COPAY	0%	20%	20%	20%	40%	\$30 first five, then 35%	\$25	\$15	\$45 first three, then \$0
OUT-OF-POCKET MAX PER INDIVIDUAL	\$6,350	\$4,500	\$6,350	\$5,000	\$6,350	\$6,000	\$6,350	\$4,750	\$6,350
OUT-OF-POCKET MAX PER FAMILY	\$12,700	\$9,000	\$12,700	\$10,000	\$12,700	\$12,000	\$12,700	\$9,500	\$12,700

**SAMPLE NON-SMOKER MONTHLY PREMIUMS BY FAMILY SIZE AND AGES**

FAMILY SIZE (AGES)	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
1 (28)	\$324	\$368	\$431	\$453	\$263	\$324	\$373	\$417	\$245
2 (24 + 26)	\$603	\$686	\$780	\$842	\$499	\$603	\$696	\$777	\$456
3 (28 + 29 + 6)	\$846	\$962	\$1,095	\$1,183	\$688	\$846	\$975	\$1,090	\$640
4 (29 + 10 + 5 + 2)	\$900	\$1,024	\$1,166	\$1,258	\$733	\$900	\$1,038	\$1,161	\$681
5 (32 + 29 + 8 + 4 + 1)	\$1,252	\$1,425	\$1,622	\$1,751	\$1,020	\$1,252	\$1,444	\$1,615	\$947
6 (37 + 35 + 16 + 13 + 11 + 5)	\$1,300	\$1,478	\$1,683	\$1,816	\$1,058	\$1,299	\$1,499	\$1,676	\$983

**Table 3 OLDER FAMILIES**

SELECTED PLAN CHARACTERISTICS-IN NETWORK	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
DEDUCTIBLE FOR INDIVIDUAL	\$6,350	\$2,500	\$2,000	\$1,000	\$5,250	\$2,500	\$1,250	\$750	\$6,350
MAXIMUM DEDUCTIBLE FOR FAMILY	\$12,700	\$5,000	\$4,000	\$2,000	\$10,500	\$5,000	\$2,500	\$1,500	\$12,700
PRIMARY CARE COINSURANCE OR COPAY	0%	20%	20%	20%	40%	\$30 first five, then 35%	\$25	\$15	\$45 first three, then \$0
OUT-OF-POCKET MAX PER INDIVIDUAL	\$6,350	\$4,500	\$6,350	\$5,000	\$6,350	\$6,000	\$6,350	\$4,750	\$6,350
OUT-OF-POCKET MAX PER FAMILY	\$12,700	\$9,000	\$12,700	\$10,000	\$12,700	\$12,000	\$12,700	\$9,500	\$12,700

**SAMPLE NON-SMOKER MONTHLY PREMIUMS BY FAMILY SIZE AND AGES**

FAMILY SIZE (AGES)	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
1 (50)	\$532	\$605	\$688	\$744	\$433	\$532	\$614	\$685	\$402
2 (58 + 62)	\$1,615	\$1,836	\$2,089	\$2,257	\$1,314	\$1,613	\$1,862	\$2,080	\$1,221
3 (57 + 56 + 18)	\$1,610	\$1,831	\$2,083	\$2,250	\$1,310	\$1,608	\$1,856	\$2,074	\$1,217
4 (40 + 10 + 5 + 2)	\$948	\$1,078	\$1,228	\$1,324	\$772	\$947	\$1,093	\$1,222	\$717
5 (47 + 45 + 12 + 10 + 6)	\$1,463	\$1,664	\$1,894	\$2,044	\$1,191	\$1,462	\$1,687	\$1,886	\$1,106
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,690	\$1,922	\$2,188	\$2,362	\$1,375	\$1,689	\$1,949	\$2,178	\$1,278

The Premera plans presented include the least and most expensive silver plans available, as well as a bronze (less expensive premium/higher out-of-pocket) and gold (more expensive premium/ lower out-of-pocket) plan. The Moda Health examples include a catastrophic plan as well. Catastrophic plans are only for adults up to age 30, and for older people who can't find any other Marketplace policy that costs less than 8 percent of their income.

For simplicity, only a sample of plan characteristics is included in the table. All family members are assumed to be nonsmokers; rates for smokers are higher than the examples presented.

### EFFECT ON MONTHLY PREMIUMS BY MEDICAID

If the family is below 203% FPL in 2014, children may qualify for Denali KidCare (Medicaid).<sup>14</sup> This affects the overall price of the premium, although it probably does not affect the amount the family pays toward the premium. For example, if a family of four has two children covered by Denali KidCare, the monthly premium price is based only on the parents. The premium and tax credit subsidy are reduced.

The tax credit is calculated by subtracting the amount the family pays from the cost of the second lowest cost silver plan in the area. The Premera Silver Plus HSA plan is used in the following tables.

