



# 2021 AFFORDABLE CARE ACT HEALTH INSURANCE MARKETPLACE

## Introduction

The eighth annual open enrollment period for the Kansas health insurance marketplace created by the Affordable Care Act (ACA) began November 1, 2020, and ends December 15, 2020. Like last year, Kansans have a 45-day window to sign up for coverage. Coverage for individuals who enroll during this open enrollment period becomes effective January 1, 2021.

The federal government continues to operate the marketplace in Kansas through Healthcare.gov. The most recent enrollment count shows 79,847 Kansans had coverage through the Kansas marketplace in 2020. Because the Centers for Medicare and Medicaid Services (CMS) chose not to provide a special enrollment period in response to the COVID-19 pandemic, only Kansans who had a qualifying life event (such as job loss) could enroll in a marketplace plan for the 2020 plan year once the open enrollment period was over.

This brief provides information about plan options offered for the 2021 plan year, health insurance costs, financial assistance options and factors impacting enrollment.



## Plan Options

Consumers shopping for a 2021 plan on the Kansas marketplace can choose from among 100 health insurance plans offered by six insurers (Figure 1, page 2) – an increase from 2020 when 82 plans were available from five insurers. The companies and the counties in which they offer plans include Medica Insurance Company (105 counties); Blue Cross and Blue Shield of Kansas (103 counties); Ambetter from Sunflower Health Plan (87 counties); Cigna Health and Life Insurance Company (eight counties); Oscar Insurance Company (two counties); and Blue Cross and Blue Shield of Kansas City (two counties), which is returning to the marketplace after leaving in 2018.

## KEY POINTS

- ✓ Consumers shopping for a 2021 plan on the Kansas marketplace are able to choose from among 100 health insurance plans offered by six insurers.
- ✓ Following the trend from previous years, all of the plans offered for 2021 have a “narrow network” of providers which generally covers only services provided in-network, except in an emergency.
- ✓ Based on their income, consumers may be eligible to receive financial assistance on the marketplace to reduce the cost of premiums and lower their out-of-pocket expenses.
- ✓ For the second year, the average monthly premium decreased slightly in Kansas for 2021 to: \$406 for a single adult age 27; \$1,583 for a family of two 40-year-old parents with two children; and \$2,103 for a 60-year-old married couple.
- ✓ The stability of the marketplace requires a large pool of healthy consumers to offset those who are at increased risk of having a higher disease burden, such as those with pre-existing health conditions or who are older. It will be important to watch how emerging non-ACA-compliant plans impact the Kansas marketplace.

Figure 1. Marketplace Health Insurance and Dental Plans Available in Kansas, 2021 Plan Year

		Company	Type	Availability by County	Catastrophic	Bronze	Silver	Gold	Platinum	
Health Insurance Plans		Blue Cross and Blue Shield of Kansas, Inc.	EPO	Not available in Johnson and Wyandotte	0	2	3	1	0	
		Medica Insurance Company	EPO	Plans available statewide	3	12	4	5	0	
		Ambetter from Sunflower Health Plan	HMO	Not available in Decatur, Rooks, Osborne, Wallace, Lane, Hamilton, Kearney, Finney, Stanton, Grant, Haskell, Gray, Ford, Morton, Stevens, Seward, Mead or Clark	0	8	22	6	0	
		Cigna Health and Life Insurance Company	EPO	Johnson, Wyandotte, Leavenworth, Miami, Harvey, Sumner, Butler and Sedgwick	0	6	8	2	0	
		Oscar Insurance Company	EPO	Johnson and Wyandotte	1	5	5	1	0	
		Blue Cross and Blue Shield of Kansas City	EPO	Johnson and Wyandotte	0	2	2	2	0	
<b>Total Health Plans: 100</b>					<b>4</b>	<b>35</b>	<b>44</b>	<b>17</b>	<b>0</b>	
								<b>Individual or Family</b>		
Dental Plans		BEST Life and Health Insurance Company							4	
		Dentegra Insurance Company							2	
		Renaissance Life & Health Insurance Company of America							4	
		TruAssure Insurance Company							2	
<b>Total Dental Plans: 12</b>								<b>12</b>		
<p>Note: Companies offering plans on the marketplace also must offer those plans off the marketplace. However, Advance Premium Tax Credits (APTC) and cost-sharing reductions are available only when enrolling in coverage through the marketplace.</p> <p>Source: 2021: Overview of the Health Insurance Market In Kansas, Kansas Insurance Department.</p>										

All six insurers are offering bronze, expanded bronze, silver and gold plans, and two also are offering catastrophic plans. For the fourth consecutive year, there are no platinum plans being offered to individuals on the Kansas marketplace. Like in 2020, all counties in Kansas have at least two insurers offering coverage.

