

# MARKETPLACE ASSISTER TOOLKIT

## *Standard Operating Procedures Manual for Assisters in the Individual Federally-facilitated Marketplaces*

### **SOP 7—LOWER COSTS OF COVERAGE**



Version 7.0 December 2022. This information is intended only for the use of entities and individuals certified to serve as Navigators, certified application counselors, or non-Navigator personnel in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFMs where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform. This document is intended only as a summary of legal requirements and to provide operational information and does not itself create any legal rights or obligations. All legal requirements are fully stated in the applicable statutes and regulations. This material was produced and disseminated at U.S. taxpayer expense.



# Table of Contents

**SOP 7 – LOWER COSTS OF COVERAGE.....1**

- A. Introduction ..... 1
- B. Procedures ..... 1
- C. Next Steps ..... 11
- Appendix A: Frequently Asked Questions (FAQs) ..... 12
- Appendix B: Federal Poverty Guidelines ..... 14

This information is intended only for the use of entities and individuals certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFMs where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform.



## List of Exhibits

Exhibit 1 – Common Premium Tax Credit Questions and Answers.....	2
Exhibit 2 – Application Eligibility Results.....	4
Exhibit 3 – HealthCare.gov Application Screenshot: Selecting the Amount of APTC.....	5
Exhibit 4 – HealthCare.gov Application Screenshot: Pick a Health Plan .....	6
Exhibit 5 – Questions About the Tax Consequences of APTC and Marketplace Coverage: Who to Ask .....	8
Exhibit 6 – Common CSR Questions and Answers.....	9
Exhibit 7 – Results and Next Steps for CSR-eligible Consumers.....	9
Exhibit 8 – HealthCare.gov Screenshot: How to Identify CSR-eligible Plans on the Marketplace .....	10
Exhibit 9 – CSR-eligible Costs.....	11
Exhibit 10 – 2022 Annual Poverty Guidelines for All States (Except Hawaii and Alaska).....	14
Exhibit 11 – 2022 Annual Poverty Guidelines for Alaska Only .....	14
Exhibit 12 – 2022 Annual Poverty Guidelines for Hawaii Only.....	15

This information is intended only for the use of entities and individuals certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFMs where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform.



## SOP 7 – Lower Costs of Coverage

### A. Introduction

When consumers apply for help to lower the costs of coverage through the Marketplace, their eligibility results will indicate whether they are eligible for advance payments of the premium tax credit (APTC) and cost-sharing reductions (CSRs).

APTC are advance payments of tax credits consumers can use to lower their monthly insurance payments (called their “premiums”) when they enroll in a plan through the Marketplace. Consumers can use APTC for a plan in any metal category. Consumers’ eligibility for APTC is based on their projected household income for the coming year and other factors. For more information on what income consumers should include on an application, visit [HealthCare.gov/income-and-household-information/income](https://www.healthcare.gov/income-and-household-information/income). If eligible, consumers can choose whether to apply APTC to their premiums.<sup>i</sup> When comparing plans, consumers select the amount of APTC for which they are eligible that they want paid on their behalf to their chosen insurance company.

CSRs, often called “extra savings,” are discounts that lower the amount consumers have to pay for out-of-pocket costs, like deductibles, copayments, and coinsurance, and a lower out-of-pocket maximum. If a consumer qualifies based on income, they must enroll in a Silver plan to get these extra savings. Members of a federally recognized Indian Tribe or an Alaska Native Claims Settlement Act (ANCSA) Corporation shareholder may qualify for additional CSRs.

Standard Operating Procedure (SOP) 7 provides guidance on how to assist consumers with understanding APTC and CSRs and selecting the amount of APTC they’d like to apply toward their premiums.

### B. Procedures

#### 1. Select Advance Payments of the Premium Tax Credit (APTC)

If a consumer is eligible for APTC, they have the option to use all, some, or none of the amount for which they are eligible to reduce their premium. Before you help consumers make changes to their Marketplace accounts, make sure they understand how APTC works. Consumers must reconcile any APTC they receive from the Marketplace on their federal income tax returns. Consumers may owe a balance or get a refund at tax time if they use too much or too little of their credit, respectively. Exhibit 1 provides information to help answer some common questions about APTC available through the Marketplace.



