

New Health Insurance Options Through the American Rescue Plan

April 2021

The recently enacted *American Rescue Plan* included two health care-related changes that may help members better afford health insurance coverage. NAR is providing this information for general purposes only. If you believe you are eligible for this new assistance, please contact an insurance professional to discuss options.

For 2021 and 2022:

No Income Limit for Accessing a Premium Subsidy for an Individual Market Exchange Plan

For the rest of 2021 and for all of 2022, households are newly eligible for a premium subsidy for an Affordable Care Act individual health insurance plan if the employer does not offer an affordable/minimum value plan and your household income up to 400% above the Federal Poverty Level (FPL). This cutoff generally translates to \$51,000 for an individual and \$106,000 for a family of four.

Prior to this change in the law, only individuals and families with incomes BELOW 400% of FPL were eligible for a premium subsidy.

Increased Premium Subsidy Amounts

Also, for the rest of 2021 and for all of 2022, subsidized policyholders would be eligible for a larger premium subsidy.

For example, for low-income individuals and families (with income between 133% and 150% of FPL), the government will pay 100% of the premiums for their ACA insurance plan. Individuals and families with income at or above 400% of FPL will only be required to dedicate 8.5% of their income toward the cost of an Exchange plan (down from about 10% under current law).

What Should You Do If You Are Currently Uninsured?

Currently, there is a “special enrollment period” available to individuals and families without health insurance that is open through August 15th for enrollment through HealthCare.gov. Each State-based Exchange has a similar “special enrollment period,” but check with your State-based Exchange’s web site to confirm the dates.

If you live in California, Colorado, Connecticut, the District of Columbia, Idaho, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, or Washington, visit <https://www.healthcare.gov/marketplace-in-your-state/> to find the website for your State-based Exchange.

For those who live in any other State, visit <https://www.healthcare.gov/coverage-outside-open-enrollment/special-enrollment-period/> to learn more about the “special enrollment period.”

You Are Currently Covered By an “Unsubsidized” Individual Market Plan that You Purchased Outside of an ACA Exchange, What Should You Do?

If your income is above 400% of FPL and you are currently covered by an individual market health plan that you purchased outside of an Exchange WITHOUT a premium subsidy, you may be eligible for a premium subsidy if you purchase an individual market plan through Healthcare.gov or a State-based Exchange. Please contact your current insurance company to understand your options and help you determine if your household is eligible for an ACA premium subsidy.



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You Are Currently Covered By an “Unsubsidized” Individual Market Plan that You Purchased Through an ACA Exchange, What Should You Do?

If your income is above 400% of FPL and you are currently covered by an individual market health plan that you purchased through an Exchange WITHOUT a premium subsidy, you should update your information on [HealthCare.gov](https://www.healthcare.gov) or your State’s State-based Exchange website. You may be newly eligible to receive a premium subsidy to apply to your current health plan.

Please visit the links above to update your information, re-apply, and even switch plans. Also, visit [CMS.gov](https://www.cms.gov) to review helpful questions and answers on how to update your information and re-apply.

You Are Currently Covered By Individual Market Plan and Receiving a Premium Subsidy, What Should You Do?

If you are currently enrolled in a “subsidized” Exchange plan, you may be eligible for a bigger premium subsidy. To access your increased premium subsidy, go to [HealthCare.gov](https://www.healthcare.gov) or your State’s State-based Exchange website, update your information, and complete a new application.

Visit [CMS.gov](https://www.cms.gov) to review helpful questions and answers on how to update your information and re-apply, and click the links above to update your information, re-apply, and even switch plans.