In **Table 4**, the cost of the premium for families whose children qualify for Denali KidCare (Medicaid) is compared to the cost of the premium for families who do not qualify for Medicaid. The amount the family contributes to the premium is unchanged (unless the premium is lower than the family contribution based on income). However, the tax credit is decreased because the premium is lower, as shown in **Table 5**. If the entire family qualifies for Medicaid, for example if family income is under 129% FPL, then they are not eligible for tax credits.<sup>15</sup>

**Table 4** COMPARISON OF PREMIUM COSTS FOR FAMILIES WITH AND WITHOUT MEDICAID

FAMILY SIZE (AGES)	PREMERA SILVER PLUS HSA MONTHLY PREMIUM - FAMILY	PREMERA SILVER PLUS HSA PREMIUM IF CHILDREN QUALIFY FOR MEDICAID
1 (28)	\$368	
2 (24 + 26)	\$686	
3 (28 + 29 + 6)	\$962	\$747
4 (29 + 10 + 5 + 2)	\$1,024	\$379
5 (32 + 29 + 8 + 4 + 1)	\$1,425	\$790
6 (37 + 35 + 16 + 13 + 11 + 5)	\$1,478	\$833
1 (50)	\$605	
2 (58 + 62)	\$1,836	
3 (57 + 56 + 18)	\$1,831	\$1,616
4 (40 + 10 + 5 + 2)	\$1,078	\$433
5 (47 + 45 + 12 + 10 + 6)	\$1,664	\$1,019
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,922	\$1,277

**Table 5 PREMIUM, FAMILY CONTRIBUTION, AND TAX CREDIT IF CHILDREN QUALIFY FOR MEDICAID**

FAMILY SIZE (AGES)	PREMERA SILVER PLUS HSA PREMIUM PARENTS ONLY	INCOME 138% FPL CHILDREN QUALIFY FOR MEDICAID		INCOME 200% FPL CHILDREN QUALIFY FOR MEDICAID	
		REQUIRED MONTHLY CONTRIBUTION FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT	REQUIRED MONTHLY CONTRIBUTION FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT
3 (28 + 29 + 6)	\$747	\$92	\$655	\$256	\$491
4 (29 + 10 + 5 + 2)	\$379	\$111	\$268	\$309	\$70
5 (32 + 29 + 8 + 4 + 1)	\$780	\$130	\$650	\$362	\$418
6 (37 + 35 + 16 + 13 + 11 + 5)	\$833	\$149	\$684	\$415	\$418
3 (57 + 56 + 18)	\$1,616	\$92	\$1,524	\$256	\$1,360
4 (40 + 10 + 5 + 2)	\$433	\$111	\$322	\$309	\$124
5 (47 + 45 + 12 + 10 + 6)	\$1,019	\$130	\$889	\$362	\$657
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,277	\$149	\$1,128	\$415	\$862

If families do not qualify for Medicaid (or have other reasons to discount family members), the entire family is counted when determining the premium. **Table 6** shows examples of the amount of the premium for a sample silver plan, the amount that the family will contribute toward the monthly premium, and the tax credit available if the family income is at 300% and 400% FPL.

**Table 6 PREMIUM, FAMILY CONTRIBUTION, AND TAX CREDIT AT 300% FPL AND 400% FPL**

FAMILY SIZE (AGES)	PREMERA SILVER PLUS HSA PREMIUM	INCOME 300% FPL		INCOME 400% FPL	
		REQUIRED MONTHLY CONTRIBUTION FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT	REQUIRED MONTHLY CONTRIBUTION FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT
1 (28)	\$368	\$341	\$27	\$368	\$0
2 (24 + 26)	\$686	\$460	\$226	\$614	\$72
3 (28 + 29 + 6)	\$962	\$580	\$382	\$773	\$189
4 (29 + 10 + 5 + 2)	\$1,024	\$699	\$325	\$932	\$92
5 (32 + 29 + 8 + 4 + 1)	\$1,425	\$819	\$606	\$1,092	\$333
6 (37 + 35 + 16 + 13 + 11 + 5)	\$1,478	\$938	\$540	\$1,251	\$227
1 (50)	\$605	\$341	\$264	\$454	\$151
2 (58 + 62)	\$1,836	\$460	\$1,376	\$614	\$1,222
3 (57 + 56 + 18)	\$1,831	\$580	\$1,251	\$773	\$1,058
4 (40 + 10 + 5 + 2)	\$1,078	\$699	\$379	\$932	\$146
5 (47 + 45 + 12 + 10 + 6)	\$1,664	\$819	\$845	\$1,092	\$572
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,922	\$938	\$984	\$1,251	\$671

## COST SHARING ASSISTANCE

In addition to tax credit subsidies for monthly premiums, families with income between 100% and 250% FPL are eligible for assistance with out-of-pocket costs including deductibles, copays, and coinsurance, if they are eligible for a premium tax credit, and if they purchase a silver plan through the Marketplace.<sup>16</sup> This is termed “cost sharing assistance.” When the family enrolls in a Marketplace plan, they will automatically receive a version of the plan with reduced out-of-pocket costs. This is accomplished by increasing the actuarial value of the plan.

Unlike the tax credits for premiums, no reconciliation for cost sharing assistance is conducted upon filing the annual tax return. The federal government makes payments directly to the health insurance company to compensate them for the reduced costs to lower-income families.

*Table 7* shows the amount of cost sharing assistance available to families at various income levels. Although the assistance may be spread over deductibles, copays, and coinsurance, only the total maximum out-of-pocket is included in this table. Actual out-of-pocket costs may be less than the listed amounts, depending on the selected plan.