Exhibit 1 – Common Premium Tax Credit Questions and Answers

Question	Answer
<b>What is the premium tax credit (PTC)?</b>	<ul style="list-style-type: none"> <li>A tax credit consumers can use to lower their insurance premium when they enroll in a plan through the Marketplace.</li> </ul>
<b>What are advance payments of the premium tax credit (APTC)?</b>	<ul style="list-style-type: none"> <li>A tax credit consumers can take in advance to lower their monthly health insurance payment (or “premium”). When a consumer applies for coverage in the Health Insurance Marketplace®, they estimate expected income for the year. If they qualify for a premium tax credit based on the estimate, they can use any amount of the credit in advance to lower their premium. Their tax credit is generally based on the income estimate and household information they provided on their Marketplace application.</li> </ul>
<b>How does APTC affect individuals’ federal income tax returns?</b>	<ul style="list-style-type: none"> <li>When consumers file their federal income tax returns for the year, the actual amount of the premium tax credit they are eligible for is calculated based on their actual household income. Consumers whose APTC exceeds their premium tax credit eligibility may be required to pay back all or a portion of the difference based on the repayment limitations in Form 8962 – Premium Tax Credit (PTC) instructions at <a href="https://www.irs.gov/pub/irs-pdf/i8962.pdf">IRS.gov/pub/irs-pdf/i8962.pdf</a>. Consumers whose APTC is less than the amount of PTC they are eligible for will owe less in taxes or get a refund for the difference, as applicable.</li> </ul>
<b>Who is eligible for APTC?</b>	<p>A consumer is eligible to have APTC paid on behalf of their tax household if they satisfy all of the following:</p> <ul style="list-style-type: none"> <li>Are enrolled in a QHP through the Marketplace;</li> <li>Have an annual household income equal to or above 100 percent* of the federal poverty level (FPL) (refer to <a href="#">Appendix B: Federal Poverty Guidelines</a>);</li> <li>Are not claimed as a dependent by another person;</li> <li>File a joint tax return if married, unless:               <ul style="list-style-type: none"> <li>The consumer is a victim of domestic abuse or spousal abandonment, or</li> <li>The consumer is legally married but lives separately from their spouse, has a tax dependent they live with and take care of, and is eligible to file their federal income tax return as Head of Household**.</li> </ul> </li> <li>Are not eligible for or enrolled in other minimum essential coverage; for example, they:               <ul style="list-style-type: none"> <li>Are not offered employer health coverage that meets the minimum value and affordability standards;</li> <li>Are not offered a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) amount exceeding the APTC limit or individual coverage Health Reimbursement Arrangement (HRA) that meets the affordability standards;</li> <li>Are not eligible for a government program like most Medicaid coverage, Medicare, the Children’s Health Insurance Program (CHIP), TRICARE, Veterans Health Program, or Peace Corps.</li> </ul> </li> </ul>

\*Adult consumers who live in a state that has expanded Medicaid may be eligible for Medicaid if their household income is at or below 138 percent of the FPL (approximately \$18,754 for an individual and \$38,295 for a family of four in 2022; higher in Alaska and Hawaii)<sup>ii</sup>. Separately, consumers whose household income is less than 100 percent of the FPL and who are not eligible for Medicaid due to immigration status may be eligible for Marketplace coverage with financial assistance. Refer to the Assister Guide to the Immigration Section of the Online Marketplace Application at [Marketplace.cms.gov/technical-assistance-resources/assister-guide-to-immigration-section.pdf](https://www.cms.gov/technical-assistance-resources/assister-guide-to-immigration-section.pdf) for more information on helping non-citizens through the Marketplace application process.

**SOP 7 – Lower Costs of Coverage**

\*\* Consumers who are married but living apart from their spouse and are unable to file a joint federal income tax return because of a case of spousal abandonment or domestic abuse can obtain APTC and CSRs as long as they are otherwise eligible. For more information, refer to the guidance available at [CMS.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Updated-Guidance-on-Victims-of-Domestic-Abuse-and-Spousal-Abandonment\\_7.pdf](https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Updated-Guidance-on-Victims-of-Domestic-Abuse-and-Spousal-Abandonment_7.pdf).

**1.1 Select the Amount of APTC**

The Marketplace determines consumers' APTC eligibility by estimating how much premium tax credit consumers may be allowed to claim when they file taxes. Consumers' final eligibility for the premium tax credit and the amount of the credit they are eligible to receive is not determined until they file their federal income tax return.

If consumers are eligible for APTC, the Marketplace will notify them of the maximum dollar amount available to them. Consumers can choose to apply the entire amount to their monthly health plan premiums or a lesser amount of their choice, including zero dollars. After consumers submit their initial application or report a life change to the Marketplace, you can help them select the amount of APTC to apply to their monthly premiums when they select a plan.

Be sure to emphasize that consumers must reconcile the amount of APTC they receive with the final premium tax credit amount they are allowed when they file their federal income tax return for the year.

- Consumers whose APTC exceeds their actual premium tax credit may owe all or a portion of the difference to the Internal Revenue Service (IRS) when filing their federal income tax returns.
- Consumers whose actual premium tax credit is more than their APTC may get a credit on their federal income tax returns or get a refund for the difference.

