

Alaska Health Care Enrollment and Affordable Care Act Subsidies

Prepared by the Alaska Division of Insurance 3.11.25

A. How many Alaskans are on the exchange?

According to the most recent open enrollment snapshot from Centers for Medicare & Medicaid Services (CMS)¹, there were **27,807** plan selections for Alaska for 2025. This is 4.6% higher than 2024 Open Enrollment Period (OEP)'s snapshot dated January 10, 2024. It is expected that not all people will effectuate coverage by paying premium, and we expect this number to fall to about 25,500 applying 2024's effectuation rate of 91.68%.

The Division issued a data call to Moda and Premera for enrollment during 2024, but 2025's initial effectuated enrollment won't be available for at least a month or two.

B. How many plans are new plans, and how many plans are carry-over?

Alaska's individual market (Moda and Premera) had 16 plans in 2024, and consumers have 15 plans in 2025 in the most populated areas. None of the plans are new, and 15 renewed. Premera discontinued the Alaska One Bronze due to the new regulation restricting non-standardized plans to two plans at the same metal level.

C. 2024 ACA Alaska Individual Market Enrollment by Federal Poverty Levels (FPL)

a. 2024 Open Enrollment Public Use File (March 2024)²

FPL Range	Enrollment (Alaska)
< 100%	276
>=100% to <= 150%	2,317
>150% to <= 200%	4,323
>200% to <= 250%	4,808
>250% to <= 300%	3,661
>300% to <= 400%	4,930
>400% to <= 500%	1,978
>500%	3,214
Other/Unknown FPL	1,957

¹ <https://www.cms.gov/newsroom/fact-sheets/marketplace-2025-open-enrollment-period-report-national-snapshot-1>

² <https://www.cms.gov/files/zip/2024-oep-state-level-public-use-file.zip>

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- b. Consumers are required to contribute to the premium, but it is limited based on income. A federal poverty level chart of income by household size and contribution level as a percent of income and percent of FPL can be found in the Appendix.

D. Premium Cost for Alaskans

- a. Average Premium – 2024
\$971.43 PMPM³
- b. Average subsidy - 2024
\$866.28 PMPM⁴
- c. Per 2024's first half effectuated enrollment file, there were 3,414 enrollees who did not receive APTC.

E. Adjusting from 2024 to 2025

Because we do not yet have data on 2025 enrollment and plan selections, we estimate the following based on changes to rates and what we know about the impact to the second lowest cost silver plan (2LCSP).

- a. Rate Increases
 - i. Moda Health Plan had an average 19.85% rate increase
 - ii. Premera had an average 13.64% rate increase.
 - iii. The 2LCSP, which is a Moda plan, increased in rates by 18%.
- b. The amount a consumer must contribute towards premium or the “contribution level” remained the same, but the Federal Poverty Level increased slightly, which has the impact of reducing contributions if incomes remain the same (see appendix for chart).
- c. The average contribution of \$122 for those receiving subsidies should stay about the same in 2025 as can be seen from 2023 to 2024 if no legislative changes are made during the year.
- d. Applying an 18% increase in premiums to the 2LCSP, the expected premium will be \$1,146. Keeping the contribution level steady will produce an average subsidy of \$1,024.

F. American Rescue Plan/Inflation Reduction Act (ARP/IRA) Savings

³ <https://www.cms.gov/files/document/first-half-effectuated-enrollment-tables-2017-2024.xlsx>

⁴ <https://www.cms.gov/files/document/first-half-effectuated-enrollment-tables-2017-2024.xlsx>

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- a. Under the Affordable Care Act, consumers are eligible for subsidies (APTC). With passage of the American Rescue Plan (2021) and Inflation Reduction Act (2022), consumers saw enhanced subsidies, which reduced their premium contributions further. In addition, a subsidy cliff was smoothed and consumers with incomes over 400% FPL received enhanced subsidies. If enhanced APTCs expire at the end of 2025, Alaskans will be required to contribute more toward premiums.
- b. Using the 2024 OEP ARP/IRA Savings document from CMS⁵, if the enhanced subsidies expire and are no longer available, Alaskans would be responsible for an additional \$43 million in premium based on 2024 numbers alone.
 - i. \$43M is calculated by taking the difference between the Advanced Premium Tax Credit (APTC) amount with and without the ARP/IRA expansion and multiplying by 12 months and the number of APTC consumers for 2024.
 - ii. As rates increase, the subsidies increase at a significant rate when the contribution amounts remain relatively constant. Given the average 15.3% increase in rates, even more subsidies would not be available to help enrollees afford their coverage.

