



## Frequently Asked Questions

### **Q1: What is the American Rescue Plan?**

The American Rescue Plan is a \$1.9 trillion federal relief package designed to address the COVID-19 public health and economic crisis. The package includes funding for direct stimulus payments, COVID-19 testing and vaccinations, unemployment assistance, housing aid and several other types of economic relief. In addition, the American Rescue Plan makes significant changes to the size and availability of advance premium tax credits (APTC) on the Health Insurance Marketplace.

### **Q2: How will the American Rescue Plan affect health insurance premiums?**

1. Affordable Care Act (ACA) plan members will pay less for coverage. The percentage of income a person pays toward their premium will be reduced for everyone with income below 400% of the federal poverty line (FPL). Higher APTCs will effectively lower monthly premiums for ACA plans.
2. Financial assistance will now be available to higher-income people. People with income over 400% will be eligible for APTC. The maximum anyone will pay for a benchmark plan will be 8.5% of their income.
3. Additional help will be provided to anyone receiving unemployment benefits in 2021. For this year only, anyone who receives unemployment benefits at any time in 2021 will be eligible for maximum premium assistance (APTC) through the Health Insurance Marketplace.

### **Q3: When will additional APTC be available?**

Additional APTC will be available beginning on April 1. Additional assistance will be reflected on May monthly premium invoices since changes are prospective (e.g., meaning next effective date).

**Note:** *The Centers for Medicare and Medicaid Services (CMS) has indicated increased financial assistance (APTC) provided through the Health Insurance Marketplace to anyone receiving unemployment benefits in 2021 will not be configured until early July.*

### **Q4: I currently have an ACA On-Exchange plan and receive APTC. Do I need to do anything to receive increased financial assistance?**

Yes. You will need to update your enrollment on the Health Insurance Marketplace by **reselecting your current plan**. After you update your enrollment, you will receive increased financial assistance to your monthly premiums for the rest of the year. If you need help, contact your agent or call our health insurance experts at **800-392-2583**.

### **Q5: Are the APTC changes retroactive?**

Yes. APTC changes are retroactive, but On-Exchange ACA members will not receive the retroactive credit until they file their 2021 taxes in 2022.

**Note:** *Current Off-Exchange ACA members will NOT be eligible for retroactive APTCs, as PTCs (premium tax credits) are only available for each covered month in an On-Exchange plan.*

### **Q6: I have an ACA Off-Exchange plan. Am I now eligible for APTC?**

Maybe. Although the income limits for receiving financial assistance are now much higher, there will still be some incomes (and other circumstances) that will not qualify for APTCs. If you do qualify for APTC, you will need to enroll in an On-Exchange ACA plan during the ACA Special Enrollment Period that **ends on August 15, 2021**.

**Q7: Will the progress I've made on my 2021 deductible and maximum out-of-pocket cost carry over to a new ACA On-Exchange plan?**

- Yes, if you currently have an Arkansas Blue Cross individual ACA Off-Exchange plan and move to an Arkansas Blue Cross On-Exchange plan.
- No, if you have any other type of plan and/or choose an ACA On-Exchange plan offered by another health insurance provider.

**Q8: I'm eligible for employer-sponsored health insurance coverage today. Am I eligible for an ACA plan with increased APTC?**

No. Because you currently have access to affordable coverage through your employer, you are not eligible for an ACA plan with increased APTC.

**Q9: How does the American Rescue Plan affect COBRA subsidies?**

The American Rescue Plan will subsidize 100% of the cost of premiums for COBRA continuation coverage for workers who are laid off or have reduced hours. The subsidy begins on April 1 and will end on September 30. If you involuntarily lost employer coverage, check with your employer to see if you are eligible for a COBRA subsidy.

***Note:** Not all employers are required to offer COBRA. Generally, employers with 20 or more employees offer COBRA. Contact your employer to learn more.*

**Q10: What happens at the end of 2022 when the American Rescue Plan ACA relief package expires?**

The American Rescue Plan changes the APTC structure of the ACA for 2021 and 2022. While the changes are set to expire at the end of 2022, it is widely believed that another budget reconciliation package will be pursued to extend the changes through 2023 and beyond.

**Q11: I have a grandfathered or grandmothers individual plan. If I switch to an ACA plan and the APTC changes aren't extended past 2022, can I switch back to my current plan in 2023?**

No. Once you move to a new plan, you will not be able to switch back to your grandfathered or grandmothers plan.

**Q12. Where else can I learn about the American Rescue Plan?**

The Department of Health and Human Services fact sheet can be found here:

<https://www.hhs.gov/sites/default/files/hhs-american-rescue-plan-health-insurance-coverage-fact-sheet.pdf>

An explainer from the Centers for Medicare and Medicaid Services can be found here:

<https://www.cms.gov/newsroom/fact-sheets/american-rescue-plan-and-marketplace>

**Q13. Does the American Rescue Plan have any impact on Arkansas Works (e.g., expanded Medicaid) in Arkansas?**

No, there is no direct impact on the Arkansas Works health insurance program.