For example, if a consumer will have an uncertain or variable income, you may want to discuss the idea of applying only part of the premium tax credit for which they are eligible as an advance payment. This may reduce the amount of money the consumer owes at tax filing time in the event the consumer's actual income is higher than anticipated. However, it's important to remind consumers that you cannot provide tax advice within your capacity as a Navigator or certified application counselor (collectively, "assisters"). Navigators must refer consumers to licensed tax advisers, tax preparers, or other resources for assistance with tax preparation and tax advice.

To help consumers select the amount of APTC they would like to have paid on their behalf, complete the following steps:

- Step 1.** Review with the consumer the maximum amount of APTC for which they are eligible each month. This amount can be found in the upper left of the Eligibility Results table on their eligibility notice, as displayed in Exhibit 2. Explain that the amount shown on the table represents the amount of APTC for the entire tax household, not just the individual.



Exhibit 2 – Eligibility Determination Notice Screenshot: Eligibility Results

<b>Results</b>			
Premium tax credit available for this household: \$XXXX/month	Estimated 2022 income used to determine eligibility for financial help: \$XXXXX/year		
	Name 1	Name 2	Name 3
Applied for coverage.	●	●	●
Eligible to enroll in a 2022 Marketplace plan. Enroll by [enrollment deadline].	●	●	●
Eligible to buy a Catastrophic plan, if available.			●
Eligible to use the premium tax credit to pay for a Marketplace plan. Can use up to \$XXXX/month for this household.	●	●	●
Eligible for cost-sharing reductions: Will pay less for copayments, coinsurance, and deductibles when you're enrolled in a Silver plan.	●	●	●
Eligibility determination is final after acceptable documents are submitted to the Marketplace.	●	●	●
Not eligible for Medicaid because this month's household income of \$XXXX is too high.	●	●	●
You were reviewed for CHIP but don't meet eligibility criteria (age, pregnancy and/or health coverage status).	●	●	●

- Step 2.** Explain to consumers that they have the option to use less than the maximum amount of APTC for which they are eligible. The amount they choose to use will lower the cost they pay for premiums.
- Step 3.** Describe the potential effects of adjusting APTC amounts, including:
  - a. The cost of the consumer’s premium; and
  - b. Tax consequences (refer to [Section 1.2 Potential Tax Consequences](#) below).
- Step 4.** Explain when APTC takes effect, based on when the consumer reports the financial change.
  - a. Prior to a consumer’s coverage start date: If a consumer adjusts the amount of APTC they receive prior to their coverage start date, the change will take effect on their policy start date.
    - i. During Open Enrollment, if they apply between November 1st and December 15th, any adjustment to the amount of APTC will be in effect on January 1st unless there is a Special Enrollment Period (SEP) associated with the application. If they apply between December 16th and January 15th, any adjustment to the amount of APTC will be in effect on February 1st when their coverage begins unless there is an SEP associated with the application.
    - ii. If the consumer reports a change to their Marketplace application that makes them eligible for an SEP, the change in APTC will align with SEP effective dates.
  - b. After a consumer’s coverage start date: If a consumer adjusts the amount of APTC they receive after their coverage start date, the change generally takes effect the day the adjustment is made. However, if the consumer reports a change to their Marketplace application that makes them eligible for an SEP, the change in APTC will align with SEP effective dates (generally, the first of the month following plan selection).

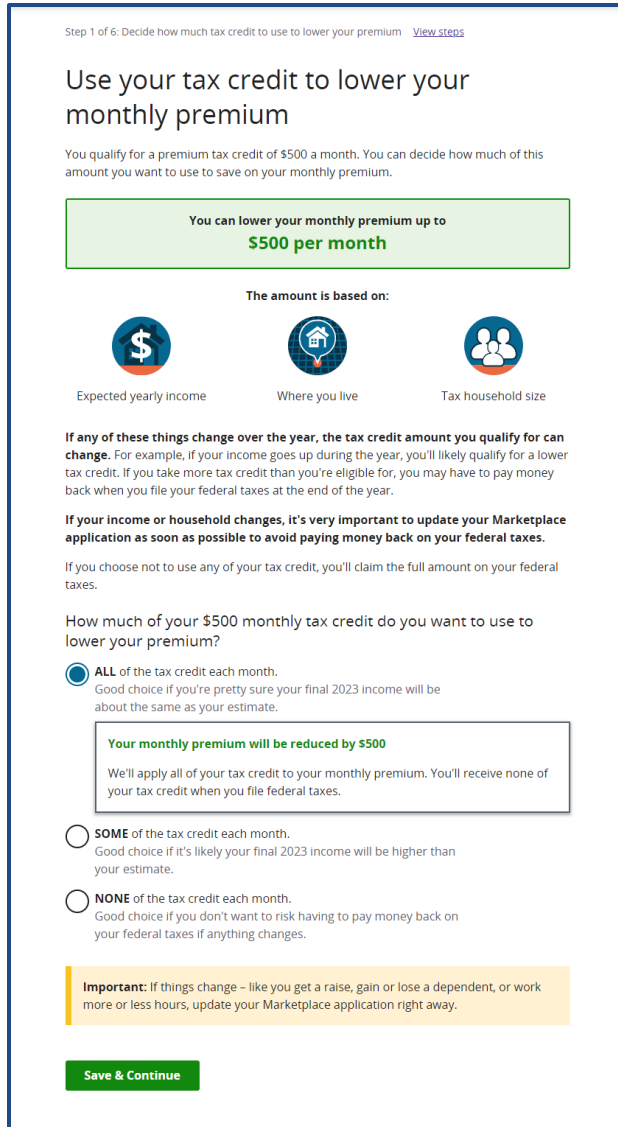
This information is intended only for the use of entities and individuals that are certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFM where the state performs plan management functions. Some information contained in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and Federally-supported State-based Marketplaces.



