



September 29, 2021

Changes for PY 2022 – Expiration of Unemployment Compensation Benefits

In 2021, under the American Rescue Plan (ARP), if a taxpayer in the household receives or was approved to receive unemployment compensation, the taxpayer may be eligible for a premium tax credit that covers the entire premium cost for the benchmark Marketplace plan for the whole household, regardless of the taxpayer's actual household income amount. Their household may also qualify for cost-sharing reductions (CSRs) if they enroll in a silver-level plan. Both provisions apply to households that in the past have not qualified for APTC due to income below 100% of the federal poverty level (FPL) in states that did not expand Medicaid. This benefit is available for the remainder of 2021 and consumers who are not currently enrolled in Marketplace coverage and who attest to getting or being approved to get 2021 unemployment compensation can still qualify for a 2021 SEP.

However, these benefits are ending soon! **Because the ARP only provided these benefits for 2021, these one-time extra savings aren't available in 2022.**

Consumer Impacts for Open Enrollment 2022

Starting with Open Enrollment for 2022, Consumers who received these benefits in 2021 due to their receipt of unemployment compensation (UC) may notice changes to their financial assistance amounts when they shop and re-enroll for PY2022 plans. Their eligibility for financial assistance will be based on their projected household income for 2022, unlike in 2021 when unemployment compensation recipients may have received more financial assistance without regard to their income amount. However, some consumers, if they have household income from 100% through 150% FPL, may remain eligible for a tax credit that covers the entire premium cost for the benchmark Marketplace plan and continue to qualify for CSRs.

Other consumers may experience significant changes – such as an increase in their share of the premium or less cost-sharing reductions. For example, consumers who qualified for and accessed the ARP UC benefits in 2021 may experience one of the following situations:

- Consumers with incomes above 150% FPL (\$39,750 for a family of four) may be eligible for lower APTC and CSR amounts on their PY2022 plan, meaning their premium and cost sharing owed would be higher.
- Consumers with incomes above 250% FPL (\$66,250 for a family of four) will no longer be eligible for income-based CSRs* on their PY2022 coverage

*Note: Tribal CSR benefits are unaffected

- Consumers with higher incomes, such as those at 400% FPL (\$106,000 for a family of four) or more, may now have to pay the full cost of their Marketplace premium due to being eligible for a \$0 APTC amount on their PY2022 plan. Even though the ARP lifted the 400% FPL income limit for 2021 and 2022, consumers with higher incomes may still not receive a tax credit if the premiums available to them are low enough to be below 8.5% of their household income.
- Consumers with incomes under 100% FPL (\$26,500 for a family of four) and who are ineligible for Medicaid (i.e. consumers in the “Medicaid gap”) may now be ineligible for APTC and CSR benefits in PY2022 due to their income being under 100% FPL, with the exception of certain immigrant consumers.
- Consumers at any income level may see new DMIs associated with their PY2022 coverage, and should follow standard processes to submit documents online or via mail to resolve their DMIs

Messages for consumers

It is important that consumers who are receiving the ARP UC benefits in 2021 understand those one-time extra savings aren't available in 2022 and their financial assistance may be changing. Impacted consumers will see special language in their Marketplace Open Enrollment Notice and new content is being added to [healthcare.gov](https://www.healthcare.gov) to explain the change. Consumers who do not return to [HealthCare.gov](https://www.healthcare.gov) to update their Marketplace application during Open Enrollment and are automatically re-enrolled into PY2022 coverage will also receive notices with special language that the ARP UC benefits are not available for 2022.

Encourage consumers to visit [HealthCare.gov](https://www.healthcare.gov) to update their Marketplace application, shop for 2022 coverage, and submit any required documents to make sure they're getting the right coverage and savings.