G. Ending subsidies altogether

Using 2025 expected APTC, if there were no subsidies, consumers would lose \$1,024 per member per month in subsidies toward their premiums. For Alaska, the impact would be \$1,024 PMPM x 12 months x 23,400 individuals = \$287,539,200.

H. Premium examples if enhanced subsidies expire in 2026

Estimated subsidy impact examples using Anchorage (99501) zip code with representative households and incomes (Modified Adjusted Gross Income – MAGI) for a Silver and Bronze plan.⁶⁷ These examples use 2025 premiums.

⁵ <https://www.cms.gov/files/document/2024-oep-arp-ira-savings-state-county.xlsx>

⁶ <https://www.kff.org/interactive/how-much-more-would-people-pay-in-premiums-if-the-acas-enhanced-subsidies-expired/>

⁷ These estimates are slightly different from the actual 2025 premiums and APTCs on [healthcare.gov](https://www.healthcare.gov). This is due to the non-Essential Health Benefit (EHB) portion of overall premium as cited in the Notes portion of the KFF web page.

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1. Single Adult, age 50

SILVER PLAN Premiums

FPL %	Household Income	Contribution % of income with Enhanced APTC	Premium with Enhanced APTC	Contribution % of income with Original APTC	Premium with Original APTC	Premium Change
150%	\$29,325	0%	\$0/month	3.64%	\$86/month	+\$86/month
300%	\$58,650	6%	\$282/month	8.65%	\$407/month	+\$125/month
401%	\$78,396	8.5%	\$534/month	FULL Amount	\$1,415/month	+\$881/month

BRONZE PLAN Premiums^

FPL %	Household Income	Premium with Enhanced APTC	Premium with Original APTC	Premium Change
150%	\$29,325	\$0/month	\$0/month	+\$0/month
300%	\$58,650	\$0/month	\$0/month	+\$0/month
401%	\$78,396	\$9/month	\$890/month	+\$881/month

APTC Comparison

FPL %	Household Income	Enhanced APTC	Original APTC	APTC Change
150%	\$29,325	\$1,415/month	\$1,330/month	-\$85/month
300%	\$58,650	\$1,133/month	\$1,009/month	-\$124/month
401%	\$78,396	\$881/month	ZERO	-\$881/month

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2. Single Parent age 30 with child age 8

SILVER PLAN Premiums

FPL %	Household Income	Contribution % of income with Enhanced APTC	Premium with Enhanced APTC	Contribution % of income with Original APTC	Premium with Original APTC	Premium Change
150%*	\$39,645	0%	\$0/month	3.64%	\$116/month	+\$116/month
300%	\$79,290	6%	\$383/month	8.65%	\$552/month	+\$169/month
401%	\$105,985	8.5%	\$725/month	FULL Amount	\$1,506/month	+\$781/month

BRONZE PLAN Premiums^

FPL %	Household Income	Premium with Enhanced APTC	Premium with Original APTC	Premium Change
150%*	\$39,645	\$0/month	\$0/month	+\$0/month
300%	\$79,290	\$0/month	\$0/month	+\$0/month
401%	\$105,985	\$167/month	\$947/month	+\$780/month

FPL %	Household Income	Enhanced APTC	Original APTC	APTC Change
150%*	\$39,645	\$1,506/month	\$1,389/month	-\$117/month
300%	\$79,290	\$1,123/month	\$953/month	-\$170/month
401%	\$105,985	\$780/month	ZERO	-\$780/month

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3. Two Parent Family, ages 40, 40, 15, 12

SILVER PLAN Premiums

FPL %	Household Income	Contribution % of income with Enhanced APTC	Premium with Enhanced APTC	Contribution % of income with Original APTC	Premium with Original APTC	Premium Change
150%*	\$60,285	0%	\$0/month	3.64%	\$177/month	+\$177/month
300%	\$120,570	6%	\$585/month	8.65%	\$843/month	+\$258/month
401%	\$161,162	8.5%	\$1,108/month	FULL Amount	\$3,292/month	+\$2,184/month

BRONZE PLAN Premiums^

FPL %	Household Income	Premium with Enhanced APTC	Premium with Original APTC	Premium Change
150%*	\$60,285	\$0/month	\$0/month	+\$0/month
300%	\$120,570	\$0/month	\$0/month	+\$0/month
401%	\$161,162	\$0/month	\$2,070/month	+\$2,070/month

FPL %	Household Income	Enhanced APTC	Original APTC	APTC Change
150%*	\$60,285	\$3,292/month	\$3,114/month	-\$178/month
300%	\$120,570	\$2,707/month	\$2,449/month	-\$258/month
401%	\$161,162	\$2,184/month	ZERO	-\$2,184/month