**Table 7** MAXIMUM ANNUAL OUT-OF-POCKET SPENDING AT VARIOUS INCOME LEVELS

FAMILY SIZE	138% FPL	150% FPL	175% FPL	200% FPL	250% FPL	300% FPL	400% FPL
1	\$2,250	\$2,250	\$2,250	\$2,250	\$5,200	\$6,350	\$6,350
2	\$4,500	\$4,500	\$4,500	\$4,500	\$10,400	\$12,700	\$12,700

## ALASKA NATIVE/AMERICAN INDIANS

Starting in 2014, the individual shared responsibility provision of the ACA calls for each individual to have minimum essential health coverage for each month, qualify for an exemption, or make a payment when filing his or her federal income tax return.<sup>17</sup> Enrolled members of a federally recognized tribe or shareholder in an Alaska Native Corporation (regional or village) who are eligible to receive services from an Indian Health Service or Tribal health facility (as defined in 42 C.F.R. § 447.50) may receive an exemption from the individual shared responsibility provision if they do not maintain minimum essential coverage under the Affordable Care Act.<sup>18</sup> If they choose to purchase health insurance through the Marketplace, they do not have to pay copays or other cost sharing if their income is under 300% of FPL, which makes bronze plans more attractive. In addition, they will have access to special monthly enrollment periods so they may get insurance outside the yearly open enrollment period.<sup>19</sup>

## EXAMPLES

For simplicity, the following examples of tax credits are based on the cost of the Premera Plus Silver HSA policy for non-smokers in Area 1 (zip code 995xx). Tax credits may vary slightly if the Marketplace determines that a different policy is the second lowest cost silver premium in the area. The family may choose to purchase another policy and that could influence both the tax credit and the amount the family pays. Out-of-pocket costs are based on in-network use only.

Additional examples based on family size and by FPL can be found in *Appendix 3*.



**Camille is 28 years old and single.** Her income is 400% FPL (\$57,400). She can purchase a silver policy for \$368 per month in the Marketplace. Based on her income, she is required to pay up to \$454 for her policy. As the policy is less than that, she will pay the entire cost of the premium, and not receive any tax credit or out-of-pocket reductions.

**Justin is also 28 and single, but his income is 150% FPL (\$21,525).** He can purchase the same silver policy for \$368 per month. Justin will pay \$72 per month for the premium, and receive a tax credit of \$296 per month, which would be paid directly to the insurance company during the year or which Justin can receive as a tax refund if he decides to pay full price for coverage during the year. Justin will also have his copays and deductibles adjusted for a maximum out-of-pocket of \$2,250 annually, not including his monthly premiums.

**Dick and Jane are 58 and 62, and their income is 300% FPL (\$58,140).** They can purchase a silver policy in the Marketplace for \$1,836 per month. Based on their income, they will pay \$460 per month for the premium, and receive a monthly tax credit of \$1,376. They will not receive subsidies for their annual out-of-pocket costs.

**Joe is 28 years old, Mary is 29, and they have a 6 year old daughter Brittany.** If their income in 2014 is 200% FPL (\$48,820), Brittany is eligible for Denali Kid Care. Joe and Mary can purchase a silver policy for \$747 per month to cover themselves only. They will pay \$256 per month (6.3% of their income) and the premium tax credit, which can be paid directly to the insurer monthly, will be \$491 per month. Their annual out-of-pocket costs are capped at \$4,500 for the family.

**Karen, age 45, and Kevin, age 47, are an Alaska Native family with three children.** Their annual income is 250% FPL (\$86,175), and they do not currently have health insurance. The family receives health care services through the Tribal health system. They decide to apply for health insurance through the Marketplace, although they could apply for an exemption. They choose the least expensive bronze plan they can find, which is \$1,191 per month. Their tax credit is calculated by subtracting the required monthly contribution based on their income (\$578) from the second lowest cost silver plan in the area (\$1,664) for their specific family member ages. They are eligible for a tax credit of \$1,086 per month, so they will pay \$105 per month for their premium (\$1,191 - \$1,086). They will also not pay for any copay, deductible, or other out-of-pocket expense.

**Brianne is a single mother, 29 years old, with three children.** Her annual income is 175% FPL (\$51,520). Because of her income, the children are on Denali KidCare. Brianne, however, is uninsured. She can purchase a silver plan just for herself for \$379 per month. Her tax credit is based on a family of four, so she will pay \$221 per month (5.15% of her income), and receive a tax credit of \$158. Her out-of-pocket costs are also limited to an annual family maximum of \$4,500.

**James is a single father, also 29 years old, with three children.** His annual income is 250% FPL (\$73,600), so his children are not eligible for Denali KidCare. He can purchase a silver policy for \$1,024 for the whole family. He is responsible for paying \$494 monthly, and receives a tax credit of \$530 each month. His out-of-pocket costs for the family, not including the monthly premium, are limited to an annual maximum of \$10,400.

**Ona and Bill are 37 and 35, with four children.** Their income is exactly 400% FPL (\$158,000) annually. They can purchase a silver policy for their family for \$1,478 monthly. They must contribute \$1,251 and their tax credit is \$227 per month. However, should their income exceed 400% FPL, even by \$1, they would not be eligible for the health insurance tax credit. Their annual out-of-pocket is not subsidized, but it is capped at \$12,700, as it is for everyone above 250% FPL.

**Chuck is 57 and his wife Julie is 56.** They have one child who lives at home, Robert, who is 18. Both Chuck and Robert are Alaska Native, Julie is non-Native. Their annual income is 138% FPL (\$33,686). Robert is eligible for Medicaid. Both Chuck and Robert receive health care through the Tribal health system, but Julie is uninsured and must purchase a plan to avoid a tax penalty. They could purchase a silver policy for both Chuck and Julie for \$1,616. They would pay 3.29% of their income or \$92 per month for the policy, and receive a tax credit of \$1,524. Or, they could purchase a silver plan for Julie (so she can take advantage of cost-sharing assistance) for \$790 and a bronze plan for Chuck for \$726 since he does not need help paying for deductibles, copays, and coinsurance.  $\$790 + \$726 = \$1516$ , which is less than their possible tax credit so they would pay nothing toward the monthly premium, and receive a tax credit of \$1516 per month. Their maximum out-of-pocket would be \$2,250 for Julie.

