Silver vs. Bronze Plan Selection: Cost-Comparison Scenario

An important part of being an agent or broker includes helping consumers consider all plan options and enrolling them in the plan that best meets their needs. Many consumers are eligible for savings on out-of-pocket costs through the Marketplace, which can make this a complicated decision. As an agent or broker, you should help consumers consider all expenses, including premiums, deductibles, and out-of-pocket costs before making a decision.

There are **several** types of savings that consumers may be eligible for:

- **Advanced Payments of the Premium Tax Credit (APTC):** APTCs are tax credits consumers can use to lower their monthly premium payment for coverage through the Marketplace. Consumers' eligibility for APTC is based on their projected annual household income they attest to in their Marketplace application and may be adjusted based on Marketplace verification. Consumers can use all, some, or none of the APTC they are eligible for to lower their monthly premium. If a consumer uses more APTC than they qualify for based on their final yearly income, the consumer must repay the difference when they file their federal income tax return. If a consumer uses less premium tax credit than they qualify for, the consumer will get the difference as a refundable credit when they file their taxes.

- **Cost Sharing Reductions (CSRs):** CSRs are discounts that lower the amount consumers have to pay for out-of-pocket expenses for Marketplace coverage, such as deductibles, copayments, and coinsurance. There are CSRs that are specialized for American Indians and Alaska Natives as well as income-based CSRs which are dependent on a consumer's income percentage of the federal poverty level (FPL). In order for consumers who are eligible for income-based CSRs to receive savings, they must enroll in a Silver plan.

When assisting consumers who are eligible for CSRs, you should keep in mind these best practices:

- If consumers are **eligible for income-based CSRs**, the only way they can take advantage of these extra savings is by enrolling in a **Silver plan**.
- In most cases, consumers with a projected annual household **income between 100-150% of the FPL** should have access to **low- or no-premium Silver plans** with additional savings from CSRs. However, in states that expanded Medicaid eligibility, consumers with projected annual household income under 138% FPL may be eligible for Medicaid and referred to their state Medicaid agency for Medicaid enrollment.
- On some application platforms, $0 premium Bronze plans might be the first plans consumers notice in plan comparisons, but consumers can **sort and filter** their results to see their potential extra savings with Silver plans.
- Agents and brokers should always remind consumers about the potential out-of-pocket costs of plans **beyond** monthly premiums, which may impact a consumer's overall expenses throughout the year.

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- You can use the “See plans and prices” tool on HealthCare.gov to estimate total yearly costs based on expected coverage use throughout the year by entering specific client information. Many Enhanced Direct Enrollment (EDE) and Classic Direct Enrollment (DE) partners offer similar services too!

Consumers’ eligibility for saving programs can significantly impact the cost of their coverage. Below are three different consumer scenarios that show potential costs for Marketplace coverage. These scenarios depict households seeking preliminary eligibility information using the “See plans and prices” tool on HealthCare.gov, which can help estimate annual costs of different Marketplace plans based on varying levels of healthcare use. The low, medium, and high levels of coverage use are defined using predicted frequency of doctor visits, prescription drug orders, and hospital visits. The plan costs outlined in each of the scenarios below are representative of the general plan choices available to consumers and come from the lowest premium plan for each metal category.

Scenario One:

John is a 20-year-old male who lives by himself in Lubbock County, Texas. John’s projected annual income is $23,783, which is 175% of the FPL. John is single and will claim no dependents on his tax return. Below are examples of the Marketplace plans and savings John might be eligible for. The table includes $403 of estimated savings in premium tax credits:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $4,000 Out-of-Pocket Maximum: $8,700	$45	$1,068	$8,700
Silver	Estimated Monthly Premium: $5.73 Deductible: $1,800 Out-of-Pocket Maximum: $1,800	$108	$798	$1,869
Gold	Estimated Monthly Premium: $1.85 Deductible: $750 Out-of-Pocket Maximum: $8,700	$61	$848	$8,722

Key Takeaways From Scenario One:

- In a best-case scenario where John does not use coverage for the year, enrolling in $0 premium Bronze plan will save him **less than $100 dollars** per year as compared to enrolling in a Silver or Gold plan**.** However, John may be more likely to delay needed care in this plan.
- In a worst-case scenario, John might have to pay **almost $7,000 more out of pocket** in a Bronze or Gold plan compared to a Silver plan.
- Enrolling in a Silver plan with **a small monthly premium** of less than $10 per month could end up saving John money for the year.

