AB 1810 Stakeholder Workgroup
2021 State Subsidy Program Design

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STATE SUBSIDY PROGRAM DESIGN
FOR 2021
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Policy, Eligibility & Research
BACKGROUND

In 2020, California implemented a new state advanced premium subsidy and implemented a state mandate penalty. The new state subsidies followed the framework set by the Affordable Care Act and provided more support to those consumers who earn under 400% of the Federal Poverty Level (FPL), and new support to between 400% and 600% of FPL.

While the legislation identified the amount of funding available for the new program and the share of the funding that is meant to go to those above and below 400% of FPL, the legislation delegated authority to Covered California’s Board to set the exact eligibility requirements for the new subsidies.

For the 2020 program year, Covered California adopted a program design regulation that included key program design elements, including the eligibility definitions for the program, the “required contribution” curve that determines the benefit amounts under the program, and the caps on reconciliation of state subsidies upon filing of final tax returns with the Franchise Tax Board.
ANNUAL SUBSIDY PROGRAM DESIGN CYCLE

- March to May: Covered California provides technical assistance to Department of Finance to identify the projected costs of the state subsidy program.
- June: The adopted state budget provides for: (1) required use(s) of funding, (2) subsidy spending target for budget year, (3) allocation of funding above and below 400 percent FPL.
- June: The Covered California Board to adopt annual program design in accordance with budget targets set by the appropriation.
- Director of the Department of Finance to provide approval of the program design following notification to the Joint Legislative Budget Committee.
NEW STATE SUBSIDIES FOLLOW ACA IN LIMITING PREMIUMS AS A SHARE OF INCOME

Under the ACA, financial assistance is provided to limit the share of income a consumer must spend on premiums for the benchmark second-lowest silver plan (grey line). For example, the ACA caps premiums for a consumer earning 300% of FPL to 9.78% of income.

California’s new state subsidies offer new help to two groups (blue line):

1) Many consumers below 400% of FPL see their required contribution reduced (for example, the consumer at 300% of FPL will receive a state credit to reduce the share of income spent on premiums from 9.78% to 8.90% of income.

2) For consumers from 400 to 600% of FPL, which saw no financial protection under the ACA, new state caps limit premiums to the percentages shown in Figure 3, so that a consumer at 450% of FPL spends no more than 14% of their income on premiums.
## COVERED CALIFORNIA 2020 ENROLLMENT: HUGE REBOUND DUE TO MANDATE AND NEW SUBSIDIES

Table 1: Preliminary Analysis of Covered California 2020 Net Plan Selections

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2019</th>
<th>Percent Change</th>
<th>2020</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Enrollment*</td>
<td>388,344</td>
<td>295,980</td>
<td>-23.8</td>
<td>418,052</td>
<td>41.2</td>
</tr>
<tr>
<td>Renewals</td>
<td>1,133,180</td>
<td>1,217,903</td>
<td>7.5</td>
<td>1,120,767</td>
<td>-8.0</td>
</tr>
<tr>
<td>Total</td>
<td>1,521,524</td>
<td>1,513,883</td>
<td>-0.5</td>
<td>1,538,819</td>
<td>1.6</td>
</tr>
</tbody>
</table>

* The new enrollment number includes consumers who had coverage off-exchange switched to on-exchange coverage to benefit from new subsidies. Even after subtracting the entire newly-enrolled 400 to 600 percent FPL population, Covered California’s new sign-ups in 2020 would still be 38 percent higher than in 2019 and still the highest total since 2016.

- Overall enrollment is higher in 2020 than the past two years — driven by a huge increase in new-enrollments — as California replaced the federal penalty and made new state subsidies available.

- New enrollment in 2020 increased by more than 122,000 — over 41 percent higher — compared to 2019 and at its highest level since 2016.

