



Massachusetts Health Connector to Provide New, Additional Financial Help for Health Insurance Premiums

Extended enrollment to run through July 23 to maximize opportunity for residents to gain access to new premium support

March 23, 2021 – The Massachusetts Health Connector will be able to provide hundreds of thousands of people with new and increased help paying for their health insurance premiums as a result of the recently enacted American Rescue Plan, starting for May coverage.

The new law will make federal premium subsidies, known as Advance Premium Tax Credits, more generous in two ways: It will increase them for many of the Massachusetts residents who already receive them, and it will make federal premium subsidies available to more people who have never qualified before.

Most of the Health Connector’s 270,000 current members, along with new enrollees, will experience lower health premiums for 2021 and 2022 under the new law. Current members who are in ConnectorCare or who receive Advance Premium Tax Credits to reduce their premiums will see even lower premiums starting with their May premium payment. Many other people, both Health Connector members and those who don’t currently purchase through the Health Connector, who previously did not get help paying their premiums will become newly eligible for subsidies and can start to access lower premiums during May, for June coverage.

“The changes created by the American Rescue Plan represent the most significant expansion of financial assistance since the Affordable Care Act was passed in 2010,” said Louis Gutierrez, the Executive Director of the Massachusetts Health Connector. “Massachusetts residents will get more help paying for their health insurance premiums in 2021 and 2022 through the Health Connector.”

The changes in federal premium subsidies create new savings for many people who are currently in Health Connector coverage, or considering enrolling in coverage. For people who currently do not have health insurance and need coverage, the Health Connector is maintaining an extended Open Enrollment period through July 23. Current members and new applicants can find more information on the [Health Connector’s website](#).

By eliminating the income cap on subsidy availability, some people who earn more than 400 percent of the Federal Poverty Level (about \$51,000 for one person), will now be eligible for subsidies. The new law means that all Health Connector members are protected from high health

insurance premiums, by capping the amount a household has to spend on premiums at 8.5 percent of their income. Subsidy amounts are tailored to the individual's income level and the premiums available in their area. The average monthly premium support amount for these newly-eligible members will be more than \$60, or about \$700 a year, but some members will see significantly higher savings, depending on their age and where they live.

There are approximately 18,000 people in Health Connector coverage outside of ConnectorCare who already receive Advance Premium Tax Credits as subsidy for their monthly premiums. These people, who are between 300 and 400 percent of the Federal Poverty Level (about \$38,000 up to \$51,000 for one person) will see additional monthly premium savings of an average of \$80 per month, or nearly \$1,000 a year, on top of their current monthly support.

The expanded subsidy will also help most of the approximately 194,000 people in ConnectorCare coverage, which uses both state subsidy and federal tax credits to provide free or low-cost coverage, and includes low co-pays and no deductibles. Depending on income level and ConnectorCare Plan Type, many members will see a further lowering of monthly premiums, on top of already deeply reduced premiums.

In April and May, the Health Connector will be reviewing all of its members' status to ensure they are getting the maximum amount of new federal assistance available. The Health Connector will automatically apply changes to members' premiums following that review. As before, members can adjust the premium tax credit at their discretion, if they choose to receive less savings now, and more during their 2021 tax reconciliation next year.

Additionally, the Health Connector plans on a significant outreach and education campaign starting in April, reaching out to members who did not request financial assistance when they enrolled, the state's uninsured population, and people who may be purchasing their own coverage off-exchange but who may be newly eligible for the new subsidies, which can only be obtained by purchasing coverage through the Health Connector.

About the Massachusetts Health Connector

The Massachusetts Health Connector is the Commonwealth's health insurance exchange, and currently serves 300,000 individuals and small-employer members with health and dental insurance. Massachusetts residents who do not have health insurance from an employer or other entity can use the exchange to gain coverage. Through the ConnectorCare program, income-qualifying residents can access coverage that includes low-cost premiums and co-pays, and no deductibles. Access to health coverage for individuals and small businesses can be found at the Health Connector's website, [MAhealthconnector.org](https://www.mahealthconnector.org).

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