

## Tens of thousands of New Mexicans are eligible for premium-free health insurance in 2018

*Nearly all New Mexicans who are eligible for premium assistance under the Affordable Care Act can get better deals on health insurance in 2018.*

**Written and Researched by Health Action New Mexico**

### **Key findings**

- Tens of thousands of New Mexicans have lower-cost options on healthcare.gov in 2018 than in previous years.
- Many shoppers who are eligible for financial assistance can get a plan for \$0 a month.
- In 2018, the premium for the lowest-cost Gold plan is less expensive than the lowest cost Silver plan.
- The Trump Administration's actions have contributed to significant rate increases for New Mexicans who are not eligible for financial assistance.

**Health Action New Mexico** is a non-profit, statewide, consumer advocacy organization that works to ensure that all NM communities have access to quality, affordable, medical and dental care. This work is supported by small donors. Please consider supporting our advocacy, research, and outreach by visiting <https://app.mobilecause.com/form/F6rqeQ>

Join our mailing list: <https://goo.gl/3mXKRa>

Get mobile alerts: Text HANM to 51555

[www.HealthActionNM.org](http://www.HealthActionNM.org)

[www.facebook.com/HealthActionNM](https://www.facebook.com/HealthActionNM)

[www.twitter.com/HealthActionNM](https://www.twitter.com/HealthActionNM)

For more information, email [colin@healthactionnm.org](mailto:colin@healthactionnm.org)



## What is going on with New Mexico's health insurance marketplace?

Throughout 2017, President Donald Trump threatened to end cost sharing reduction payments that help reduce out of pocket costs for low and moderate income consumers. On October 12th, 2017 the President announced that he would end these payments. In response, insurers hiked their premiums and adjusted pricing strategies to account for the losses created by President's actions. Fortunately, the Affordable Care Act was designed to offset the cost of premium hikes with premium tax credits that rise alongside the cost of insurance.

These actions have created a unique situation in which the cost of some Bronze and Gold plans are available to those who qualify for financial assistance at much lower rates than in the past. Unfortunately, those who don't qualify for financial assistance may find themselves in a situation where premiums are substantially higher than they were last year due to the administration's actions.

The Kaiser Family Foundation [found](#) that 42% of the remaining uninsured could find a plan for zero dollars a month and 54% could find a plan that costs less than paying the penalty for lacking insurance. **For many, the choice is simple: enroll in a plan with no monthly commitments to get 3 free preventive checkups, coverage for 10 essential health benefits, and financial protection from major medical bills or pay a minimum of \$695 penalty per uninsured person to have no health insurance.**

Health Action New Mexico looked at the lowest-cost Bronze, Silver and Gold plans available for individuals and families on [healthcare.gov](#), the marketplace for people who don't get insurance through their job or a public program. Premiums vary based on income, age and location, so our team looked at a variety of scenarios to paint a picture of premiums in the state. Our findings can be found on pages 3 and 4. All estimates come directly from [healthcare.gov](#).

To preview plans, visit [healthcare.gov/see-plans](#). You can also use the NM Office of the Superintendent's brand new [plan comparison tool](#) to see which plans cover your doctor, medications, and what your total annual costs will be based on your health status. When you are ready to enroll, visit <https://www.healthcare.gov/login>.

Health Action New Mexico has one simple message for the people of New Mexico: go check [healthcare.gov](#) to see what kind of deal you can get. You may be surprised by the deals that are available this year. Free local assistance is available at BeWellNM's [enrollment centers](#). You can also find contact information for in-person assisters, like [enrollment counselors](#) and [agents/brokers](#), on their website. **Enrollment ends on December 15th.**

## 2018 Monthly Premium Scenarios in New Mexico

### Family of Four Earning \$70,000 a year in Roswell, NM

Lowest Cost Bronze	Lowest Cost Silver	Lowest Cost Gold
<b>\$0</b>	<b>\$484</b> (\$121 per person)	<b>\$220</b> (\$55 per person)

Notes: Ages of family members: 40, 40, 15, 10; per person estimates are averages not actual premiums