SOP 7 – Lower Costs of Coverage

**Step 5.** Help consumers select the amount of APTC they would like to apply toward their monthly premium payments. Consumers' maximum APTC amount cannot be more than the cost of their monthly premiums. Exhibit 3 is an example of the application screen with options for applying APTC during plan selection.

**Exhibit 3 – HealthCare.gov Application Screenshot: Selecting the Amount of APTC**



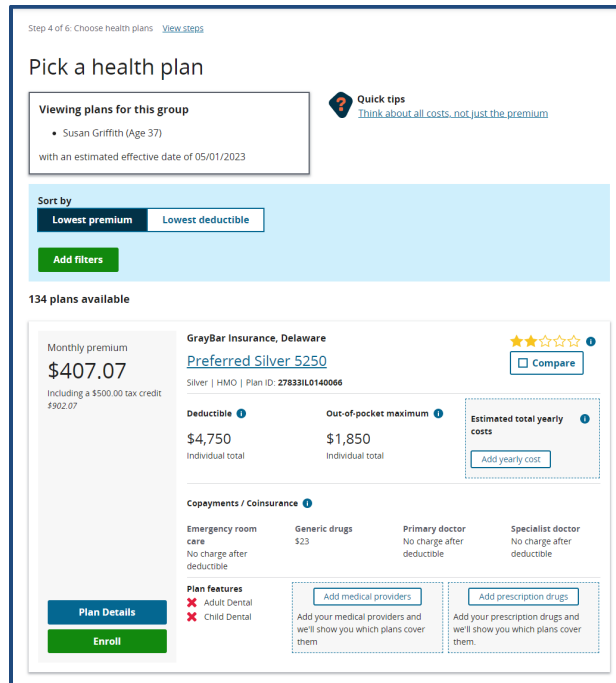
**IMPORTANT:** The amount of APTC a consumer selects is reflected in the monthly premium costs displayed when shopping for a plan. Some consumers may wish to change the amount of APTC they are using for an existing plan. These consumers should log into their Marketplace account, select **Change Plans** from the “My plans & programs screen,” and proceed to their “Enrollment To-Do List” to change their APTC. Refer to Exhibit 4 for an example of the “Pick a health plan” screen displaying plan costs that reflect their desired APTC amount.

This information is intended only for the use of entities and individuals that are certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFM where the state performs plan management functions. Some information contained in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and Federally-supported State-based Marketplaces.





Exhibit 4 – HealthCare.gov Application Screenshot: Pick a Health Plan



### 1.2 Potential Tax Consequences

Before assisters help consumers, they must provide consumers with a disclaimer stating that they are not acting as tax advisors or attorneys, and they cannot provide tax or legal advice within their capacity as assisters. However, assisters are required to help consumers with Exchange-related components of the premium tax credit reconciliation process and the availability of IRS resources on this process.

Explain to consumers that the amount of APTC paid on their behalf will affect the amount they owe or the amount of their refund when they file their federal income tax return. Consumers who receive APTC must file a federal income tax return and include Form 8962, Premium Tax Credit (PTC), even if they are not otherwise required to file taxes. On their federal income tax return, they will compare APTC they received with the actual premium tax credit amount they are eligible for based on their actual household income.

Also inform consumers that they may be ineligible for APTC in future years if APTC is paid on their behalf, but they do not file a federal income tax return for the year and reconcile their APTC.