- In 2020, renewals are down slightly compared to 2019, due primarily to the significant drop in new enrollment during 2019 open enrollment which meant fewer new enrollees eligible to keep coverage for 2020.
2020 OPEN ENROLLMENT RESULTS

Considering the take-up of new state subsidies during Open Enrollment for 2020, several key observations include:

• Hundreds of thousands of consumers are benefitting from state subsidies
  • Nearly 600,000 consumers below 400% of FPL gaining increased affordability from new state subsidies, on top of federal assistance.
  • Nearly 32,000 consumers are benefitting from new middle-class subsidies for those earning between 400% and 600% of FPL.

• However, not all consumers within each income group are eligible for state subsidies
  • Some consumers below 400% FPL have chosen a plan that is fully paid for by the federal credits alone.
  • Over half of consumers in the 400 to 600% FPL range already can purchase a Silver benchmark plan for less than the “required contribution” curve set in the 2020 Program Design.
The table below shows 2020 open enrollment results by FPL.

<table>
<thead>
<tr>
<th>FPL Category</th>
<th>Enrollees</th>
<th>Enrollees (col %)</th>
<th>Enrollees Receiving State Subsidies</th>
<th>Percentage in Group Receiving State Subsidies</th>
<th>State Subsidy Amount Per Month - Among Those Receiving (Household, avg)</th>
<th>State Subsidy Amount Per Month - Among Those Receiving (Individual, avg)</th>
<th>Average State Subsidy Amount Per Month - All Enrollees in Group (Individual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>138% FPL or less</td>
<td>47,762</td>
<td>3%</td>
<td>9,554</td>
<td>20%</td>
<td>$55</td>
<td>$40</td>
<td>$8</td>
</tr>
<tr>
<td>138% FPL to 200% FPL</td>
<td>623,684</td>
<td>41%</td>
<td>0</td>
<td>0%</td>
<td>$25</td>
<td>$16</td>
<td>$14</td>
</tr>
<tr>
<td>200% FPL to 400% FPL</td>
<td>691,133</td>
<td>45%</td>
<td>576,501</td>
<td>83%</td>
<td>$25</td>
<td>$16</td>
<td>$14</td>
</tr>
<tr>
<td>400% FPL to 600% FPL</td>
<td>68,238</td>
<td>4%</td>
<td>31,944</td>
<td>47%</td>
<td>$504</td>
<td>$291</td>
<td>$136</td>
</tr>
<tr>
<td>600% FPL+ or Unsub App</td>
<td>98,358</td>
<td>6%</td>
<td>0</td>
<td>0%</td>
<td>$61</td>
<td>$37</td>
<td>$29</td>
</tr>
<tr>
<td>FPL Unavailable</td>
<td>9,644</td>
<td>1%</td>
<td>7,553</td>
<td>78%</td>
<td>$48</td>
<td>$31</td>
<td>$29</td>
</tr>
<tr>
<td>Grand Total</td>
<td>1,538,819</td>
<td>100%</td>
<td>625,652</td>
<td>41%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: These data are “net” plan selections through February 7, per CMS reporting requirements. FPL Unavailable is related to a reporting issue in the data used for statistical reporting; these are cases that are correctly receiving state subsidy.
STATE SUBSIDIES FOR THE 400% TO 600% FPL GROUP

Two key trends about the 400% to 600% FPL group have emerged so far this year:

1) Take-up of on-exchange members was high, but off-exchange consumers did not switch. Estimates indicate there may be 140,000 off-exchange consumers earning in this income range, many of whom would likely “switch” to possibly receive new financial assistance. Yet, new sign-ups with Covered California for this income bracket were just over 25,000.*

2) Average financial support among those receiving has been much greater than anticipated. Those receiving subsidies in this group are receiving an average of $500 per household per month, but the number of enrollees receiving the support is much lower than expected (~32,000). Before the program launched, we anticipated roughly $160 per household per month.

