

Reimagining the Affordable Care Act

March 11, 2025

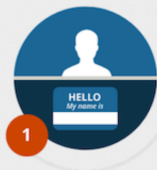
SPENDING REFORM OPTIONS

Policy Explainer

Topline Savings: \$5.3 - \$5.7 T

1. **REPEAL MAJOR BIDEN HEALTH RULES (\$420B)**
2. **STRENGTHEN MEDICARE FOR SENIORS (\$479B)**
 - o *Site Neutral – \$146B*
 - o *Uncompensated Care – \$229B*
 - o *Bad Debt – \$42B*
 - o *BCA Mandatory Sequester Extension - \$62B*
3. **MAKING MEDICAID WORK FOR THE MOST VULNERABLE (\$2.3T)**
 - o *Per Capita Caps - up to \$918B*
 - o *Equalize Medicaid Payments for Able Bodied Adults - up to \$690B*
 - o *Limit Medicaid Provider Taxes - \$175B*
 - o *Lower FMAP Floor - \$387B*
 - o *Special FMAP Treatment for DC – \$8B*
 - o *Repeal American Rescue Plan FMAP Incentive – \$18B*
 - o *Medicaid Work Requirements - \$120B*
4. **REIMAGINING THE AFFORDABLE CARE ACT (ACA) (\$151B)**
 - o *Recapture Excess Premium Tax Credit – \$46B*
 - o *Limit Health Program Eligibility Based on Citizenship Status - \$35B*
 - o *Repeal the Prevention Public Health Fund – \$15B*
 - o *Appropriate Cost Sharing Reductions - \$55B*
5. **ENDING CRADLE-TO-GRAVE DEPENDENCE (\$347B)**
 - o *Reinstate the Trump-era Public Charge Rule -- \$15B*
 - o *Reduce TANF by 10 Percent – \$15B*
 - o *Eliminate the TANF Contingency Fund -- \$6B*
 - o *Reform the Thrifty Food Plan -- up to \$274B*
 - o *Eliminate the Social Services Block Grant – \$15B*
 - o *SNAP Reforms – \$22B*
6. **REVERSING BIDEN CLIMATE POLICIES (\$468B)**
 - o *Discontinue the Green New Deal Provisions in the 2021 Infrastructure Bill – \$300B*
 - o *Repeal EV Mandate – \$112B*
 - o *Repeal IRA green energy grant s– \$56B*
7. **OTHER: (\$917B-\$1T)**
 - o *End the Student Loan Bailout – \$200-330B*
 - o *Rescind all Unspent COVID Money – \$11B*
 - o *Auction Spectrum – \$60 billion*
 - o *Repeal Orderly Liquidation Authority – \$22 billion*
 - o *Increase FERS Contributions – \$45 billion*
 - o *Other federal employee benefit reforms – \$32 billion*
 - o *Restrict emergency spending to recent average—\$500B*
 - o *Eliminate the TSP G Fund Subsidy – \$47B*
8. **POTENTIAL TAX OFFSETS: (\$227-\$527B)**
 - o *Green energy tax credits – \$200 - \$500B, depending on political viability*
 - o *SSN CTC Requirement – \$27B*

How the Marketplace Works



Create an account

First you'll provide some basic information. [Sign up for Marketplace](#) emails now and we'll let you know as soon as you can create an account.



Apply

Starting October 1, 2013 you'll enter information about you and your family, including your income, household size, and more.

[Use this checklist](#) now to help you gather the information you'll need.



Pick a plan

Next you'll see all the plans and programs you're eligible for and compare them side-by-side.

You'll also find out if you can get [lower costs](#) on monthly premiums and out-of-pocket costs.



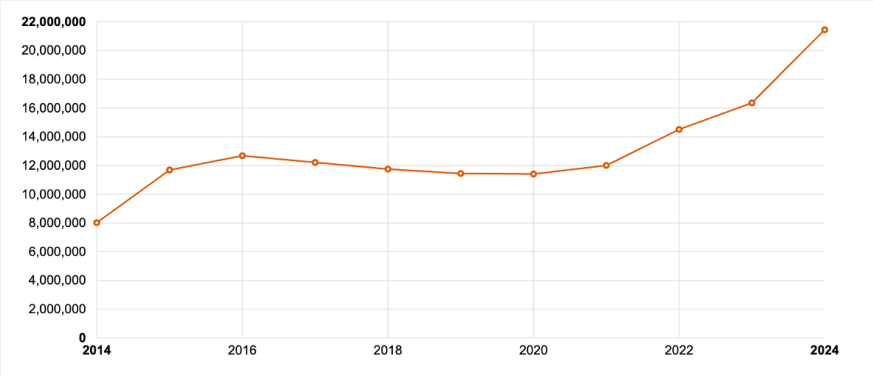
Enroll

Choose a plan that meets your needs and enroll!

Coverage starts as soon as January 1, 2014.