Following the trend over the past few years, all plans offered are either exclusive provider organization (EPO) plans, which only cover services provided by preferred providers, or health maintenance organization (HMO) plans, which typically only cover care provided by in-network providers. Both EPO and HMO plans have a “narrow network” of providers which generally covers only services provided in-network, except in an emergency.

Dental coverage is an essential health benefit for children enrolled in an ACA-compliant health plan, but not for adults. Some insurers offer policies with both health and dental coverage, meaning one premium covers both health and dental policies and Advance Premium Tax Credits (APTC) can be applied. Alternatively, adults can purchase a stand-alone dental plan, but consumers must be enrolled in an ACA-compliant health plan and will be

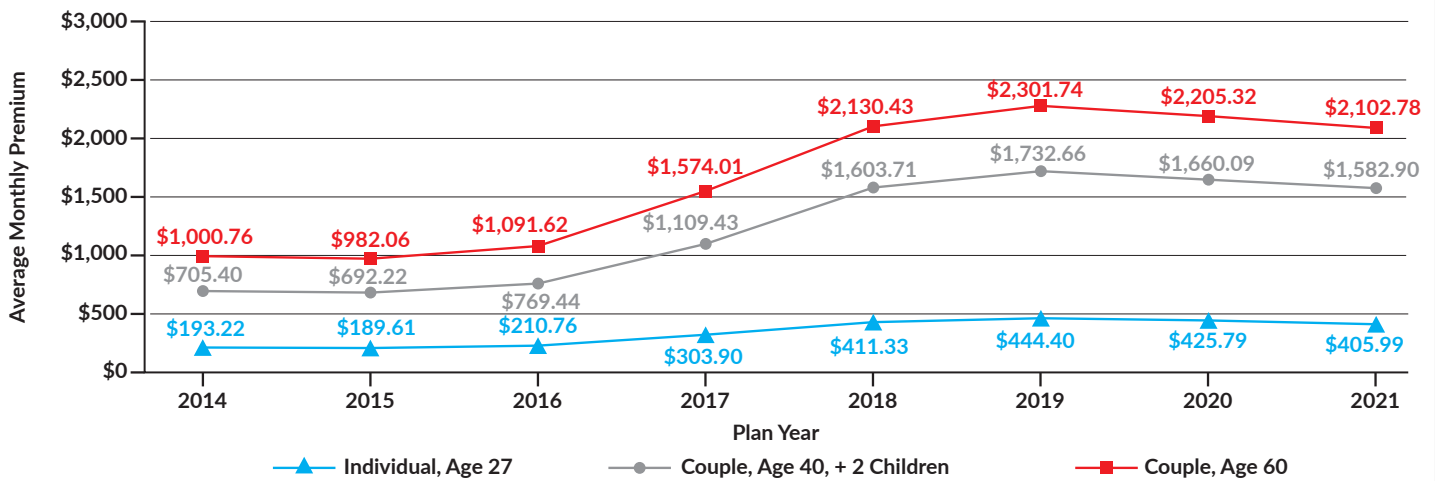
responsible for two separate premiums. APTC cannot be applied to stand-alone dental plan premiums. Like last year, a total of 12 stand-alone dental plans are available from four insurers.

## Health Insurance Costs

The cost of health care for consumers depends on both the monthly insurance premiums they pay and the out-of-pocket costs they incur for deductibles, co-payment, co-insurance and uncovered services.

After several years of increases, average health insurance premiums being offered on the marketplace decreased by 4.7 percent between plan years 2020 and 2021, the second consecutive year premiums have decreased in Kansas. *Figure 2* (page 3) shows the average monthly premiums for the silver benchmark plan, which is the second lowest cost silver plan. However, there is considerable variation in the monthly premiums across counties in the seven “rating areas” in Kansas based on regional factors such as the cost of care, cost of living and number and type of providers available (*Figure 3*, see insert).