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4. Pre-Retirees, ages 64, 64

SILVER PLAN Premiums

FPL %	Household Income	Contribution % of income with Enhanced APTC	Premium with Enhanced APTC	Contribution % of income with Original APTC	Premium with Original APTC	Premium Change
150%	\$39,645	0%	\$0/month	3.64%	\$116/month	+\$116/month
300%	\$79,290	6%	\$383/month	8.65%	\$552/month	+\$169/month
401%	\$105,985	8.5%	\$725/month	FULL Amount	\$4,755/month	+\$4,030/month

BRONZE PLAN Premiums^

FPL %	Household Income	Premium with Enhanced APTC	Premium with Original APTC	Premium Change
150%	\$39,645	\$0/month	\$0/month	+\$0/month
300%	\$79,290	\$0/month	\$0/month	+\$0/month
401%	\$105,985	\$0/month	\$2,991/month	+\$2,991/month

FPL %	Household Income	Enhanced APTC	Original APTC	APTC Change
150%	\$39,645	\$4,755/month	\$4,639/month	-\$116/month
300%	\$79,290	\$4,372/month	\$4,202/month	-\$170/month
401%	\$105,985	\$4,029/month	ZERO	-\$4,029/month

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* Children may be eligible for Medicaid/Children's Health Insurance Program (CHIP)

^ The Bronze Plan premium charts do not include a contribution percent because the net premium is the contribution amount adjusted by the difference between the second lowest cost silver plan and the bronze plan. The subsidy is calculated as the EHB second lowest cost silver plan premium minus the contribution amount (Contribution % times monthly household income). Therefore, if the difference between the bronze plan and silver plan exceeds the required contribution, then the net premium is \$0 which is frequently the case (except for non-EHB premium such as for adult dental or elective abortion).

I. Grandfathering Plans

Allowing plans that are currently available will be beneficial for consumers as they are comprehensive. However, there is a strong possibility that these premiums will increase significantly if healthier consumers choose less comprehensive, underwritten plans such as short-term limited duration plans and health care sharing ministries. The potential for copper plans may attract healthier individuals as well due to lower premiums, whether it's because of lower actuarial value or fewer covered benefits.

J. Cost Sharing Reductions

- a. If cost sharing reductions are funded by the federal government, the second lowest cost silver plan would decrease in premium by 20-25% for Moda's footprint and about 25-30% in areas where Premiera is the only insurer.
- b. The reduction in the second lowest cost silver plan would reduce the subsidy amount available for enrollees, making coverage more expensive for the gold plan, which has been cheaper than the silver plan.

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APPENDIX – Alaska Federal Poverty Level (FPL) Chart

(Alaska's FPL is 25% higher than the contiguous 48 states)

Persons in family/household	100%	150%	300%	400%
1	\$ 19,550	\$ 29,325	\$ 58,650	\$ 78,200
2	\$ 26,430	\$ 39,645	\$ 79,290	\$ 105,720
3	\$ 33,310	\$ 49,965	\$ 99,930	\$ 133,240
4	\$ 40,190	\$ 60,285	\$ 120,570	\$ 160,760
5	\$ 47,070	\$ 70,605	\$ 141,210	\$ 188,280
6	\$ 53,950	\$ 80,925	\$ 161,850	\$ 215,800
7	\$ 60,830	\$ 91,245	\$ 182,490	\$ 243,320
8	\$ 67,710	\$ 101,565	\$ 203,130	\$ 270,840

For families/households with more than 8 persons, add \$6,880 for each person.

Contribution Levels (amount premium is limited based on income)

1. American Rescue Plan / Inflation Reduction Act (ARP/IRA) – “Enhanced”

FPL Range	Contribution Level (% of income)
< 150%	0%
150% to 200%	0 – 2%
200% to 250%	2 – 4%
250% to 300%	4 – 6%
300% to 400%	6 – 8.5%
>400%	8.5%

2. Congressional Budget Office (CBO) estimate for 2025⁸ - “Original”

FPL Range	Contribution Level (% of income)
< 133%	1.82%
133% to 150%	2.73 – 3.64%
150% to 200%	3.64 – 5.73%

⁸ <https://www.cbo.gov/system/files/2024-06/60437-Arrington-Smith-Letter.pdf> (Table 1)

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200% to 250%	5.73 – 7.33%
250% to 300%	7.33 – 8.65%
300% to 400%	8.65%
>400%	FULL Amount of premium