* Survey data suggest that an even larger number of off-exchange enrollees may be eligible for Federal APTC, and as a result, Covered California was developing plans for an initiative during the new special enrollment period in March and April that would have combined marketing and new collaboration with carriers and agents to reach these off-exchange populations who may still be able to benefit from reduced premiums. This effort was put on hold due to the COVID-19 pandemic.
2020 OPEN ENROLLMENT RESULTS

The table below shows that “switching” from the off-exchange – which should present as “Open Enrollment” 400 to 600% FPL enrollment – did not materialize as expected, with less than a one quarter of the expected volume.

| Enrollment by FPL and Renewal Cohort, Showing Receipt of State Subsidies (Enrollees) |
|---------------------------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
|                                 | Enrollees        | Enrollees (col %) | Enrollees Receiving State Subsidies | Enrollees        | Enrollees (col %) | Enrollees Receiving State Subsidies |
|                                 | Open Enrollment | Renewal         | Open Enrollment | Renewal         | Open Enrollment | Renewal         | Total | Total | Total |
| 138% FPL or less                | 7,532           | 40,230          | 2%             | 4%              | 2,462           | 7,072           | 47,762 | 3%    | 9,554 |
| 138% FPL to 200% FPL            | 163,139         | 460,545         | 39%            | 41%             | 0               | 0               | 623,684 | 41%   | 0     |
| 200% FPL to 400% FPL            | 192,811         | 498,322         | 45%            | 44%             | 166,512         | 410,089         | 691,133 | 45%   | 576,601 |
| 400% FPL to 600% FPL            | 25,183          | 43,055          | 6%             | 4%              | 14,260          | 17,684          | 68,238  | 4%    | 31,944 |
| 600% FPL+ or Unsub App          | 25,311          | 72,047          | 6%             | 6%              | 0               | 0               | 90,358  | 6%    | 0     |
| FPL Unavailable                 | 3,075           | 6,568           | 1%             | 1%              | 1,997           | 5,555           | 9,644   | 1%    | 7,553 |
| Grand Total                     | 418,052         | 1,120,757       | 100%           | 100%            | 185,251         | 440,401         | 1,538,819 | 100%  | 625,552 |

Note: These data are “net” plan selections through February 7, per CMS reporting requirements. FPL Unavailable is related to a reporting issue in the data used for statistical reporting these are cases that are correctly receiving state subsidy.
ESTIMATING 2020 STATE SUBSIDY TOTALS AND 2021 & 2022 ENROLLMENT AND PREMIUMS

The preceding slides covered the results of “net plan selections” from the 2020 plan year renewal and open enrollment period as reported publicly following the close of this year’s open enrollment, but do not yet factor in effectuations and the ongoing special enrollment periods.

To prepare for the 2021 State Subsidy Program Design, we first estimate how the remaining SEP in 2020 may impact total effectuated enrollment in the State Subsidies for 2020. Then, enrollment assumptions and premium increase assumptions are needed for 2021 and 2022.

A high level summary of the assumptions and methods used for 2021 State Subsidy Program Design technical assistance are described in the appendix below.
FUNDING AVAILABLE PER 2019 BUDGET PROCESS

In the discussions for the 2020 program design, an original 3 year program was envisioned using only the anticipated revenue from the new mandate penalty – estimated to bring in approximately $1 billion over the three years. The table below provides the original 2019 revenue estimates from the May Revise.

However, following input from the legislature, the 2020 program enacted was designed to enhance affordability with additional funds beyond the penalty revenue, to create a proposed 3 year program total of $1.5 billion. The table below provides the original estimates from last year’s budget process.

<table>
<thead>
<tr>
<th>Plan Year</th>
<th>Penalty Revenue Estimate from 2019 May Revise</th>
<th>Estimated Cost for a $1.0 Billion Program – 2019 Budget Act Estimate</th>
<th>Estimated Cost for a $1.5 Billion Program – 2019 Budget Act Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$317,200,000</td>
<td>$295,300,000</td>
<td>$428,629,000</td>
</tr>
<tr>
<td>2021</td>
<td>$335,900,000</td>
<td>$330,400,000</td>
<td>$479,762,000</td>
</tr>
<tr>
<td>2022</td>
<td>$352,800,000</td>
<td>$379,900,000</td>
<td>$547,195,000</td>
</tr>
</tbody>
</table>
ESTIMATE OF 3-YEAR PROGRAM COSTS

As detailed in the modeling appendix that follows, we currently estimate that 2020 State Subsidy program design, coupled with observed and anticipated enrollment for 2020, will lead to total spending to be well below what was planned for the program.

