

CMS Announces SEP For <150% FPL

Agency Funding Announcement Helps Plans on ACA's 12th Birthday

- **CMS announced today that a special enrollment period (SEP) will be available for low income Americans, providing government dollars for insurance coverage.** Today, on the *Affordable Care Act's* 12th anniversary, the Biden Administration announced that subsidies to access low or \$0 premium care will be available for those <150% FPL.
- **The new policy is helpful to plans such as CNC, MOH, UNH, HUM, as well as others.** Americans with incomes less than 150% of the federal poverty level -- \$19,320 for an individual and \$39,750 for a family of four -- can select policies via Healthcare.gov through a SEP, the Centers for Medicare and Medicaid Services announced Monday, after previewing the policy to CNN this morning ([here](#)).
- **Free coverage for Americans during a SEP that lasts through Dec 31, 2022.** Most people will be able to select plans with no premiums, while others may have to pay a few dollars. CMS is launching advertising and outreach campaigns about the new special enrollment period, which lasts for the rest of the year. The effort will also target those experiencing certain life changes, such as losing job-based coverage, getting divorced or aging out of a parent's policy, which have always allowed them to sign up for Obamacare policies during the year.
- **As a reminder, longer term "Medicaid Gap" funding waits in the wings.** As a reminder, BBB would have provided coverage to those 12 holdout states. With BBB stalled, given Manchin & Sinema commentary, as well as Biden low approval during a significant geopolitical situation, we note that the coverage band aid announced today is helpful.
- **We still think that ACA Subsidies + Drug Reform may pass stand alone in 2022.** The Biden administration has gone out of its way not to utter "BBB," calling it something similar during the State of the Union. The enhanced subsidies, enacted through the \$1.9 T COVID relief bill, ended Dec 31, 2022. We think that for election purposes, both parties will want to see the subsidies extended.
- **American Rescue Plan subsidies have boosted enrollment during the public health emergency (PHE).** CMS has worked to expand health care coverage to a record 14.5 M people through the Health Insurance Marketplaces, encouraged states to extend Medicaid coverage for a full 12 months after childbirth, and expanded access to home and community-based services for seniors and people with disabilities.
- **ARP related sign-ups were particularly strong in States that have not expanded Medicaid to low-income adults.** It has been popular among those with lower incomes nationwide: Some 4.6 M consumers who earned up to 150% of the poverty line enrolled in 2022 coverage, a 21% increase from the prior year.