**Appendices 1 - 3** contain all of the information in this policy brief in concise tables. Hundreds of examples of various family configurations at different income levels can be examined.

## ENDNOTES

<sup>1</sup> The Federal Poverty Guidelines, including specific rates for Alaska only, are published each year by the U.S. Department of Health and Human Services. <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Eligibility/Downloads/2013-Federal-Poverty-level-charts.pdf>. 2014 tables are not yet available.

<sup>2</sup> <https://www.healthcare.gov/what-if-i-have-job-based-health-insurance/>

<sup>3</sup> <http://www.medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf> Household income includes the modified adjusted gross income (MAGI) of the taxpayer plus the sum of MAGIs of all individuals who were taken into account when determining the taxpayer's family size and who were required to file a tax return. The term MAGI for purposes of this credit means adjusted gross income increased by any foreign earned income exclusion, the excluded portion of Social Security and Railroad Retirement benefits, and tax-exempt interest income. <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO12003.pdf>.

<sup>4</sup> Family size is determined by the number of individuals for whom the taxpayer is allowed an exemption deduction for the tax year.

<sup>5</sup> The columns describing monthly income are derived by dividing the annual numbers by 12. Hourly rates are derived by dividing the annual rate by 2080, the standard full-time year-round work year (52 weeks time 40 hours).

<sup>6</sup> The required monthly contribution from enrollee is a calculation based on information in the ACA. The annual income is multiplied by the applicable percentage, which varies incrementally by FPL; then divided by 12. For example, at 100% FPL, the applicable percentage is 2%; at 400% FPL the applicable percentage is 9.5%.

<sup>7</sup> Household income includes the modified adjusted gross income (MAGI) of the taxpayer plus the sum of MAGIs of all individuals who were taken into account when determining the taxpayer's family size and who were required to file a tax return. The term MAGI for purposes of this credit means adjusted gross income increased by any foreign earned income exclusion, the excluded portion of Social Security and Railroad Retirement benefits, and tax-exempt interest income. <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/SHO12003.pdf>

<sup>8</sup> Source: Kaiser Family Foundation Health Reform Frequently Asked Questions, <http://kff.org/health-reform/faq/health-reform-frequently-asked-questions/>

<sup>9</sup> <https://www.healthcare.gov/glossary/essential-health-benefits/>

<sup>10</sup> <https://www.healthcare.gov/what-are-my-preventive-care-benefits/>

<sup>11</sup> Premera has three different geographic rating areas. Area 1 is Anchorage, part of the Yukon-Kuskokwim Region, and the Aleutians (zip codes 995xx); Area 2 is almost everywhere north and west of Anchorage (zip codes 996xx and 997xx); and Area 3 is in southeast Alaska (zip codes 998xx and 999xx). Area 2 prices are approximately \$5-\$20 less per person than Area 1. Area 3 prices are approximately \$15-\$40 less per person than Area 1. The tables include information for Area 1 only. Moda has one geographic rating area for all of Alaska.

<sup>12</sup> Premera Blue Cross Blue Shield of Alaska, [www.premera.com/ak](http://www.premera.com/ak)

<sup>13</sup> Moda Health, [www.modahealth.com](http://www.modahealth.com)

<sup>14</sup> Although 203% FPL seems like a change from previous years, for most families it will represent the same amount of income, as most people at 175% of poverty have taken deductions for the Permanent Fund Dividend and deductions for the Permanent Fund Dividend are no longer allowed under new federal rules. Most existing recipients remain eligible.

<sup>15</sup> Information obtained from [www.healthreformbeyondthebasics.org](http://www.healthreformbeyondthebasics.org) (Center on Budget and Policy Priorities).

<sup>16</sup> Cost-Sharing Charges in Marketplace Health Insurance Plans, [www.healthreformbeyondthebasics.org](http://www.healthreformbeyondthebasics.org).

<sup>17</sup> <http://www.irs.gov/uac/Questions-and-Answers-on-the-Individual-Shared-Responsibility-Provision>

<sup>18</sup> <http://www.hhs.gov/healthcare/facts/factsheets/2011/03/americanindianhealtho3212011a.html>

<sup>19</sup> <http://www.hhs.gov/healthcare/facts/factsheets/2011/03/americanindianhealtho3212011a.html>



ALASKA 2013 POVERTY GUIDELINES AND AFFORDABLE CARE ACT MARKETPLACE SUBSIDIES

**100% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$6.90	\$1,196	\$14,350	\$24	\$2,250
2	\$9.32	\$1,615	\$19,380	\$32	\$4,500
3	\$11.74	\$2,034	\$24,410	\$41	\$4,500
4	\$14.15	\$2,453	\$29,440	\$49	\$4,500
5	\$16.57	\$2,873	\$34,470	\$57	\$4,500
6	\$18.99	\$3,292	\$39,500	\$66	\$4,500

**138% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$9.52	\$1,650	\$19,803	\$54	\$2,250
2	\$12.86	\$2,229	\$26,744	\$73	\$4,500
3	\$16.20	\$2,807	\$33,686	\$92	\$4,500
4	\$19.53	\$3,386	\$40,627	\$111	\$4,500
5	\$22.87	\$3,964	\$47,569	\$130	\$4,500
6	\$26.21	\$4,543	\$54,510	\$149	\$4,500

