



## Helping Your Clients Understand Eligibility for Financial Assistance

As an agent or broker, you can play an important role in helping your clients understand whether their income may be in the range eligible for financial assistance to reduce the cost of health coverage purchased through the Health Insurance Marketplace<sup>®1</sup>. A consumer may be determined eligible to receive advance payments of the premium tax credit (APTC), which they may apply toward their qualified health plan (QHP) premiums during the year. A consumer may also qualify for income-based cost-sharing reductions (CSRs), which can reduce their out-of-pocket costs, such as deductibles, coinsurance, and copayments.

The Department of Health & Human Services (HHS) issues poverty guidelines that are often referred to as the “federal poverty level” (FPL). For Plan Year 2023, the Federally-facilitated Marketplace uses the 2022 guidelines<sup>2</sup> when calculating eligibility for APTC and income-based CSRs.

**2022 Federal Poverty Guidelines Chart<sup>3</sup>**

| Household Size | 100%     | 138% <sup>4</sup> | 150% <sup>4</sup> | 200% <sup>4</sup> | 250% <sup>4</sup> | 300% <sup>4</sup> | 400% <sup>4</sup> |
|----------------|----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1              | \$13,590 | \$18,754          | \$20,385          | \$27,180          | \$33,975          | \$40,770          | \$54,360          |
| 2              | 18,310   | 25,268            | 27,465            | 36,620            | 45,775            | 54,930            | 73,240            |
| 3              | 23,030   | 31,781            | 34,545            | 46,060            | 57,575            | 69,090            | 92,120            |
| 4              | 27,750   | 38,295            | 41,625            | 55,500            | 69,375            | 83,250            | 111,000           |
| 5              | 32,470   | 44,809            | 48,705            | 64,940            | 81,175            | 97,410            | 129,880           |
| 6              | 37,190   | 51,322            | 55,785            | 74,380            | 92,975            | 111,570           | 148,760           |
| 7              | 41,910   | 57,836            | 62,865            | 83,820            | 104,775           | 125,730           | 167,640           |
| 8              | 46,630   | 64,349            | 69,945            | 93,260            | 116,575           | 139,890           | 186,520           |

<sup>1</sup> Health Insurance Marketplace<sup>®</sup> is a registered service mark of the U.S. Department of Health & Human Services.

<sup>2</sup> See HHS’ 2022 Poverty Guidelines at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references>. Note that Medicaid and Children’s Health Insurance Program (CHIP) assessments/determinations are currently based on the 2023 FPL from the HHS’ 2023 Poverty Guidelines available at <https://aspe.hhs.gov/poverty-guidelines>.

<sup>3</sup> Chart is for 48 contiguous states and the District of Columbia; for Hawaii and Alaska, please visit <https://aspe.hhs.gov/sites/default/files/documents/175e430d7dd4b1622d7245bc8664b3c2/HHS-Poverty-Guidelines-Fed-Register-2022.pdf>.

<sup>4</sup> Dollar amounts are calculated based on 100% column; rounding rules may vary across federal, state, and local programs.



## Eligibility Guidelines

**To be eligible to have APTC paid toward their family's premiums in a given month, a consumer:**

- » Must have a projected household income above 100%, except in the case of certain non-citizens whose income may be lower. (**Note:** For coverage years before 2021 and after 2025, households are not eligible for APTC if their income exceeds 400% of the FPL. Plan Year 2021-2025 households with projected income above 400% of the FPL may also be eligible under the American Rescue Plan Act of 2021 and the Inflation Reduction Act of 2022).
- » Must plan to file a tax return for the year of coverage and not be claimed as a dependent by another consumer for that year.
- » If married, must plan file a joint federal income tax return (with certain exceptions for abused or abandoned spouses and consumers filing as "Head of Household").
- » Must have filed and reconciled their taxes from previous years, regardless of marital status, for years they previously received APTC.
- » Must have at least one tax family member (a person on the individual's income tax return, including the tax filer themselves) enrolled in a qualified health plan (QHP) that is not a catastrophic plan through the Marketplace who, is not eligible for other minimum essential coverage (MEC) including employer sponsored coverage that meets affordability and minimum value standards, most Medicaid coverage, CHIP, Medicare, TRICARE, and certain other forms of coverage.

**The following are a consumer's eligibility criteria for income-based CSRs:**

- » The consumer must meet the eligibility criteria for enrollment in a QHP through the Marketplace and for APTC.
- » The consumer must be expected to have an annual household income between 100% and 250% of the FPL OR may have a lower annual household income if the consumer is lawfully present but ineligible for Medicaid based on immigration status.
- » The tax family member (including the tax filer themselves) enrolled in a Silver level plan through the Marketplace.

**The following are eligibility criteria for CSRs for consumers who are members of federally recognized tribes or shareholders of Alaska Native Claims Settlement Act (ANCSA) Corporations:**

- » The consumer must meet the eligibility criteria for enrollment in a QHP through the Marketplace.
- » The consumer is enrolled in any plan through the Marketplace at any level of coverage, except for catastrophic plans.
- » Consumers must expect to have an annual household income that does not exceed 300% of the FPL to be eligible for a plan with all cost sharing eliminated.
- » Consumers with expected household incomes above 300% of the FPL may be eligible for a limited cost-sharing plan variation and have no copayments, deductibles, or coinsurance when receiving essential health benefits furnished directly by the Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization (each as defined in 25 U.S.C. 1603), or through referral under contract health services.

 **Note:** Reductions on cost sharing for specific benefits and services may vary based on a QHP issuer's specific plan design.



## Silver Plan Variations for Income-based CSRs: Reduction in Maximum Annual Limitation on Cost Sharing for 2023

| Plan Variation<br>(from 70% Actuarial Value (AV)<br>Silver Plan)  | Income<br>Range for<br>Individual <sup>5</sup> | Individual Out-of-<br>Pocket Maximum<br>(standard 2023 limit:<br>\$9,100) | Income Range<br>for Family of<br>Three <sup>5</sup> | Family Out-of-Pocket<br>Maximum<br>(standard 2023 limit:<br>\$18,200) |
|---|--|---|---|---|
| <b>94% AV Silver Plan Variation (for households with expected household income between 100-150% of the FPL)</b> | \$13,590-<br>\$20,385                          | \$3,000   | \$23,030-<br>\$34,545                               | \$6,000   |
| <b>87% AV Silver Plan Variation (for households with expected household income between 150-200% of the FPL)</b> | \$20,385-<br>\$27,180                          | \$3,000   | \$34,545-<br>\$46,060                               | \$6,000   |
| <b>73% AV Silver Plan Variation (for households with expected household income between 200-250% of the FPL)</b> | \$27,180-<br>\$33,975                          | \$7,250   | \$46,060-<br>\$57,575                               | \$14,500  |

<sup>5</sup> Please review the 2022 Federal Poverty Guidelines Chart above to find dollar ranges for the different percentages of the FPL. These figures are higher in Alaska and Hawaii.