### Married Couple Earning \$50,000 a year in Las Vegas, NM

Lowest Cost Bronze	Lowest Cost Silver	Lowest Cost Gold
<b>\$0</b>	<b>\$358</b> (\$179 per person)	<b>\$130</b> (\$65 per person)

Notes: Age: 50, 50; per person estimates are averages, not actual premiums

### Young Adult Earning \$25,000 a year in Clovis, NM

Lowest Cost Bronze	Lowest Cost Silver	Lowest Cost Gold
<b>\$0</b>	<b>\$125</b>	<b>\$56</b>

Note: Age: 28

### Older Adult Earning \$35,000 a year in Albuquerque, NM

Lowest Cost Bronze	Lowest Cost Silver	Lowest Cost Gold
<b>\$0</b>	<b>\$243</b>	<b>\$120</b>

Note: Age: 60

**Monthly Premiums for a Family of Four in Albuquerque, NM**

Annual Income	Year	Lowest Cost Bronze	Lowest Cost Silver	Lowest Cost Gold
\$40,000	2017	\$46	\$125	\$180
\$40,000	2018	\$0	\$128	\$12
<b>% change</b>		<b>-100.00%</b>	<b>2.40%</b>	<b>-93.33%</b>
\$60,000	2017	\$292	\$368	\$426
\$60,000	2018	\$108	\$368	\$252
<b>% change</b>		<b>-63.01%</b>	<b>0.00%</b>	<b>-40.85%</b>
\$80,000	2017	\$476	\$595	\$678
\$80,000	2018	\$172	\$595	\$407
<b>% change</b>		<b>-63.87%</b>	<b>0.00%</b>	<b>-39.97%</b>
\$100,000	2017	\$601	\$719	\$802
\$100,000	2018	\$840	\$1,262	\$1,075
<b>% change</b>		<b>39.77%</b>	<b>75.52%</b>	<b>34.04%</b>

**What does this tell us?** Nearly all New Mexicans who qualify for financial assistance have options that are less expensive than what was available in 2017.

**Who has access to lower cost plans?** Low-to-moderate income New Mexicans who qualify for financial assistance have less expensive options available this year.

**Who gets hit by premium increases?** Middle and higher income New Mexicans, especially if they are older or live in rural areas, get hit harder by premium increases. Anyone who doesn't qualify for financial assistance will see higher premiums [due to the administration's actions](#).

**Who is eligible for premium assistance?** Individuals and families earning between 100%-400% of the federal poverty level are eligible for financial assistance as long as they are legally-residing and don't get coverage through their employer, Medicare, or Medicaid. 73% of [current marketplace enrollees](#) qualify for premium assistance [according](#) to the Centers for Medicare and Medicaid Services. The Kaiser Family Foundation [estimates](#) that 38,000 [uninsured New Mexicans](#) are eligible for premium assistance under the Affordable Care Act.

### 2017 Federal Poverty Guidelines

Household Size	100%	133%	150%	200%	250%	300%	400%
1	\$12,060	\$16,040	\$18,090	\$24,120	\$30,150	\$36,180	\$48,240
2	16,240	21,599	24,360	32,480	40,600	48,720	64,960
3	20,420	27,159	30,630	40,840	51,050	61,260	81,680
4	24,600	32,718	36,900	49,200	61,500	73,800	98,400
5	28,780	38,277	43,170	57,560	71,950	86,340	115,120
6	32,960	43,837	49,440	65,920	82,400	98,880	131,840
7	37,140	49,396	55,710	74,280	92,850	111,420	148,560
8	41,320	54,956	61,980	82,640	103,300	123,960	165,280

Source: [Families USA](#)

Notes: 100%-133% are eligible for either Medicaid or marketplace coverage with premium and cost sharing assistance. 133%-250% are eligible for marketplace coverage with premium and cost sharing assistance. 250%-400% are eligible for premium assistance. Above 400% are not eligible for any financial assistance.