**150% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$10.35	\$1,794	\$21,525	\$72	\$2,250
2	\$13.98	\$2,423	\$29,070	\$97	\$4,500
3	\$17.60	\$3,051	\$36,615	\$122	\$4,500
4	\$21.23	\$3,680	\$44,160	\$147	\$4,500
5	\$24.86	\$4,309	\$51,705	\$172	\$4,500
6	\$28.49	\$4,938	\$59,250	\$198	\$4,500

**175% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$12.07	\$2,093	\$25,113	\$108	\$2,250
2	\$16.31	\$2,826	\$33,915	\$146	\$4,500
3	\$20.54	\$3,560	\$42,718	\$183	\$4,500
4	\$24.77	\$4,293	\$51,520	\$221	\$4,500
5	\$29.00	\$5,027	\$60,323	\$259	\$4,500
6	\$33.23	\$5,760	\$69,125	\$297	\$4,500

**200% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$13.80	\$2,392	\$28,700	\$151	\$2,250
2	\$18.63	\$3,230	\$38,760	\$203	\$4,500
3	\$23.47	\$4,068	\$48,820	\$256	\$4,500
4	\$28.31	\$4,907	\$58,880	\$309	\$4,500
5	\$33.14	\$5,745	\$68,940	\$362	\$4,500
6	\$37.98	\$6,583	\$79,000	\$415	\$4,500

**250% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$17.25	\$2,990	\$35,875	\$241	\$5,200
2	\$23.29	\$4,038	\$48,450	\$325	\$10,400
3	\$29.34	\$5,085	\$61,025	\$409	\$10,400
4	\$35.38	\$6,133	\$73,600	\$494	\$10,400
5	\$41.43	\$7,181	\$86,175	\$578	\$10,400
6	\$47.48	\$8,229	\$98,750	\$662	\$10,400

**300% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$20.70	\$3,588	\$43,050	\$341	\$6,350
2	\$27.95	\$4,845	\$58,140	\$460	\$12,700
3	\$35.21	\$6,103	\$73,230	\$580	\$12,700
4	\$42.46	\$7,360	\$88,320	\$699	\$12,700
5	\$49.72	\$8,618	\$103,410	\$819	\$12,700
6	\$56.97	\$9,875	\$118,500	\$938	\$12,700

**400% FEDERAL POVERTY LEVEL**

FAMILY SIZE	HOURLY	MONTHLY	ANNUAL	REQ. MONTHLY CONTRIBUTION FROM ENROLLEE	MAX. ANNUAL OUT-OF-POCKET
1	\$27.60	\$4,783	\$57,400	\$454	\$6,350
2	\$37.27	\$6,460	\$77,520	\$614	\$12,700
3	\$46.94	\$8,137	\$97,640	\$773	\$12,700
4	\$56.62	\$9,813	\$117,760	\$932	\$12,700
5	\$66.29	\$11,490	\$137,880	\$1,092	\$12,700
6	\$75.96	\$13,167	\$158,000	\$1,251	\$12,700

Sources: Based on State of Alaska DHSS 2013 Monthly Federal Poverty Guidelines for Alaska, and the Kaiser Family Foundation Subsidy Calculator.



**YOUNGER FAMILIES  
COMPARISON OF A SAMPLE OF HEALTH INSURANCE PLANS AND SUBSIDIES AVAILABLE IN ALASKA ACA MARKETPLACE**

**2014 ALASKA MARKETPLACE QUALIFIED HEALTH PLANS (IN-NETWORK)**

SELECTED PLAN CHARACTERISTICS-IN NETWORK	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
DEDUCTIBLE FOR INDIVIDUAL	\$6,350	\$2,500	\$2,000	\$1,000	\$5,250	\$2,500	\$1,250	\$750	\$6,350
MAXIMUM DEDUCTIBLE FOR FAMILY	\$12,700	\$5,000	\$4,000	\$2,000	\$10,500	\$5,000	\$2,500	\$1,500	\$12,700
PRIMARY CARE COINSURANCE OR COPAY	0%	20%	20%	20%	40%	\$30 first five, then 35%	\$25	\$15	\$45 first three, then \$0
OUT-OF-POCKET MAX PER INDIVIDUAL	\$6,350	\$4,500	\$6,350	\$5,000	\$6,350	\$6,000	\$6,350	\$4,750	\$6,350
OUT-OF-POCKET MAX PER FAMILY	\$12,700	\$9,000	\$12,700	\$10,000	\$12,700	\$12,000	\$12,700	\$9,500	\$12,700

**SAMPLE 2014 NON-SMOKER MONTHLY PREMIUMS BY FAMILY SIZE AND AGES**

FAMILY SIZE (AGES)	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
1 (28)	\$324	\$368	\$431	\$453	\$263	\$324	\$373	\$417	\$245
2 (24 + 26)	\$603	\$686	\$780	\$842	\$499	\$603	\$696	\$777	\$456
3 (28 + 29 + 6)	\$846	\$962	\$1,095	\$1,183	\$688	\$846	\$975	\$1,090	\$640
4 (29 + 10 + 5 + 2)	\$900	\$1,024	\$1,166	\$1,258	\$733	\$900	\$1,038	\$1,161	\$681
5 (32 + 29 + 8 + 4 + 1)	\$1,252	\$1,425	\$1,622	\$1,751	\$1,020	\$1,252	\$1,444	\$1,615	\$947
6 (37 + 35 + 16 + 13 + 11 + 5)	\$1,300	\$1,478	\$1,683	\$1,816	\$1,058	\$1,299	\$1,499	\$1,676	\$983

