Silver vs. Bronze Plan Selection: Cost-Comparison Scenarios

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An important part of being an agent or broker includes helping consumers consider all plan options and enrolling them in the plan that best meets their needs. Many consumers are eligible for savings on out-of-pocket costs through the Marketplace, which can make this a complicated decision. As an agent or broker, you should help consumers consider all expenses, including premiums, deductibles, and out-of-pocket costs before they make a decision.

There are two main types of savings for which consumers may be eligible:

Advanced Payments of the Premium Tax Credit (APTC): APTCs are tax credits consumers can use to lower their monthly premium payment for coverage through the Marketplace. Consumers' eligibility for APTC is based on their projected annual household income they attest to in their Marketplace application and may be adjusted based on Marketplace verification.

Cost-sharing Reductions (CSRs): CSRs are discounts that lower the amount consumers pay for out-of-pocket expenses for Marketplace coverage, such as deductibles, copayments, and coinsurance. There are CSRs that are specialized for American Indians and Alaska Natives as well as income-based CSRs which are dependent on a consumer's income percentage of the federal poverty level (FPL).

CSR BEST PRACTICES

- If consumers are **eligible for income-based CSRs,** the only way they can take advantage of these extra savings is by enrolling in a Silver plan.
- On some application platforms, $0 premium Bronze plans might be the first plans consumers notice in plan comparisons, but consumers can **sort and filter** their results to see their potential extra savings with Silver plans.
- Agents and brokers should always remind consumers about the potential out-of-pocket costs of plans **beyond** monthly premiums, which may impact a consumer's overall expenses throughout the year. Agents and brokers should also review consumer's previous coverage with them to better understand what they liked and did not like about their plan.

Consumers can use all, some, or none of the APTC they are eligible for to lower their monthly premium. If a consumer uses more APTC than they qualify for based on their final yearly income, the consumer must repay the difference when they file their federal income tax return. If a consumer uses less premium tax credit than they qualify for, the consumer will get the difference as a refundable credit when they file their taxes.

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CSR BEST PRACTICES

CONTINUED

- In most cases, consumers with a projected annual household **income between 100-150% of the FPL** should have access to low- or no-premium Silver plans with additional savings from CSRs. However, in states that expanded Medicaid eligibility, consumers with projected annual household income under 138% FPL may be eligible for Medicaid and referred to their state Medicaid agency for Medicaid enrollment.

- Agents and brokers must not enroll consumers who are eligible for Medicaid/Children's Health Insurance Program (CHIP) in a Qualified Health Plan (QHP) with financial assistance. If consumers are potentially eligible for Medicaid or CHIP, agents and brokers can help these consumers connect with the appropriate state agency to apply for this coverage.

- You can use the "See plans and prices" tool on HealthCare.gov to estimate total yearly costs based on expected coverage use throughout the year by entering specific client information. Many Classic Direct Enrollment (DE) and Enhanced Direct Enrollment (EDE) partners offer similar services, too.

Note: Members of a federally-recognized tribe or Alaska Native Claims Settlement Act (ANCSA) Corporation shareholders may qualify for additional CSRs for any metal level plan. For more information on the special health coverage protections and benefits for American Indians and Alaska Natives (including CSRs), please visit Health coverage for American Indians & Alaska Natives.

Consumers' eligibility for saving programs can significantly impact the cost of their coverage. Below are three different consumer scenarios that show potential costs for Marketplace coverage. These scenarios depict households seeking preliminary eligibility information using the "See plans and prices" tool on HealthCare.gov, which can help estimate annual costs of different Marketplace plans based on varying levels of healthcare use. The low, medium, and high levels of coverage use are defined using predicted frequency of doctor visits, prescription drug orders, and hospital visits. The plan costs outlined in each of the scenarios below are representative of the general plan choices available to consumers and come from the lowest premium plan for each metal category.

If you would like to learn more about the plans and estimated yearly cost within the states you work, please visit the "See plans and prices" tool on HealthCare.gov.

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Scenario One: John

John is a 20-year-old male who lives by himself. John's projected annual income is $26,355, meaning he may qualify for a premium tax credit of $415 per month. John is single and will claim no dependents on his tax return. Below are examples of the Marketplace plans and savings for which John may be eligible. The costs in the table below include the full application of available premium tax credits and available cost-sharing reductions:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $8,500 Out-of-Pocket Maximum: $9,200	$17	$752	$9,200
Silver	Estimated Monthly Premium: $21.37 Deductible: $600 Out-of-Pocket Maximum: $2,800	$274	$904	$3,056
Gold	Estimated Monthly Premium: $1.42 Deductible: $1,500 Out-of-Pocket Maximum: $7,800	$27	$710	$5,221

Key Takeaways from Scenario One

1. In a best-case scenario where John does not use coverage for the year, enrolling in $0 premium Bronze plan will save him **less than $260** dollars per year as compared to enrolling in a Silver or Gold plan. However, John may be more likely to delay needed care in this plan. ($274 - $17 = $257)

2. In a worst-case scenario, John might have to **pay almost $6,400 more out of pocket** in a Bronze plan or $5,000 more in a Gold plan compared to a Silver plan. ($9,200 - $2,800 = $6,400 and $7,800 - $2,800 = $5,000)

3. Enrolling in a Silver plan with a **small monthly premium** of less than $22 per month could save John money for the year if any unpredicted health emergencies arise.

