



The American Rescue Plan Act (ARPA) Improved Access to Affordable Coverage for Thousands of Pennsylvania Consumers¹

The American Rescue Plan both increased premium assistance and eliminated the cliff at which middle-income Americans no longer qualified for financial assistance.

Unless Congress acts, these needed affordability supports will expire at the end of this year.

ARPA lowered costs and expanded access to health insurance for 374,776 Pennsylvanians enrolled in coverage through Pennie.

Historic enrollment growth

ARPA's premium support drove Pennie's **highest enrollment on record** with 374,776 individuals enrolling in coverage, an increase of 11% from last year.

- Enrollees included **35,103 middle-income individuals** who, for the first time, qualified for financial support and received an average of \$252 per month in APTC.²
- Since last year's open enrollment period, **111,419 individuals have newly enrolled in coverage**—young adults (age 18-34) account for 29% of this population.

Substantial affordability support

Thanks to the ARPA's premium assistance, **premium costs for enrollees receiving subsidies before ARPA fell by an average of 15%**. Previously unsubsidized enrollees with household income above 400% FPL saw a **28% reduction in premiums**.

- 13% of enrollees will pay \leq \$1 per month for coverage
- 17% of enrollees will pay $<$ \$10 per month for coverage
- 23% of enrollees will pay $<$ \$25 per month for coverage

Major impact on communities of color

ARPA has especially benefitted communities of color who are generally disproportionately impacted by a lack of access to routine care and by the pandemic economy. Enrollment increases were particularly notable for Pennie customers identifying as Hispanic or Latino, who saw **an increase of 26%** in their enrollment.

¹ Factsheet is based on information and data collected from *Pennie*. Data updated as of March 7, 2022.

² Defined as households $>$ 400% of the federal poverty level (FPL) which include individuals making over \$54,360 per year or over \$111,000 for a family of four.

Affordability enhancements enable greater financial security and health protections for Pennsylvania consumers.

Increased purchasing power

Affordability enabled **15,234 households to “purchase up” in 2022**, opting for silver or gold plans that offer better protection from high out-of-pocket costs.

- Because of ARPA’s premium enhancements, 11,536 individuals are enrolled in <\$1/mo. silver plans.
- 15,254 individuals elected for a plan at a higher metal tier.
- 8,687 individuals moved from bronze to silver or gold plans.
- 6,232 individuals moved from silver to gold plans.

The expiration of ARPA premium affordability measures will dramatically raise premiums, disrupt markets, and increase the number of uninsured, with consumers feeling the impacts as soon as October 2022.

Increased cost to consumers

If ARPA tax credits expire, Pennie estimates a 15% (\$20/mo.) increase in premiums for enrollees with a household income of <400% FPL and a 28% (\$150/mo.) increase in premiums for enrollees with household income >400% FPL.³

“Sticker shock” will begin as soon as October 2022, when customers begin to receive renewal notices for their insurance coverage.

³ Estimates based on a comparison of average net premiums from the end of the 2021 Open Enrollment Period with the end of the 2022 Open Enrollment Period.