**SAMPLE 2014 NON-SMOKER MONTHLY PREMIUM TAX CREDIT**

FAMILY SIZE (AGES)	PREMERA SILVER PLUS HSA MONTHLY PREMIUM	PREMERA SILVER PLUS HSA ADULTS ONLY	INCOME 138% FPL CHILDREN QUALIFY FOR MEDICAID		INCOME 200% FPL CHILDREN QUALIFY FOR MEDICAID		INCOME 300% FPL		INCOME 400% FPL	
			REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*
1 (28)	\$368	\$368	\$54	\$314	\$151	\$217	\$341	\$27	\$368	\$0
2 (24 + 26)	\$686	\$686	\$73	\$613	\$203	\$483	\$460	\$226	\$614	\$72
3 (28 + 29 + 6)	\$962	\$747	\$92	\$655	\$256	\$491	\$580	\$382	\$773	\$189
4 (29 + 10 + 5 + 2)	\$1,024	\$379	\$111	\$268	\$309	\$70	\$699	\$325	\$932	\$92
5 (32 + 29 + 8 + 4 + 1)	\$1,425	\$780	\$130	\$650	\$362	\$418	\$819	\$606	\$1,092	\$333
6 (37 + 35 + 16 + 13 + 11 + 5)	\$1,478	\$833	\$149	\$684	\$415	\$418	\$938	\$540	\$1,251	\$227

\* Assuming family selects Premera Silver Plus HSA plan

Sources: <https://www.premera.com/ak>, <https://www.modahealth.com>, <http://kff.org/interactive/subsidy-calculator>



**OLDER FAMILIES  
COMPARISON OF A SAMPLE OF HEALTH INSURANCE PLANS AND SUBSIDIES AVAILABLE IN ALASKA ACA MARKETPLACE**

**2014 ALASKA MARKETPLACE QUALIFIED HEALTH PLANS (IN-NETWORK)**

SELECTED PLAN CHARACTERISTICS-IN NETWORK	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
DEDUCTIBLE FOR INDIVIDUAL	\$6,350	\$2,500	\$2,000	\$1,000	\$5,250	\$2,500	\$1,250	\$750	\$6,350
MAXIMUM DEDUCTIBLE FOR FAMILY	\$12,700	\$5,000	\$4,000	\$2,000	\$10,500	\$5,000	\$2,500	\$1,500	\$12,700
PRIMARY CARE COINSURANCE OR COPAY	0%	20%	20%	20%	40%	\$30 first five, then 35%	\$25	\$15	\$45 first three, then \$0
OUT-OF-POCKET MAX PER INDIVIDUAL	\$6,350	\$4,500	\$6,350	\$5,000	\$6,350	\$6,000	\$6,350	\$4,750	\$6,350
OUT-OF-POCKET MAX PER FAMILY	\$12,700	\$9,000	\$12,700	\$10,000	\$12,700	\$12,000	\$12,700	\$9,500	\$12,700

**SAMPLE 2014 NON-SMOKER MONTHLY PREMIUMS BY FAMILY SIZE AND AGES**

FAMILY SIZE (AGES)	PREMERA BC/BS OF ALASKA				MODA HEALTH ALASKA SAMPLE PLANS				
	BRONZE PLUS	SILVER PLUS HSA	SILVER SELECT	GOLD SELECT	BRONZE BE SAVVY	SILVER BE ALIGNED	SILVER BE PREPARED	GOLD BE PROTECTED	CATA-STROPHIC
1 (50)	\$532	\$605	\$688	\$744	\$433	\$532	\$614	\$685	\$402
2 (58 + 62)	\$1,615	\$1,836	\$2,089	\$2,257	\$1,314	\$1,613	\$1,862	\$2,080	\$1,221
3 (57 + 56 + 18)	\$1,610	\$1,831	\$2,083	\$2,250	\$1,310	\$1,608	\$1,856	\$2,074	\$1,217
4 (40 + 10 + 5 + 2)	\$948	\$1,078	\$1,228	\$1,324	\$772	\$947	\$1,093	\$1,222	\$717
5 (47 + 45 + 12 + 10 + 6)	\$1,463	\$1,664	\$1,894	\$2,044	\$1,191	\$1,462	\$1,687	\$1,886	\$1,106
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,690	\$1,922	\$2,188	\$2,362	\$1,375	\$1,689	\$1,949	\$2,178	\$1,278

**SAMPLE 2014 NON-SMOKER MONTHLY PREMIUM TAX CREDIT**

FAMILY SIZE (AGES)	PREMERA SILVER PLUS HSA MONTHLY PREMIUM	PREMERA SILVER PLUS HSA ADULTS ONLY	INCOME 138% FPL CHILDREN QUALIFY FOR MEDICAID		INCOME 200% FPL CHILDREN QUALIFY FOR MEDICAID		INCOME 300% FPL		INCOME 400% FPL	
			REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE	MONTHLY PREMIUM TAX CREDIT*
1 (50)	\$605	\$605	\$54	\$551	\$151	\$454	\$341	\$264	\$454	\$151
2 (58 + 62)	\$1,836	\$1,836	\$73	\$1,763	\$203	\$1,633	\$460	\$1,376	\$614	\$1,222
3 (57 + 56 + 18)	\$1,831	\$1,616	\$92	\$1,524	\$256	\$1,360	\$580	\$1,251	\$773	\$1,058
4 (40 + 10 + 5 + 2)	\$1,078	\$433	\$111	\$322	\$309	\$124	\$699	\$379	\$932	\$146
5 (47 + 45 + 12 + 10 + 6)	\$1,664	\$1,019	\$130	\$889	\$362	\$657	\$819	\$845	\$1,092	\$572
6 (54 + 48 + 16 + 13 + 11 + 8)	\$1,922	\$1,277	\$149	\$1,128	\$415	\$862	\$938	\$984	\$1,251	\$671