**SOP 7 – Lower Costs of Coverage**

- **For Plan Year 2023:** In plan years 2021 and 2022, CMS did not act on data from the IRS for consumers who failed to file tax returns and reconcile a previous year's APTC with the PTC allowed for the year. This change was made in response to the impact of the COVID-19 public health emergency (PHE) on the processing of federal income tax returns and changes concerning the reconciliation of APTC with PTC for tax year 2020 announced by IRS in response to the American Rescue Plan. CMS will continue to not act on data from the IRS for consumers who have failed to file tax returns and reconcile a previous year's APTC with the PTC allowed for the year for Plan Year 2023. The continuation of this operations flexibility is due to the continued impact of the COVID-19 pandemic on the processing of 2021 federal income tax returns.<sup>iii</sup> This flexibility also extends to State-Based Exchanges.

A consumer's maximum APTC amount was determined based on the consumer's projected household income and size. However, the consumer must use their actual household income and family size to calculate the premium tax credit when filing their federal income tax return. If a consumer's actual household income differs from the projected household income amount, this may affect the amount the consumer will pay or receive as a credit or refund when filing their federal income tax return.

Consumer repayments of excess APTC are limited to amounts based on their household income and household size. Consumers can find current information on repayment limits in Form 8962 – Premium Tax Credit (PTC) instructions at [IRS.gov/pub/irs-pdf/i8962.pdf](https://www.irs.gov/pub/irs-pdf/i8962.pdf).

If consumers' actual household income is less than they projected when they submitted their Marketplace application or if they did not apply all of the APTC for which they were eligible when they enrolled in a QHP, their premium tax credit will likely be more than their APTC. In that case, consumers will get a credit or a refund for the difference when they file a federal income tax return for the year.

If a consumer's actual household income is below 100 percent of the FPL, the consumer may still be able to claim the premium tax credit at tax time if they were enrolled in a Marketplace plan with APTC and expected a household income equal to or above 100 percent of the FPL when the consumer initially enrolled in the plan. However, for the next plan year, the individual will not be eligible for APTC if their household income for the next plan year is expected to remain below 100 percent of the FPL. Consumers should return to the Marketplace to update their income information whenever there are changes. In most states, if a consumer appears to qualify for Medicaid, their application information will be sent directly to the consumer's state Medicaid office, and the consumer will receive a final notice of Medicaid eligibility later. In a small number of states, the Marketplace makes the final determination of Medicaid eligibility. For more information, refer to the Medicaid and CHIP Overview assister job aid at [Marketplace.cms.gov/technical-assistance-resources/fast-facts-medicaid-chip.pdf](https://www.cms.gov/technical-assistance-resources/fast-facts-medicaid-chip.pdf).

Note that assisters must educate consumers on Marketplace-related components of the premium tax credit reconciliation process and help them understand the availability of IRS resources on this process, and assisters must inform consumers that they are not acting as a tax adviser or attorney when providing assistance as an assister and cannot provide tax or legal advice within their capacity as an assister. Beginning with Navigator grants awarded after September 17, 2021, Navigators must refer consumers to licensed tax advisers, tax preparers, or other resources for assistance with tax preparation and tax advice related to consumer questions about the Exchange application and enrollment process and PTC reconciliations. For more information on APTC reconciliation, refer to SOP 12 – Understanding Form 1095-A and Reconciling Advance Payments of the Premium Tax Credit at [Marketplace.cms.gov/technical-assistance-resources/sop-section-12.pdf](https://www.cms.gov/technical-assistance-resources/sop-section-12.pdf) and [IRS.gov](https://www.irs.gov).

This information is intended only for the use of entities and individuals that are certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms "Federally-facilitated Marketplace" and "FFM," as used in this document, include FFM where the state performs plan management functions. Some information contained in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and Federally-supported State-based Marketplaces.



SOP 7 – Lower Costs of Coverage

Exhibit 5 provides information on when consumers should contact the Marketplace Call Center or the IRS if they have questions about how their coverage status and Marketplace financial assistance will affect the tax filing process. You may use this resource in your work with consumers to help them route their questions accordingly.

Exhibit 5 – Questions About the Tax Consequences of APTC and Marketplace Coverage: Who to Ask

Marketplace Call Center will handle questions regarding:	Internal Revenue Service will handle questions regarding:
<ul style="list-style-type: none"> <li>Form 1095-A (Health Insurance Marketplace Statement)</li> <li>Form 8962, Premium Tax Credit and how it works with Form 1095-A</li> <li>APTC versus PTC</li> <li>Eligibility for APTC</li> <li>Hardship and affordability exemptions (including who qualifies for exemptions, what to do if an exemption is pending, and how to get an Exemption Certificate Number (ECN)) for consumers age 30 and over who wish to purchase Catastrophic coverage</li> <li>Handling problems with Form 1095-A (including missing or incorrect information and duplicate copies)</li> <li>How the PTC may impact consumers' tax refunds</li> </ul>	<ul style="list-style-type: none"> <li>Help filing taxes</li> <li>Help paying taxes owed to the IRS</li> <li>Questions related to tax filing, such as:               <ul style="list-style-type: none"> <li>How long can I delay filing?</li> <li>What happens if I don't file?</li> <li>I filed my taxes prior to getting Form 1095-A. How do I amend my tax return?</li> </ul> </li> <li>Questions on how to complete Form 8962, Premium Tax Credit</li> <li>Questions about other tax forms</li> <li>Tax assistance (including <a href="#">Free File</a>, which forms to fill out, where to get assistance with tax filing, and what the tax-filing deadline is)</li> </ul>