Scenario Two:

Cole lives with his wife, Anna, in Benton County, Mississippi. Cole is a 45-year-old male and Anna is a 40-year-old female, and they will file a joint tax return without claiming any dependents. Cole and Anna's projected annual income is $32,043, which is 175% of the FPL. Below are examples of the Marketplace plans and savings Cole and Anna might be eligible for. The table includes $933 of estimated savings in premium tax credits:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $14,000 Out-of-Pocket Maximum: $17,100	$869	$4,906	$17,100
Silver	Estimated Monthly Premium: $35.04 Deductible: $3,400 Out-of-Pocket Maximum: $3,400	$1,309	$3,820	$3,820
Gold	Estimated Monthly Premium: $316.24 Deductible: $4,200 Out-of-Pocket Maximum: $17,100	$4,318	$6,895	$20,895

Key Takeaways From Scenario Two:

- If Cole and Anna are expecting to use their health care coverage frequently during the year, a Sliver plan with a premium of about $35 per month is likely the best option **to save them money.**
- With a medium estimated use of care, Cole and Anna are expected to save over $1,000 in total costs per year in a silver plan compared to bronze, while in a worst-case scenario, they could save **more than $13,000 in a bronze plan compared to silver.**
- In a best-case scenario, where Cole and Anna do not use much coverage for the year, enrolling in a $0 premium Bronze plan will save them **about $400 per year** compared to silver**.** However, Cole and Anna may be more likely to delay needed care in this plan.

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Scenario Three:

Emily is married to Andrew, and they live together with their 11-year-old son, Timmy, and 10-year-old daughter, Sara, in St. Johns County, Florida. Emily is a 28-year-old female and Andrew is a 30-year-old male, and they will file a joint tax return and will claim Timmy and Sara as dependents. Emily and Andrew's projected annual income is $60,000, which is 216% of the FPL. Below are examples of the family plans and savings Emily and Andrew's household may be eligible for. The table includes an estimated $1,085 of savings in premium tax credits:

Metal Level	Plan Information	Estimated Yearly Cost: Low Use	Estimated Yearly Cost: Medium Use	Estimated Yearly Cost: High Use
Bronze	Estimated Monthly Premium: $0 Deductible: $5,000 Out-of-Pocket Maximum: $17,400	$1,071	$4,595	$17,400
Silver	Estimated Monthly Premium: $126.60 Deductible: $8,400 Out-of-Pocket Maximum: $8,400	$2,703	$7,061	$9,917
Gold	Estimated Monthly Premium: $146.60 Deductible: $1,500 Out-of-Pocket Maximum: $15,000	$2,648	$4,830	$16,759
Platinum	Estimated Monthly Premium: $821.06 Deductible: $1,600 Out-of-Pocket Maximum: $5,000	$10,481	$11,994	$14,853

Key Takeaways From Scenario Three:

- In a worst-case scenario where Emily and Andrew expect their family to need a lot of health care for the year, a Sliver plan could save them **about $7,000 in total costs** per year compared to bronze (and almost as much savings compared to gold and platinum).
- Emily and Andrew could consider a $0 premium Bronze plan if they don't expect to use much coverage, but that could put **them at risk of paying significantly more for coverage** during the year if they end up using a lot of health care services. Emily and Andrew also may be more likely to delay needed care in this plan.
- Another option would be to **consider a Gold plan.** This has a comparable monthly premium to a Silver plan and could provide cost savings for households with medium to high health care use.

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