



PY 2026 Enhanced Subsidies Planning

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Overview

- In 2021, Congress made health coverage offered through health insurance exchanges more affordable for more families.
- Without congressional action, these enhanced subsidies will expire at the end of 2025.

More financial help for more Coloradans under ARPA

- a) Coloradans will not pay more than 8.5% of their income on premiums based on the cost of the second-lowest-cost Silver plan in their area.
- b) No upper income limit to receive financial help; eligibility for financial help expanded to households with income > 400% FPL.
- c) Additional tax credits for customers currently receiving tax credits.

Contingency Planning for Plan Year 2026

Organizational roadmap includes ARPA unwind/potential state-funded premium wrap planning and implementation.

- Collaboration with DOI and HIAE board regarding possible state-funded premium wrap.
 - HIAE Board retreat discussion. Not yet a decision.
 - C4HCO work would start in Fiscal Year 2024 to be prepared for Plan Year 2026 implementation.
- Customer outreach and communication strategy
- Stakeholder engagement
- Technology work
- Data analysis, including enrollment estimates

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Potential Financial Scenarios

Given the uncertainty of impacts on enrollments and premiums due to the expected end of the enhanced subsidies in 2026 we looked at 3 different possible scenarios:

- Enrollments/premiums decrease by 10% in 2026
- Enrollments/premiums decrease by 20% in 2026
- Enrollments/premiums decrease by 30% in 2026

These scenarios may be adjusted based on the detailed analysis of enrollment and premium impacts currently underway.

Projected Cash Impacts

3 year (24-26) cash projection based on mid (20%) scenario



2026 cash projection under the 3 different scenarios