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Scenario Two: Cole

Cole is a 45-year-old male who lives with his wife, Anna, a 40-year-old female. They will file a joint tax return without claiming any dependents. Cole and Anna's projected annual income is $34,748, which means they may qualify for an estimated premium tax credit of $1,007 per month. The costs in the table below include the full application of available premium tax credits and available cost-sharing reductions:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $11,000 Out-of-Pocket Maximum: $18,400	$607	$3,982	$18,400
Silver	Estimated Monthly Premium: $10.43 Deductible: $2,850 Out-of-Pocket Maximum: $6,100	$507	$2,962	$6,225
Gold	Estimated Monthly Premium: $168.12 Deductible: $3,280 Out-of-Pocket Maximum: $16,200	$2,529	$5,290	$18,217

Key Takeaways from Scenario Two

1. If Cole and Anna expect to use their health care coverage frequently during the year, a Sliver plan with a premium of about $10 per month is likely the best option **to save them money**.

2. With a medium estimated use of coverage, Cole and Anna are expected to save over $1,000 in total costs per year in a Silver plan compared to Bronze. ($3,982 - $2,962 = $1,020) In a worst-case scenario, they could **save more than $12,000 in a Silver plan compared to Bronze**. ($18,400 - $6,100 = $12,300)

3. In a best-case scenario, where Cole and Anna do not use much coverage for the year, enrolling in a Silver plan will **save them about $100 per year** compared to Bronze. ($607 - $507 = $100)

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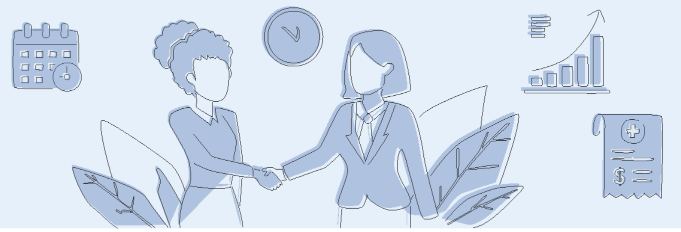

Scenario Three: Emily

Emily is married to Andrew, and they live together with their 11-year-old son, Timmy, and 10-year-old daughter, Sara. Emily is a 28-year-old female and Andrew is a 30-year-old male. They will file a joint tax return and will claim Timmy and Sara as dependents. Emily and Andrew's projected annual income is $67,392, which means they may qualify for an estimated premium tax credit of $1,473 per month. The costs in the table below include the full application of available premium tax credits and available cost-sharing reductions:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $7,600 Out-of-Pocket Maximum: $18,400	$593	$3,071	$18,400
Silver	Estimated Monthly Premium: $116.05 Deductible: $6,000 Out-of-Pocket Maximum: $12,800	$2,186	$5,386	$14,193
Gold	Estimated Monthly Premium: $139.29 Deductible: $2,900 Out-of-Pocket Maximum: $15,000	$2,175	$4,339	$16,659

Key Takeaways from Scenario Three

1. In a worst-case scenario where Emily and Andrew expect their family to need a lot of health care for the year, a Sliver plan could **save them about $4,200 in total costs** per year compared to Bronze and nearly $1,000 in total costs compared to a Gold plan. ($18,400 -$14,193= $4,207)

2. Emily and Andrew could consider a $0 premium Bronze plan if they do not expect to use much coverage, but that could put **them at risk of paying significantly more for coverage** during the year if they use a lot of health care services. Emily and Andrew also may be more likely to delay needed care in this plan because of the cost associated.

3. Another option would be to **consider a Gold plan**. It has a comparable monthly premium to a Silver plan and could provide cost savings for the household with medium to high health care use but would not allow the couple to utilize their CSRs.

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Scenario Four: Janine

Janine is a 35-year-old single woman. She will not claim any dependents on her tax return. Janine's projected annual income is $21,084, which means she may qualify for an estimated premium tax credit of $488 per month. The costs in the table below include the full application of available premium tax credits and available cost-sharing reductions:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $3,500 Out-of-Pocket Maximum: $9,200	$295	$1,391	$7,534
Silver	Estimated Monthly Premium: $0 Deductible: $0 Out-of-Pocket Maximum: $3,000	$15	$119	$3,034
Gold	Estimated Monthly Premium: $11.91 Deductible: $1,640 Out-of-Pocket Maximum: $8,100	$377	$1,322	$8,277

Key Takeaways From Scenario Four

1. Due to Janine's income amount, she is eligible for a **$0 premium Silver plan**. If Janine chose to enroll in a $0 premium Silver plan, she would be able to maximize her potential savings.

2. Regardless of Janine's projected health care usage, enrolling in a Silver plan could potentially save Janine **between hundreds and thousands of dollars**, as shown by the difference between the Silver plan estimated yearly costs and the Bronze and Gold plan estimated yearly costs.

3. Janine could consider a Bronze or Gold plan if the provider networks aligned with more with her needs, but she is at **risk of paying significantly more for coverage** during the year. This increased cost could also cause Janine to delay care. ($7,534 - $3,034 = $4,500 more if enrolled in a Bronze plan with high use and $8,277 - $3,034 = $5,243 more if enrolled in a Gold plan with high use)

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