<table>
<thead>
<tr>
<th>Plan Year</th>
<th>Estimated Cost for a $1.5 Billion Program – 2019 Budget Act</th>
<th>Anticipated Advanced State Subsidy Spending Under Baseline Program Design – 2020 May Revise</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$428,629,000</td>
<td>$217,006,000</td>
<td>$211,623,000</td>
</tr>
<tr>
<td>2021</td>
<td>$479,762,000</td>
<td>$348,939,000</td>
<td>$130,823,000</td>
</tr>
<tr>
<td>2022</td>
<td>$547,195,000</td>
<td>$372,451,000</td>
<td>$174,744,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$1,455,586,000</td>
<td>$938,396,000</td>
<td>$517,190,000</td>
</tr>
</tbody>
</table>
1. Review estimates of the cost of the 2020 State Subsidy program based on the latest enrollment data available.

2. Estimate cost for 2021 State Subsidy program holding under 2020 program design rules (baseline), with preliminary estimates for COVID-19 rates.
THE MAY REVISION PROPOSAL

The Governor’s May Revision maintains the current level of state subsidies as adopted in the 2020 state subsidy program design, based on the estimated cost of extending the current program design into 2021.

For the Board’s reference, in conducting its own analysis of the state subsidy program, Covered California also reviewed several program design options which would have expanded subsidies but stayed within the original program budget. Those options are presented in the appendix.
MAY REVISE – CONTINUE 2020 PROGRAM DESIGN
REQUIRED CONTRIBUTION CURVE

![Graph showing required contribution curve]

<table>
<thead>
<tr>
<th>Income as Percent of FPL</th>
<th>Federal 2021</th>
<th>CA Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% to 133/138%</td>
<td>2.07</td>
<td>0.00</td>
</tr>
<tr>
<td>133/138% to 150%</td>
<td>3.10</td>
<td>3.41</td>
</tr>
<tr>
<td>150% to 200%</td>
<td>4.14</td>
<td>4.14</td>
</tr>
<tr>
<td>200% to 250%</td>
<td>5.52</td>
<td>5.24</td>
</tr>
<tr>
<td>250% to 300%</td>
<td>6.33</td>
<td>7.80</td>
</tr>
<tr>
<td>300% to 400%</td>
<td>8.93</td>
<td>9.68</td>
</tr>
<tr>
<td>400% to 450%</td>
<td>9.68</td>
<td>14.00</td>
</tr>
<tr>
<td>450% to 500%</td>
<td>14.00</td>
<td>16.00</td>
</tr>
<tr>
<td>500% to 600%</td>
<td>16.00</td>
<td>18.00</td>
</tr>
</tbody>
</table>
MAY REVISE – CONTINUE 2020 PROGRAM DESIGN

Under the May Revise proposal, the 2020 State Subsidy program design would be maintained for 2021. With the enrollment experience from 2020, we estimate that if maintained through 2022, this program design would have a cumulative cost of $938 million.

Note that we still anticipate enrollment growth in the 400 to 600% FPL group that are receiving state subsidies for 2021.