## Methods

Health Action New Mexico used the 2018 and 2017 [marketplace plan preview tool](#) to determine the estimates used in this analysis. We entered the relevant information for the following categories:

- Zip code
- Household size
- Marriage status
- Dependents for tax filing purposes
  - For families of four, we marked children as dependents
- Age
- Sex (does not impact premium)
- Parents were marked as the following
  - Not eligible for health coverage through a job, Medicare, Medicaid, or CHIP
  - Parent of a child under 19
  - Not pregnant
  - Not a tobacco user
- Dependent children were marked as the following
  - Not eligible for health coverage through a job, Medicare, Medicaid, or CHIP
  - Not a parent of a child under 19
  - Not pregnant
  - Not a tobacco user
- Estimated household income

The relevant information is included in the notes and titles of the tables on pages 3 and 4.

## Insurance Basics from [healthcare.gov](https://www.healthcare.gov)

**Premium:** The amount you pay for your health insurance every month. In addition to your premium, you usually have to pay other costs for your health care, including a deductible, copayments, and coinsurance. If you have a Marketplace health plan, you may be able to lower your costs with a premium tax credit. When shopping for a plan, keep in mind that the plan with the lowest monthly premium may not be the best match for you. If you need much health care, a plan with a slightly higher premium but a lower deductible may save you a lot of money.

**Cost Sharing:** The share of costs covered by your insurance that you pay out of your own pocket. This term generally includes deductibles, coinsurance, and copayments, or similar charges, but it doesn't include premiums, balance billing amounts for non-network providers, or the cost of non-covered services.

Levels of plans in the Health Insurance Marketplace: Bronze, Silver, Gold, and Platinum. Categories (sometimes called “metal levels”) are based on how you and your insurance plan

split costs. Categories have nothing to do with quality of care. (“Catastrophic” plans are available to some people.)

For each plan category, you’ll pay a different percentage of total yearly costs of your care, and your insurance company will pay the rest. Total costs include premiums, deductibles, and out-of-pocket costs like copayments and coinsurance.

Each category may include several types of plans and provider networks, like health maintenance organizations (HMOs) and preferred provider organizations (PPOs).

### How you and your insurance plan split costs

Plan category	The insurance company pays	You pay
Bronze	60%	40%
Silver	70%	30%
Gold	80%	20%

### Which metal category is right for you?

#### Bronze

- **Lowest** monthly premium
- **Highest** costs when you need care
- Bronze plan deductibles — the amount of medical costs you pay yourself before your insurance plan starts to pay — can be thousands of dollars a year.
- **Good choice if:** You want a low-cost way to protect yourself from worst-case medical scenarios, like serious sickness or injury. Your monthly premium will be low, but you’ll have to pay for most routine care yourself.

#### Silver

- **Moderate** monthly premium
- **Moderate** costs when you need care

- Silver deductibles — the costs you pay yourself before your plan pays anything — are usually lower than those of Bronze plans.

**IMPORTANT:** If you qualify for cost-sharing reductions you **must pick a Silver plan to get the extra savings**. You can save hundreds or even thousands of dollars per year if you use a lot of care.

- **Good choice if:** You qualify for “extra savings” — or, if not, if you’re willing to pay a slightly higher monthly premium than Bronze to have more of your routine care covered.

## Gold

- **Usually higher** monthly premium
- **Low** costs when you need care
- Deductibles — the amount of medical costs you pay yourself before your plan pays — are usually low.
- **Good choice if:** You’re willing to pay more each month to have more costs covered when you get medical treatment. If you use a lot of care, a Gold plan could be a good value. Note: Some gold plans will be less expensive than usual in 2018.

## **Important Links for Consumers**

Sign up for health coverage: [www.healthcare.gov](http://www.healthcare.gov)

OSI’s brand new plan comparison tool: <https://nm.checkbookhealth.org/hie/nm/2018/>

Free local enrollment assistance: <http://www.bewellnm.com/free-enrollment-help>

Enrollment centers: <https://goo.gl/cSaV6y>

Preview plans without creating an account: [www.healthcare.gov/see-plans](http://www.healthcare.gov/see-plans)

BeWellNM events calendar: <http://www.bewellnm.com/Event-Calendar>