## 2. Select Plans with Cost-sharing Reductions (CSRs)

In addition to premium tax credits, some consumers may be eligible for extra savings in the form of CSRs through the Marketplace. Specifically, consumers who are eligible for APTC and whose household income is between 100 percent and 250 percent of the FPL and consumers who are members of a federally recognized Indian Tribe are eligible. CSRs reduce the amount consumers have to pay out of pocket for health care (e.g., deductibles, copayments, and coinsurance). The Marketplace determines whether consumers are eligible for income-based CSRs based on their projected household income and size; if eligible, they must choose a Silver QHP to receive savings. American Indians and Alaska Natives (AI/ANs) who are members of a federally recognized Tribe may receive CSRs with a QHP at any metal level. Exhibit 6 provides information to help answer consumers' questions about CSRs.



SOP 7 – Lower Costs of Coverage

Exhibit 6 – Common CSR Questions and Answers

Question	Answer
<b>What is a cost-sharing reduction (CSR)?</b>	A discount that lowers the amount a consumer has to pay for deductibles, coinsurance, and copayments.
<b>Who is eligible for CSRs?</b>	To be eligible for and utilize CSRs, a consumer must: <ul style="list-style-type: none"> <li>• Have a projected household income between 100 percent and 250 percent of the FPL (refer to Appendix B: Federal Poverty Guidelines) <b>or</b>, for AI/Ans who are members of a federally recognized Tribe, have a projected household income from 100 percent to 300 percent of the FPL for zero cost sharing or over 300 percent of the FPL for limited cost sharing.</li> <li>• Enroll in a Silver category QHP through the Marketplace <b>or</b>, for AI/ANs, a QHP at any metal level; and</li> <li>• Be eligible for the premium tax credit</li> </ul>

Consumers' Marketplace eligibility results will indicate whether they are eligible for CSRs. It is important for non-AI/AN consumers to understand that they may potentially save thousands of dollars if they use medical services, but only if they select a Silver plan. Exhibit 7 presents next steps for consumers who are eligible for CSRs.

Exhibit 7 – Results and Next Steps for CSR-eligible Consumers

Cost-sharing Reduction Eligibility	Eligibility Results	Next steps
<b>Non-AI/AN Consumer Eligible for CSRs</b>	<ul style="list-style-type: none"> <li>• Eligible for CSRs: Will pay less for copayments, coinsurance, and deductibles when you're enrolled in a Silver plan.</li> </ul>	<ul style="list-style-type: none"> <li>• [73% variant] Choose a Silver plan to get CSRs.</li> <li>• [87%/94% variant] Choose a Silver plan to get CSRs. Choosing Silver instead of Bronze may save you thousands of dollars if you use a lot of services.</li> </ul>
<b>AI/AN Consumer Eligible for Zero Cost Sharing</b> (For AI/ANs who are members of a federally recognized Tribe and have income between 100% and 300% of the FPL)	<ul style="list-style-type: none"> <li>• Eligible for CSRs: Will pay \$0 for covered services from Indian health programs or from your Marketplace plan.</li> </ul>	<ul style="list-style-type: none"> <li>• [no CSR messaging in Next Steps because no limitations on plan category. Next Steps language will depend on timing of enrollment (OE or SEP, etc.)]</li> </ul>
<b>AI/AN Consumer Eligible for Limited Cost Sharing</b> (For AI/ANs who are members of a federally recognized tribe and have income above 300% of the FPL)	<ul style="list-style-type: none"> <li>• Eligible for CSRs: Will pay \$0 for covered services from Indian health programs or from your Marketplace plan with a referral from an Indian health care provider.</li> </ul>	<ul style="list-style-type: none"> <li>• [no CSR messaging in Next Steps because no limitations on plan category. Next Steps language will depend on timing of enrollment (OE or SEP, etc.)]</li> </ul>



SOP 7 – Lower Costs of Coverage

Cost-sharing Reduction Eligibility	Eligibility Results	Next steps
Mixed CSR Household (200% of the FPL – one member is AI/AN and eligible for zero cost sharing while other household members are eligible for income-based CSRs)	<ul style="list-style-type: none"> <li>[AI/AN CSR] Eligible for CSRs: Will pay \$0 for covered services from Indian health programs or from your Marketplace plan</li> <li>[income-based CSR] Eligible for CSRs: Will pay less for copayments, coinsurance, and deductibles when you're enrolled in a Silver plan.</li> </ul>	<ul style="list-style-type: none"> <li>[AI/AN CSR] Choose a Platinum, Gold, Silver, or Bronze plan to get CSRs.</li> <li>[income-based CSR] Choose a Silver plan to get CSRs.</li> </ul>

