



# Covering the Care: Cost Sharing Reductions in NH

This brief illustrates the extent to which individuals enrolled in Qualified Health Plans (QHPs) on NH’s Health Insurance Marketplace received Cost Sharing Reductions (CSRs), based on the most recent available detailed data (period November 1, 2015 – February 1, 2016).<sup>i</sup> More about the Marketplace in New Hampshire can be found in the policy brief, “Covering the Care: A Focus on the NH Marketplace,” published in June 2017.<sup>ii</sup>

The table below shows the total number of people enrolled in a QHP in 2016, and the percent with a CSR, by county.

| County       | Total Enrolled in QHP, 2016 | Total Receiving CSR, 2016 | % Receiving CSR, 2016 |
|--------------|-----------------------------|---------------------------|-----------------------|
| BELKNAP      | 2,859                       | 947                       | 33%                   |
| CARROLL      | 3,904                       | 1,499                     | 38%                   |
| CHESHIRE     | 3,336                       | 1,200                     | 36%                   |
| COOS         | 1,544                       | 635                       | 41%                   |
| GRAFTON      | 4,020                       | 1,302                     | 32%                   |
| HILLSBOROUGH | 15,079                      | 5,304                     | 35%                   |
| MERRIMACK    | 5,287                       | 1,675                     | 32%                   |
| ROCKINGHAM   | 13,192                      | 4,363                     | 33%                   |
| STRAFFORD    | 4,548                       | 1,627                     | 36%                   |
| SULLIVAN     | 1,414                       | 502                       | 36%                   |
| <b>Total</b> | <b>55,183</b>               | <b>19,054</b>             | <b>35%</b>            |

The dollar value of the CSR impacts the plan’s Actuarial Value (AV).<sup>iii, iv</sup> People with lower incomes typically receive higher CSR amounts. The table below shows the average monthly advanced CSR payment for plans to bring them to 73%, 87%, and 94% AV, as well as the percent of QHP enrollees with the CSR to that AV, in each county.

| County       | % of Total QHP Enrollees in County With CSR for AV 73% | Ave. Monthly CSR Payment for Consumers With AV 73% | % of Total QHP Enrollees in County With CSR for AV 87% | Ave. Monthly CSR Payment for Consumers With AV 87% | % of Total QHP Enrollees in County With CSR for AV 94% | Ave. Monthly CSR Payment for Consumers With AV 94% |
|--------------|--|--|--|--|--|--|
| BELKNAP      | 7%   | \$13   | 15%  | \$94   | 11%  | \$123  |
| CARROLL      | 9%   | \$13   | 17%  | \$92   | 13%  | \$123  |
| CHESHIRE     | 10%  | \$14   | 16%  | \$96   | 10%  | \$127  |
| COOS         | 9%   | \$14   | 20%  | \$94   | 12%  | \$129  |
| GRAFTON      | 7%   | \$13   | 16%  | \$92   | 9%   | \$125  |
| HILLSBOROUGH | 7%   | \$12   | 16%  | \$84   | 12%  | \$110  |
| MERRIMACK    | 8%   | \$12   | 15%  | \$89   | 9%   | \$117  |
| ROCKINGHAM   | 8%   | \$12   | 15%  | \$87   | 10%  | \$118  |
| STRAFFORD    | 8%   | \$12   | 16%  | \$86   | 11%  | \$110  |
| SULLIVAN     | 8%   | \$15   | 17%  | \$98   | 11%  | \$128  |

## FOCUS ON HEALTH POLICY

People enrolling in plans offered on the Marketplace (policy holders) have access to two types of financial assistance: premium tax credits and Cost Sharing Reductions (CSRs). This brief focuses on Cost Sharing Reductions.

According to CMS, the “CSR is a discount that lowers the amount a person has to pay for deductibles, copayments, and coinsurance.”<sup>v</sup>

CSRs are paid by health insurance plans under the Affordable Care Act to Marketplace policy holders (in silver plans) with incomes under 250% of the federal poverty level. To date, the U.S. government has reimbursed plans for these payments; however, the government’s authority to do so has been challenged in court. In October 2017, the United States Department of Health and Human Services advised health plans it will no longer support the CSR payments, leaving health plans responsible for the costs.<sup>vi</sup>

<sup>i</sup> Data available at: <https://aspe.hhs.gov/health-insurance-marketplace-cost-sharing-reduction-subsidies-zip-code-and-county-2016>; accessed October 13, 2017

<sup>ii</sup> Available at: [https://chhs.unh.edu/sites/chhs.unh.edu/files/departments/institute\\_for\\_health\\_policy\\_and\\_practice/informing\\_the\\_conversation\\_covering\\_care\\_a\\_focus\\_on\\_the\\_nh\\_marketplace.pdf](https://chhs.unh.edu/sites/chhs.unh.edu/files/departments/institute_for_health_policy_and_practice/informing_the_conversation_covering_care_a_focus_on_the_nh_marketplace.pdf). Note that the data in the June 2017 brief was based on 2016 enrollment and 2017 plan coverage. CSR specific data for the 2017 plan year is not yet available. This brief uses the most recent data, which is reflective of the 2016 plan year.

<sup>iii</sup> According to the [healthcare.gov](http://www.healthcare.gov), the Actuarial Value is: “The percentage of total average costs for covered benefits that a plan will cover. For example, if a plan has an actuarial value of 70%, on average, you would be responsible for 30% of the costs of all covered benefits. However, you could be responsible for a higher or lower percentage of the total costs of covered services for the year, depending on your actual health care needs and the terms of your insurance policy.” (<https://www.healthcare.gov/glossary/actuarial-value/>)

<sup>iv</sup> <http://www.healthreformbeyondthebasics.org/cost-sharing-charges-in-marketplace-health-insurance-plans-part-2/>

<sup>v</sup> [healthcare.gov](http://healthcare.gov)

<sup>vi</sup> <https://www.hhs.gov/about/news/2017/10/12/trump-administration-takes-action-abide-law-constitution-discontinue-csr-payments.html>

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