\* Assuming family selects Premera Silver Plus HSA plan

Sources: <https://www.premera.com/ak>, <https://www.modahealth.com>, <http://kff.org/interactive/subsidy-calculator>



EXAMPLES OF ACA SUBSIDIES

110% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE**	MONTHLY PREMIUM TAX CREDIT***	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$15,785	\$368	\$26	\$342	\$2,250
2 (24 + 26)	\$21,318	\$686	\$36	\$650	\$4,500
3 (28 + 29 + 6)	\$26,851	FAMILY ELIGIBLE FOR MEDICAID COVERAGE UNDER CURRENT ALASKA GUIDELINES****			
4 (29+ 10 + 5 + 2)	\$32,384				
5 (32 +29 + 8 + 4 + 1)	\$37,917				
6 (37 + 35 + 16 + 13 + 11 + 5)	\$43,450				
<b>OLDER FAMILY</b>					
1 (50)	\$15,785	\$605	\$26	\$579	\$2,250
2 (58 + 62)	\$21,318	\$1,836	\$36	\$1,800	\$4,500
3 (57 + 56 + 18)	\$26,851	FAMILY ELIGIBLE FOR MEDICAID COVERAGE UNDER CURRENT ALASKA GUIDELINES****			
4 (40 + 10 + 5 + 2)	\$32,384				
5 (47 + 45 + 12 + 10 + 6)	\$37,917				
6 (54 + 48 + 16 + 13 + 11 + 8)	\$43,450				

\* Premium is for adults in family only; children are eligible for Medicaid at 110% FPL  
 \*\* Based on 2% of MAGI divided by 12 months  
 \*\*\* Assuming family selects Premera Plus Silver HSA for non-smokers  
 \*\*\*\* Parents with children under 19 in the household are eligible for Medicaid in Alaska if household income is under 129% FPL

138% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE**	MONTHLY PREMIUM TAX CREDIT***	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$19,803	\$368	\$54	\$314	\$2,250
2 (24 + 26)	\$26,744	\$686	\$73	\$613	\$4,500
3 (28 + 29 + 6)	\$33,686	\$747	\$92	\$655	\$4,500
4 (29+ 10 + 5 + 2)	\$40,627	\$379	\$111	\$268	\$4,500
5 (32 +29 + 8 + 4 + 1)	\$47,569	\$780	\$130	\$650	\$4,500
6 (37 + 35 + 16 + 13 + 11 + 5)	\$54,510	\$833	\$149	\$684	\$4,500
<b>OLDER FAMILY</b>					
1 (50)	\$19,803	\$605	\$54	\$551	\$2,250
2 (58 + 62)	\$26,744	\$1,836	\$73	\$1,763	\$4,500
3 (57 + 56 + 18)	\$33,686	\$1,616	\$92	\$1,524	\$4,500
4 (40 + 10 + 5 + 2)	\$40,627	\$433	\$111	\$322	\$4,500
5 (47 + 45 + 12 + 10 + 6)	\$47,569	\$1,019	\$130	\$889	\$4,500
6 (54 + 48 + 16 + 13 + 11 + 8)	\$54,510	\$1,277	\$149	\$1,128	\$4,500

\* Premium is for adults in family only; children are eligible for Medicaid at 138% FPL  
 \*\* Equal to 3.29% of family income based on MAGI  
 \*\*\* Assuming family selects Premera Plus Silver HSA for non-smokers



EXAMPLES OF ACA SUBSIDIES

150% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE**	MONTHLY PREMIUM TAX CREDIT***	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$21,525	\$368	\$72	\$296	\$2,250
2 (24 + 26)	\$29,070	\$686	\$97	\$589	\$4,500
3 (28 + 29 + 6)	\$36,615	\$747	\$122	\$625	\$4,500
4 (29+ 10 + 5 + 2)	\$44,160	\$379	\$147	\$232	\$4,500
5 (32 +29 + 8 + 4 + 1)	\$51,705	\$780	\$172	\$608	\$4,500
6 (37 + 35 + 16 + 13 + 11 + 5)	\$59,250	\$833	\$198	\$636	\$4,500
<b>OLDER FAMILY</b>					
1 (50)	\$21,525	\$605	\$72	\$533	\$2,250
2 (58 + 62)	\$29,070	\$1,836	\$97	\$1,739	\$4,500
3 (57 + 56 + 18)	\$36,615	\$1,616	\$122	\$1,494	\$4,500
4 (40 + 10 + 5 + 2)	\$44,160	\$433	\$147	\$286	\$4,500
5 (47 + 45 + 12 + 10 + 6)	\$51,705	\$1,019	\$172	\$847	\$4,500
6 (54 + 48 + 16 + 13 + 11 + 8)	\$59,250	\$1,277	\$198	\$1,079	\$4,500