Explain to consumers that if they are eligible for CSRs, they must choose a Silver plan to take advantage of CSRs. If they qualify for CSRs and do not choose a Silver plan, they may pay more when they need health care. There is one exception to this rule: AI/ANs may take advantage of CSRs at any health plan metal level. Consumers who are eligible for CSRs are presented with an “Extra Savings” box under the monthly premium when comparing plans, as illustrated in Exhibit 8.

Exhibit 8 – HealthCare.gov Screenshot: How to Identify CSR-eligible Plans on the Marketplace

The screenshot displays two insurance plan cards. The top card is for 'Good Life Health Insurance' (HMO Silver) with a monthly premium of \$93.85. The bottom card is for 'Healthy Step Insurance' (Silver 2) with a monthly premium of \$98.42. In both cases, a yellow box labeled 'Extra Savings' is positioned below the premium amount, and this box is highlighted with a red border in the image.

This information is intended only for the use of entities and individuals that are certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFM where the state performs plan management functions. Some information contained in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and Federally-supported State-based Marketplaces.



Exhibit 9 lists costs CSRs do and do not apply to.

Exhibit 9 – CSR-eligible Costs

CSRs do decrease these costs (if eligible):	CSRs will <u>not</u> decrease these costs:
<ul style="list-style-type: none"> <li>• Deductibles</li> <li>• Coinsurance</li> <li>• Copayments</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly premiums</li> <li>• Balance bills by non-network providers*</li> <li>• Amounts spent on non-covered services</li> </ul>

\*Under the No Surprises Act, as of January 1, 2022, consumers have new billing protections when getting emergency care, non-emergency care from out-of-network providers at in-network facilities, and air ambulance services from out-of-network providers. For more information on the No Surprises Act and implementing regulations, visit [CMS.gov/nosurprises](https://www.cms.gov/nosurprises). Consumers are responsible for notifying the Marketplace within 30 days if there are any changes to their household income or other application information that may affect their eligibility for CSRs.

## C. Next Steps

1. If consumers would like to compare plans or make plan selections, proceed to [SOP 8 – Compare, Save, & Select Health Plans](#).
2. If consumers need to report changes that affect their eligibility results, proceed to [SOP 13 – Update a Marketplace Account](#).
3. If consumers believe that they are eligible for more APTC or CSRs, proceed to [SOP 10 – Request a Marketplace Eligibility Appeal](#).
4. If consumers would like more information about APTC reconciliation and filing federal income tax returns, proceed to [SOP 12 – Understanding Form 1095-A and Reconciling Advance Payments of the Premium Tax Credit](#).
5. For more help answering consumers’ specific questions, refer to [Appendix A: Frequently Asked Questions \(FAQs\)](#).



## Appendix A: Frequently Asked Questions (FAQs)

These FAQs are designed to help assisters answer consumers' specific questions on options to lower health plan costs available through the Individual Marketplace.

FAQ 1. Can I adjust the amount of APTC that I receive?

- Answer: Yes, you can adjust the amount of APTC that you receive, up to the maximum amount for which you are eligible. You can do this year-round, including during Open Enrollment.

FAQ 2. Can I adjust the amount of income-based CSRs that I receive?

- Answer: No. If you are eligible for income-based CSRs and enroll in a Silver plan, you will receive the fixed amount of CSRs for which you are eligible based on your household income. You may not choose a different amount or level of CSRs, but you may choose to enroll in a plan without CSRs. Your CSRs are reflected in lower copayments, coinsurance, and deductibles on your Silver plan (or any level for Tribal consumers).

FAQ 3. Can I adjust the amount of APTC that I receive to more than I am eligible for?

- Answer: No, the Marketplace determines the maximum amount of APTC for which you are eligible. If you feel that you are eligible for a higher amount of APTC, you may file an appeal. Even if you do not file an appeal, if you are found eligible for a higher premium tax credit when you file your federal income tax return for the year, you will receive a credit or refund for the difference between the premium tax credit you are eligible for and the APTC that was paid on your behalf.

FAQ 4. I think I am eligible for more APTC or CSRs than what was determined by the Marketplace. What should I do?

- Answer: You may file an appeal if you believe you are eligible for more APTC or CSRs or if you aren't satisfied with certain other eligibility determinations.

FAQ 5. If I lose my job, will I qualify for APTC and CSRs?