<table>
<thead>
<tr>
<th>Total Program Cost Over 3 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
</tr>
<tr>
<td>2021</td>
</tr>
<tr>
<td>2022</td>
</tr>
<tr>
<td>Grand Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Program Metrics for 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Subsidy $ (aggregate)</td>
</tr>
<tr>
<td>State Subsidy $ (% of spend to over 400 FPL)</td>
</tr>
<tr>
<td>Enrollees</td>
</tr>
<tr>
<td>Enrollees between 400 and 600% FPL</td>
</tr>
<tr>
<td>Enrollees Receiving State Subsidy (400 to 600% FPL)</td>
</tr>
<tr>
<td>Share of Enrollees in 400 to 600% FPL Receiving &gt;$0</td>
</tr>
<tr>
<td>State Subsidy $ (avg PMPM) - receiving only</td>
</tr>
<tr>
<td>State Subsidy $ (avg PMPM, 400-800% receiving only)</td>
</tr>
<tr>
<td>State Subsidy $ (avg PMPM, 200-400% receiving only)</td>
</tr>
</tbody>
</table>

5/19/2020
NEXT STEPS FOR FINAL PROGRAM DESIGN

At the June 2020 Board meeting, staff will return to the Board with its final proposed 2021 State Subsidy Program Design for action.

For the June 2020 Board meeting, should the final appropriation differ from what has been proposed in the May Revise, Covered California staff will bring back a final proposed curve for 2021 that is:

a) consistent with the appropriation passed by the legislature; and

b) integrates any new adjustments to COVID-19 related premium or enrollment impacts.

In addition to setting the required contribution curve for the 2021 plan year, the draft program design document proposes technical updates, including a clarification that the definition of eligible consumers in the program design includes both those who apply through the single, streamlined application or transition from another Insurance Affordability Program.
APPENDIX
STATE SUBSIDY 2021
SCENARIO MODELING
2021 PROGRAM DESIGN MODELING

For 2021, Covered California analyzed several options for subsidy program design that:

• Were consistent with original legislative intent to adjust the program design to provide maximum affordability consistent with the legislature’s appropriation;

• Recognized the difficult budget horizon created by COVID-19, with projected budgets below the original $1.5B;

• Included at least some additional supports across all incomes under 600% FPL, but showcase options with different additional support along the income spectrum.
2021 PROGRAM DESIGN MODELING - ASSUMPTIONS

• Analysis of both premium and enrollment impacts from COVID-19 and the recession are evolving very quickly.

• To meet the state budget process timelines, this analysis was completed in mid-April. Some of the assumptions are already “outdated” with respect to those being used by Covered California for its proposed FY 2020-21 budget model.

• All models assume the “most likely” scenarios for 2021, which as of the time of the analysis were 14.7% rate increase and 1.502 million average monthly enrollment.
ASSUMPTIONS – ENROLLMENT DURING COVID-19

Most modeling anticipates some growth to Marketplace enrollment during the recession, but the level depends on a range of factors, and depending on the balance, these factors could even lead to negative growth.

The most significant churn dynamics – which move in opposite directions for Marketplace impact – are:

1) **Churn out:**
   - What volume of consumers transition to Medi-Cal based on new, lower income for the month?
   - What volume of consumers drop coverage they purchase directly even though not eligible for Medi-Cal?

2) **Churn in:**
   - What share of consumers lose job-based coverage (ESI), and of those, what portion take-up coverage on the exchange?
ASSUMPTIONS – ENROLLMENT DURING COVID-19

The enrollment assumptions for this analysis are presented in the table to the right, and are based on Covered California’s Financial Management Division’s modeling as of early-to-mid April.*

Given a range of reasonable assumptions based on available empirical evidence, the current enrollment forecast range is much wider than what would otherwise be expected for the marketplace. Despite this uncertainty, the range for the most likely estimates still hovers within 10-15% above or below the level of current enrollment.

* These estimates will be updated to reflect the final enrollment model when the 2021 State Subsidy Program Design is brought back to the Board for final approval.
ASSUMPTIONS 2021 & 2022 – PREMIUM GROWTH

Based on input from Covered California’s Chief Actuary in early April, and following on Covered California’s analysis in “The Potential National Health Cost Impacts to Consumers, Employers and Insurers in the Commercial Market Due to COVID-19”, this analysis used the following premium estimates:

<table>
<thead>
<tr>
<th></th>
<th>2021 Rate Impact</th>
<th>2022 Rate Impact</th>
<th>2022 Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium</td>
<td>14.7%</td>
<td>3.3%</td>
<td>18.5%</td>
</tr>
</tbody>
</table>

These estimates included not only increases in the cost of health care stemming from COVID-19, but a range of potential factors such as anticipated increased enrollment due to expanded subsidies, as well as uncertain market conditions.