\* Premium is for adults in family only; children are eligible for Medicaid at 150% FPL

\*\* Equal to 4% of family income based on MAGI

\*\*\* Assuming family selects Premera Plus Silver HSA for non-smokers

200% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)*	REQUIRED MONTHLY PREMIUM FROM ENROLLEE**	MONTHLY PREMIUM TAX CREDIT***	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$28,700	\$368	\$151	\$217	\$2,250
2 (24 + 26)	\$38,760	\$686	\$203	\$483	\$4,500
3 (28 + 29 + 6)	\$48,820	\$747	\$256	\$491	\$4,500
4 (29+ 10 + 5 + 2)	\$58,880	\$379	\$309	\$70	\$4,500
5 (32 +29 + 8 + 4 + 1)	\$68,940	\$780	\$362	\$418	\$4,500
6 (37 + 35 + 16 + 13 + 11 + 5)	\$79,000	\$833	\$415	\$418	\$4,500
<b>OLDER FAMILY</b>					
1 (50)	\$28,700	\$605	\$151	\$454	\$2,250
2 (58 + 62)	\$38,760	\$1,836	\$203	\$1,633	\$4,500
3 (57 + 56 + 18)	\$48,820	\$1,616	\$256	\$1,360	\$4,500
4 (40 + 10 + 5 + 2)	\$58,880	\$433	\$309	\$124	\$4,500
5 (47 + 45 + 12 + 10 + 6)	\$68,940	\$1,019	\$362	\$657	\$4,500
6 (54 + 48 + 16 + 13 + 11 + 8)	\$79,000	\$1,277	\$415	\$862	\$4,500

\* Premium is for adults in family only; children are eligible for Medicaid at 200% FPL

\*\* Equal to 6.3% of family income based on MAGI

\*\*\* Assuming family selects Premera Plus Silver HSA for non-smokers



EXAMPLES OF ACA SUBSIDIES

300% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)	REQUIRED MONTHLY PREMIUM FROM ENROLLEE*	MONTHLY PREMIUM TAX CREDIT**	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$43,050	\$368	\$341	\$27	\$6,350
2 (24 + 26)	\$58,140	\$686	\$460	\$226	\$12,700
3 (28 + 29 + 6)	\$73,230	\$962	\$580	\$382	\$12,700
4 (29+ 10 + 5 + 2)	\$88,320	\$1,024	\$699	\$325	\$12,700
5 (32 +29 + 8 + 4 + 1)	\$103,410	\$1,425	\$819	\$606	\$12,700
6 (37 + 35 + 16 + 13 + 11 + 5)	\$118,500	\$1,478	\$938	\$540	\$12,700
<b>OLDER FAMILY</b>					
1 (50)	\$43,050	\$605	\$341	\$264	\$6,350
2 (58 + 62)	\$58,140	\$1,836	\$460	\$1,376	\$12,700
3 (57 + 56 + 18)	\$73,230	\$1,831	\$580	\$1,251	\$12,700
4 (40 + 10 + 5 + 2)	\$88,320	\$1,078	\$699	\$379	\$12,700
5 (47 + 45 + 12 + 10 + 6)	\$103,410	\$1,664	\$819	\$845	\$12,700
6 (54 + 48 + 16 + 13 + 11 + 8)	\$118,500	\$1,922	\$938	\$984	\$12,700

\* Equal to 9.5% of family income\*\* Equal to 4% of family income based on MAGI

\*\* Assuming family selects Premera Plus Silver HSA for non-smokers

400% FEDERAL POVERTY LEVEL					
FAMILY SIZE (AGES)	ANNUAL INCOME (MAGI) LIMITS	PREMERA PLUS SILVER HSA (NON-SMOKERS)	REQUIRED MONTHLY PREMIUM FROM ENROLLEE*	MONTHLY PREMIUM TAX CREDIT**	MAX. ANNUAL OUT-OF-POCKET FOR DEDUCTIBLE COPAYS COINSURANCE
<b>YOUNG FAMILY</b>					
1 (28)	\$57,400	\$368	\$368	\$0	\$6,350
2 (24 + 26)	\$77,520	\$686	\$614	\$72	\$12,700
3 (28 + 29 + 6)	\$97,640	\$962	\$773	\$189	\$12,700
4 (29+ 10 + 5 + 2)	\$117,760	\$1,024	\$932	\$92	\$12,700
5 (32 +29 + 8 + 4 + 1)	\$137,880	\$1,425	\$1,092	\$333	\$12,700
6 (37 + 35 + 16 + 13 + 11 + 5)	\$158,000	\$1,478	\$1,251	\$227	\$12,700
<b>OLDER FAMILY</b>					
1 (50)	\$57,400	\$605	\$454	\$151	\$6,350
2 (58 + 62)	\$77,520	\$1,836	\$614	\$1,222	\$12,700
3 (57 + 56 + 18)	\$97,640	\$1,831	\$773	\$1,058	\$12,700
4 (40 + 10 + 5 + 2)	\$117,760	\$1,078	\$932	\$146	\$12,700
5 (47 + 45 + 12 + 10 + 6)	\$137,880	\$1,664	\$1,092	\$572	\$12,700
6 (54 + 48 + 16 + 13 + 11 + 8)	\$158,000	\$1,922	\$1,251	\$671	\$12,700

\* Equal to 9.5% of family income, or premium amount, whichever is less.

\*\* Assuming family selects Premera Plus Silver HSA for non-smokers