- Answer: You should report this change to the Marketplace and update your Marketplace application to enter any changes to your household income or employment status to determine whether you are newly eligible for or eligible for a different amount of APTC and CSRs. If you were previously ineligible based on your household income or because you had access to affordable employer-sponsored coverage that meets the minimum value standard, you may become eligible for help paying for coverage through the Marketplace as a result of decreased income or losing eligibility for this employer-sponsored coverage.

FAQ 6. How do I report changes in my household income?

- Answer: You may log into your account, select the "Report a Life Change" tab, and update your Marketplace application with any changes to your income. You may also contact the Marketplace Call Center.





FAQ 7. How much does my household income matter in determining my eligibility for APTC and CSRs?

- Answer: Eligibility for APTC and CSRs depends, in part, on your household size and income. The Marketplace will determine whether you qualify for these benefits based on your household size and income. Please note that there may be other non-financial eligibility requirements for APTC and CSRs. Visit [HealthCare.gov](https://www.healthcare.gov) for more information.





Appendix B: Federal Poverty Guidelines

Exhibit 10 – 2022 Annual Poverty Guidelines for All States (Except Hawaii and Alaska)

Household Size	100%	133%	138%	150%	200%	250%	300%	350%	400%
1	\$13,590	18,075	18,754	20,385	27,180	33,975	40,770	47,565	54,360
2	\$18,310	24,352	25,268	27,465	36,620	45,775	54,930	64,085	73,240
3	\$23,030	30,630	31,781	34,545	46,060	57,575	69,090	80,605	92,120
4	\$27,250	36,908	38,295	41,625	55,500	69,375	83,250	97,125	111,000
5	\$32,470	43,285	44,809	48,705	64,940	81,175	97,410	113,645	129,880
6	\$37,190	49,463	51,322	55,785	74,380	92,975	111,570	130,165	148,760
7	\$41,910	55,740	57,836	62,865	83,820	104,775	125,730	146,685	167,640
8	\$46,630	62,018	64,349	69,945	93,260	116,575	139,890	163,205	186,520

\*For family units with more than eight members, add \$4,720 for each additional family member.

Exhibit 11 – 2022 Annual Poverty Guidelines for Alaska Only

Household Size	100%	133%	138%	150%	200%	250%	300%	350%	400%
1	\$16,990	22,597	23,446	25,485	33,980	42,475	50,970	59,465	67,960
2	\$22,890	30,444	31,588	34,335	45,780	57,225	68,670	80,115	91,560
3	\$28,790	38,291	39,730	43,185	57,580	71,975	86,370	100,765	115,160
4	\$34,690	46,138	47,872	52,035	69,380	86,725	104,070	121,415	138,760
5	\$40,590	53,985	56,014	60,885	81,180	101,475	121,770	142,065	162,360
6	\$46,490	61,832	64,156	69,735	92,980	116,225	139,470	162,715	185,960
7	\$52,390	69,679	72,298	78,585	104,780	130,975	157,170	183,365	209,560
8	\$58,290	77,526	80,440	87,435	116,580	145,725	174,870	204,015	233,160

\*For family units with more than eight members, add \$5,900 for each additional family member.



Exhibit 12 – 2022 Annual Poverty Guidelines for Hawaii Only

Household Size	100%	133%	138%	150%	200%	250%	300%	350%	400%
1	\$15,630	20,788	21,569	23,445	31,260	39,075	46,890	54,705	62,520
2	\$21,060	28,010	29,063	31,590	42,120	52,650	63,180	73,710	84,240
3	\$26,490	35,232	36,556	39,735	52,980	66,225	79,470	92,715	105,960
4	\$31,920	42,454	44,050	47,880	63,840	79,800	95,760	111,720	127,680
5	\$37,350	49,676	51,543	56,025	74,700	93,375	112,050	130,725	149,400
6	\$42,780	56,897	59,036	64,170	85,560	106,950	128,340	149,730	171,120
7	\$48,210	64,119	66,530	72,315	96,420	120,525	144,630	168,735	192,840
8	\$53,640	71,341	74,023	80,460	107,280	134,100	160,920	187,740	214,560

*\*For family units with more than eight members, add \$5,430 for each additional family member.*

<sup>i</sup> Consumers who expect their income to change during the year may want to consider whether they will have to reconcile this difference when filing taxes.

<sup>ii</sup> Note that different years' FPL tables may be used for Medicaid and the Marketplace

<sup>iii</sup> More information on this guidance can be found at [CMS.gov/CCIIO/Resources/Regulations-and-Guidance/FTR-flexibilities-2021-and-2022.pdf](https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/FTR-flexibilities-2021-and-2022.pdf) and [CMS.gov/CCIIO/Resources/Regulations-and-Guidance/FTR-flexibilities-2023.pdf](https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/FTR-flexibilities-2023.pdf).