As noted, the estimates used here were from mid-April and may differ from subsequent estimates (such as those used in the final Covered California budget forecasts) for how the pandemic and its economic consequences may impact premiums and enrollment.
## MODELS CONSIDERED FOR 2021 PROGRAM DESIGN

<table>
<thead>
<tr>
<th>Model</th>
<th>Name</th>
<th>Description</th>
<th>Estimated 3 Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model B1</td>
<td><strong>Baseline (Mid)</strong></td>
<td>Continues existing program design into 2021 and 2022</td>
<td>$938 M</td>
</tr>
<tr>
<td>Model E4</td>
<td><strong>Close the Gap</strong></td>
<td>Improve affordability for all &lt;=600% FPL with emphasis on consumers under 200% FPL who were not assisted in 2020.</td>
<td>$1.371 Billion</td>
</tr>
<tr>
<td>Model E5</td>
<td><strong>Enhance Support for Low Income</strong></td>
<td>Improve affordability for all &lt;=600% FPL with emphasis on consumers in the 200 to 400% FPL range.</td>
<td>$1.360 Billion</td>
</tr>
<tr>
<td>Model E6</td>
<td><strong>Expand Middle Class Subsidies</strong></td>
<td>Improve affordability for all &lt;=600% FPL with emphasis on consumers in the 400 to 600% FPL range.</td>
<td>$1.322 Billion</td>
</tr>
</tbody>
</table>

*All models use 14.7% premium growth and the ‘Mid’ enrollment assumptions.*
BASELINE – CONTINUE 2020 PROGRAM DESIGN
REQUIRED CONTRIBUTION CURVE
MODEL E4 – CLOSE THE GAP
REQUIRED CONTRIBUTION CURVE
MODEL E5 – ENHANCE SUPPORT FOR LOW-INCOME REQUIRED CONTRIBUTION CURVE

E5 - Enhanced Support for Low Income

![Graph showing the Enhanced Support for Low Income with different income levels and percentage contributions.](image-url)

<table>
<thead>
<tr>
<th>Income as Percent of FPL</th>
<th>Federal 2021</th>
<th>CA Baseline</th>
<th>E5 - Enhance Support Low Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Ending</td>
<td>Initial</td>
<td>Ending</td>
<td>Initial</td>
</tr>
<tr>
<td>0% to 133/138%</td>
<td>2.07</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>133/138% to 1%</td>
<td>3.10</td>
<td>3.41</td>
<td>2.75</td>
</tr>
<tr>
<td>150% to 200%</td>
<td>4.14</td>
<td>6.52</td>
<td>4.14</td>
</tr>
<tr>
<td>200% to 250%</td>
<td>6.52</td>
<td>8.33</td>
<td>6.24</td>
</tr>
<tr>
<td>250% to 300%</td>
<td>8.33</td>
<td>9.83</td>
<td>7.80</td>
</tr>
<tr>
<td>300% to 400%</td>
<td>9.83</td>
<td>9.83</td>
<td>8.90</td>
</tr>
<tr>
<td>400% to 450%</td>
<td>9.68</td>
<td>14.00</td>
<td>9.25</td>
</tr>
<tr>
<td>450% to 500%</td>
<td>14.00</td>
<td>16.00</td>
<td>12.50</td>
</tr>
<tr>
<td>500% to 600%</td>
<td>16.00</td>
<td>18.00</td>
<td>14.00</td>
</tr>
</tbody>
</table>

Model: E5 - Enhanced Support for Low Income
MODEL E6 – EXPAND MIDDLE CLASS SUBSIDIES
REQUIRED CONTRIBUTION CURVE