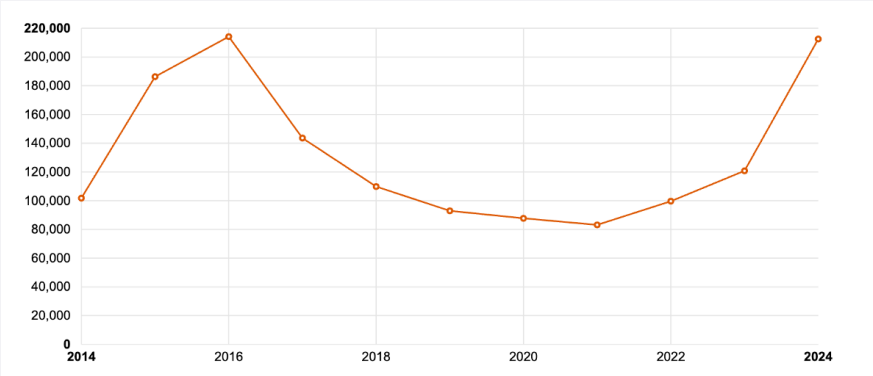
ACA Marketplace Enrollment

- U.S. Marketplace Enrollment



ACA Marketplace Enrollment

- Louisiana Marketplace Enrollment



ACA Marketplace Plan Tiers

| BRONZE | SILVER | GOLD | PLATINUM |
|---------------------------|-----------------------------------|---------------------------|---------------------------|
| 60% | 70% | 80% | 90% |
| approximate coverage | approximate coverage | approximate coverage | approximate coverage |
| Lowest Premium | 2nd Lowest Premium | Higher Premium | Highest Premium |
| High Deductible | Separate Medical & Rx Deductibles | No Deductible | No Deductible |
| No Cost-Sharing Subsidies | Cost-Sharing Subsidies | No Cost-Sharing Subsidies | No Cost-Sharing Subsidies |

ACA Marketplace Subsidies

● APTCs and CSRs:

premium subsidies

The Affordable Care Act's premium subsidies – technically premium tax credits – were designed to help Americans purchase their own health insurance.



Eligibility is based on income and determined by the Marketplace



You pick any metal-level plan in the Marketplace



The subsidy is sent directly to your insurance company to cover some or all of your premium

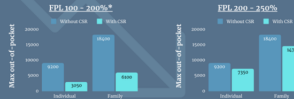


The subsidy amount is reconciled with the IRS when you file your tax return



Who qualifies for a cost-sharing reduction?

Cost-sharing reductions (CSRs) are available to eligible enrollees who select a Silver ACA plan in the Marketplace and have a household income up to 250% of the federal poverty level. CSRs reduce enrollees' cost-sharing by lowering a health plan's out-of-pocket maximum, and increasing the actuarial value of the plan.



*This range changes to 138 - 200% FPL in states where Medicaid has been expanded

ACA Marketplace Subsidies

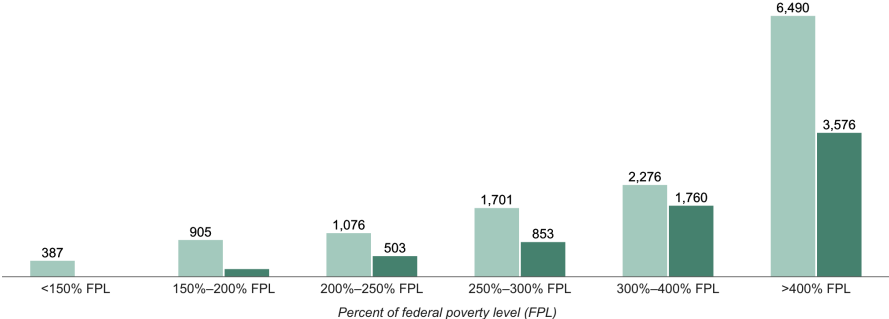
- APTCs, ARPA (2020), & IRA (2022):

| Income as a % of FPL | Max % of Income to Premiums (2019) | Max % of Income to Premiums (2025) |
|-----------------------------|---|---|
| Less than 150% | 2.08% | 0% |
| 150% to Less than 200% | 4.15% | 2% |
| 200% to Less than 250% | 6.54% | 4% |
| 250% to Less than 300% | 8.36% | 6% |
| 300% to Less than 400% | 9.86% | 8.5% |
| 400% and higher | N/A | 8.5% |

Projected Impact of Enhanced Premium Tax Credits on Health Insurance Premium Costs in 2025

Premium cost (dollars)

Original premium tax credits Enhanced premium tax credits



Reimagining the ACA

- **Team 1: Congressional Republicans**
 - ▶ Extending the Trump Tax Cuts are a better use of resources than funding enhanced APTCs.
- **Team 2: Public Health Advocates**
 - ▶ Eliminating enhanced APTCs will worsen health outcomes.
- **Team 3: Insurance Market Analysts**
 - ▶ How will eliminating enhanced APTCs affect premiums, risk pools, and market stability?
- **Team 4: Exchange Participants**
 - ▶ Eliminating enhanced APTCs will negatively impact working-class individuals who rely on the subsidies.
- **Team 5: State Budget Officials**
 - ▶ How will eliminating enhanced APTCs affect costs to state Medicaid programs and safety net providers?

- **Structured Debate**
- **Round 1:** Each team presents their case (1 minute per team).
- **Round 2:** Each team asks *one* clarifying question to another team.
- **Round 3:** Closing argument - each team states their strongest takeaway message (1 minute per team).