

## Pennie<sup>™</sup> American Rescue Plan General Talking Points:

### Understanding the new law

The American Rescue Plan, also known as the COVID-19 relief package, includes significant savings for Pennsylvanians seeking marketplace coverage and those already enrolled in coverage through Pennie.

This law increases the amount of financial assistance available to Pennsylvanians to provide relief for those struggling with the pandemic and its economic repercussions.

The American Rescue Plan includes an increase in the eligibility for, and the amount of, premium tax credits for Pennsylvanians at all income levels during the 2021 and 2022 plan years. In some cases, lower-income enrollees could have their premiums eliminated completely.

Pennsylvania taxpayers and their spouses, who are eligible to receive unemployment compensation in 2021, will be eligible for the maximum levels of financial assistance through Pennie, including advance premium tax credits (APTC) and cost sharing reductions (CSR) to significantly reduce the cost of health coverage and care. Many of these households will be able to enroll in a silver plan in their area with a \$0 premium for the remainder of 2021, if they otherwise qualify.

Historically, Pennsylvanians earning more than 400% of the federal poverty level -- about \$51,000 for an individual and \$104,800 for a family of four in 2021 -- have earned too much to qualify for financial assistance to lower the cost of coverage. Under the American Rescue Plan, these individuals will finally qualify for advance premium tax credits (APTC). Under this law, no one will pay more than 8.5 percent of their income in premiums for the second lowest cost silver plan (SLCSP or benchmark plan) in their county, if they otherwise qualify.

### When Pennie will implement these changes

Current customers may not see the new benefits on their account dashboard right away and will have to pay their April premium based on their eligibility under the old rules. That's okay. ***Pennie is working to implement these changes as quickly as possible so customers will be able see their new savings by the time they pay their May premium.*** Pennie customers will be eligible for the new benefits from their first day of coverage and will start to see those benefits in their accounts when these updates are made. Pennie will also apply any tax credits customers qualify for, but have not yet received, to the remaining months of their 2021 coverage to further lower their monthly premiums.

Starting in late May, or early June, Pennie will automatically update the accounts of current customers receiving APTC with their new APTC amounts and net premiums, and let them know they will start seeing a decrease in their monthly premium payments. Pennie will also be doing direct targeted outreach to those newly eligible for financial assistance to them know how they can take advantage of the significant savings under the new law.

To provide more time for Pennsylvanians to take advantage of these significant savings, Pennie has extended the COVID-19 Enrollment Period to **August 15, 2021**.

Pennie.com is open for the uninsured and those enrolled in off-exchange plans to see how much they can save on their health coverage when enrolling through Pennie. There are an estimated 100,000 individuals enrolled in non-group coverage that is ACA-compliant who can enroll in Pennie coverage with access to savings under this legislation.

Pennie will be working with insurers and our certified brokers and assisters to make sure customers enrolled in off-exchange coverage are aware of these savings and to assist those who wish to make the transition to Pennie to lower the cost of marketplace coverage.

## Examples demonstrating the impact of the new law

One scenario of how this law will affect customers include a 40-year-old single woman, non-smoker who lives in Philadelphia with a \$19,140 annual income. Under the old law she would be paying an estimated \$66/month for the benchmark plan. Under this new law, she will now be paying \$0/month.

Another example would be for a married couple, who are both 64-year-old, non-smokers from Dauphin County with an annual income of \$77,580. Under the old law, they would be seeing a monthly payment of around \$2,400 and now under the new law, they will be paying \$550, capped at 8.5 percent of their income for the benchmark plan.

## COBRA & Pennie

Under the new law, individuals who lose their jobs or experience an involuntary reduction of their hours will be able to enroll in COBRA coverage through their prior employer at no cost through the end of September. Once this subsidy period runs out at the end of September, these individuals will be able to transition to Pennie using a Special Enrollment Period (SEP).

## **Connecting the uninsured to coverage**

One of Pennie's main goals as a state-based marketplace, is to help connect the uninsured to quality, affordable health coverage. Pennie has never had a better opportunity to provide those who are uninsured health coverage they can afford.

Pennie has invested significant resources to better understand the uninsured population in Pennsylvania. Pennie is working to educate, communicate and assist those who are uninsured to come to Pennie and get the health coverage they may have thought was not possible before.

As Pennsylvania enters this new, groundbreaking stage of financial assistance eligibility, Pennie will use this opportunity to connect the uninsured with comprehensive health coverage. Pennie hopes to provide the peace of mind that comes with having health insurance to more of the uninsured population than ever before.

**More information on these changes and FAQs are available at [pennie.com](https://pennie.com)**