E6 - Expand Middle Class Subsidies

<table>
<thead>
<tr>
<th>Income as Percent of FPL</th>
<th>Federal 2021</th>
<th>CA Baseline</th>
<th>E6 - Expand Middle Class Subsidies</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% to 133/138%</td>
<td>2.07</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>133/138% to 100%</td>
<td>3.10</td>
<td>3.41</td>
<td>3.00</td>
</tr>
<tr>
<td>150% to 200%</td>
<td>4.14</td>
<td>4.14</td>
<td>3.50</td>
</tr>
<tr>
<td>200% to 250%</td>
<td>6.52</td>
<td>6.24</td>
<td>6.00</td>
</tr>
<tr>
<td>250% to 300%</td>
<td>8.33</td>
<td>7.80</td>
<td>7.50</td>
</tr>
<tr>
<td>300% to 400%</td>
<td>9.83</td>
<td>8.90</td>
<td>8.75</td>
</tr>
<tr>
<td>400% to 450%</td>
<td>9.68</td>
<td>9.68</td>
<td>9.75</td>
</tr>
<tr>
<td>450% to 500%</td>
<td>14.00</td>
<td>14.00</td>
<td>10.00</td>
</tr>
<tr>
<td>500% to 600%</td>
<td>16.00</td>
<td>18.00</td>
<td>10.00</td>
</tr>
</tbody>
</table>

Model: E6 - Expand Middle Class Subsidies
## ALL MODEL COMPARISONS

### KEY METRICS

<table>
<thead>
<tr>
<th></th>
<th>B1 Baseline</th>
<th>E4 Close the Gap</th>
<th>E6 Enhanced Support for Low Income</th>
<th>E6 Expand Middle Class Subsidies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2021</td>
<td>2021</td>
<td>2021</td>
</tr>
<tr>
<td>State Subsidy $(aggregate)</td>
<td>$349M</td>
<td>$564M</td>
<td>$558M</td>
<td>$538M</td>
</tr>
<tr>
<td>State Subsidy $(% of spend to over 400 FPL)</td>
<td>72%</td>
<td>50%</td>
<td>52%</td>
<td>67%</td>
</tr>
<tr>
<td>Enrollees</td>
<td>1,502,271</td>
<td>1,503,338</td>
<td>1,503,641</td>
<td>1,507,342</td>
</tr>
<tr>
<td>Enrollees between 400 and 600% FPL</td>
<td>98,984</td>
<td>100,051</td>
<td>100,355</td>
<td>104,056</td>
</tr>
<tr>
<td>Enrollees Receiving State Subsidy (400 to 600% FPL)</td>
<td>57,720</td>
<td>62,232</td>
<td>64,053</td>
<td>78,699</td>
</tr>
<tr>
<td>Share of Enrollees in 400 to 600% FPL Receiving &gt;$0</td>
<td>45%</td>
<td>48%</td>
<td>49%</td>
<td>59%</td>
</tr>
<tr>
<td>State Subsidy $(avg PMPM) - receiving only</td>
<td>$47</td>
<td>$43</td>
<td>$43</td>
<td>$41</td>
</tr>
<tr>
<td>State Subsidy $(avg PMPM, 400-600% receiving only)</td>
<td>$362</td>
<td>$376</td>
<td>$374</td>
<td>$381</td>
</tr>
<tr>
<td>State Subsidy $(avg PMPM, 200-400% receiving only)</td>
<td>$14</td>
<td>$24</td>
<td>$30</td>
<td>$18</td>
</tr>
<tr>
<td>State Subsidy $(avg PMPM, 138-200% receiving only)</td>
<td>$21</td>
<td>$21</td>
<td>$21</td>
<td>$11</td>
</tr>
</tbody>
</table>

|                                | 2020        | 2021             | 2022                               | Grand Total                      |
|                                | $217M       | $217M            | $217M                              | $217M                            |
|                                | $349M       | $564M            | $558M                              | $538M                            |
|                                | $372M       | $591M            | $585M                              | $567M                            |
| Grand Total                    | $938M       | $1,371M          | $1,360M                            | $1,322M                          |