Figure 2. Average Monthly Premium, Before APTC, for the Silver Benchmark Plan on the Kansas Marketplace, 2014-2021 Plan Years



Note: Premium, before application of Advance Premium Tax Credits (APTC). The amounts shown are the actual average monthly premiums for the "benchmark plan," a middle-of-the-road plan in terms of covered benefits and cost among the plans available on the marketplace. Technically, the benchmark plan is the second-lowest-cost silver plan (SLCSP).

Source: KHI analysis of data from the Centers for Medicare and Medicaid Services Health Insurance Marketplace, 2014-2021.

Premiums also vary based on characteristics of persons being covered, including age, where they live, whether they smoke and how many people are covered. Higher rates cannot be charged based on gender or for people with pre-existing conditions.

In addition to the monthly premium paid, consumers are responsible for out-of-pocket expenses, including deductible, co-payment and co-insurance, when they use services. In general, people must pay the deductible amount for covered services first before the insurance plan starts to pay, with the exception of certain preventive services and other services specified by plans. Co-payment or co-insurance are usually required after the deductible is met. The deductible for the 2021 marketplace benchmark plan ranges from \$4,500 to \$6,500 for an individual and \$9,000 to \$13,000 for a family.

ACA Marketplace plans are required to set a maximum out-of-pocket cost, which is the most consumers have to pay for covered services in the plan year. This maximum amount varies by consumer's income. For example, a consumer with annual income just above 250 percent of the federal poverty level (FPL) could be expected to pay up to \$8,550 for an individual or up to \$17,100 for a family of four.

## Financial Assistance

Under the ACA, financial assistance is available for people at certain income levels to help pay monthly premiums and out-of-pocket expenses. Consumers

with household income between 100 and 400 percent of the federal poverty level (\$26,200 to \$104,800 for a family of four in 2020) may be eligible for Advance Premium Tax Credits (APTC), which may substantially decrease their premiums. Among Kansas enrollees who received APTC in 2020 and "effectuated" their enrollment by paying their premiums, the average APTC received per month was \$544.35. Examples of reduced premiums from APTC in 2021 are shown in Figure 4 (see insert).

APTC are based on the cost of the benchmark plan but may be used to purchase any metal-level plan available on the marketplace. With APTC, consumers could be better off with a more benefit-rich gold plan with a lower deductible. For example, a gold plan in Sedgwick County could have a monthly premium of \$396 before APTC (or \$209 after APTC) and a deductible of \$750 for an individual with household income of 235 percent FPL. In comparison, the same individual could purchase a silver plan with a slightly lower monthly premium of \$382 before APTC (or \$195 after APTC) but would have a higher deductible of \$3,300.

Consumers with household income between 100 and 250 percent of FPL (\$26,200 to \$65,500 for a family of four in 2020) who enroll in silver plans may be eligible for cost-sharing reduction (CSR) subsidies to lower their out-of-pocket expenses. CSR is not available with any other metal-level. For example, the deductible could be lowered to \$0 with reduced co-payment/co-insurance for a benchmark plan for enrollees in Sedgwick county with income between 100 and 200 percent FPL.

# Factors Impacting Enrollment on the ACA Marketplace

While the cost of coverage is a barrier to enrollment for many consumers shopping on the ACA marketplace, low health insurance literacy and the emergence of non-ACA-compliant plans might also impact enrollment.

**Reduced Navigator Funding.** Under the ACA, the federal government is required to provide funding to states using Healthcare.gov to establish navigator programs for outreach and education for consumers who are interested in purchasing coverage on the marketplace. For plan years 2020 and 2021, two Kansas organizations received \$213,317 to serve 17 counties throughout Northeast, Central and Western Kansas, which is down from \$312,260 received by two organizations serving all 105 Kansas counties in 2019.

**Emergence of Non-ACA-Compliant Plans.** Non-ACA-compliant plans have gained more traction following elimination of the individual mandate penalty in 2019. These plans are not required to meet the ACA health insurance requirements and therefore can deny coverage to individuals with pre-existing conditions and exclude some essential health benefits. These plans often are less expensive, which makes them attractive to healthy consumers and could lead to instability on the ACA marketplace.

Examples of non-ACA-compliant plans available to individuals and families are short-term limited duration insurance, health benefits plans and health care sharing ministries.

**Short-Term Limited Duration Insurance (STLDI)** is a type of health insurance originally designed to allow consumers to fill temporary gaps in coverage for short periods of time. However, in 2018, the Trump administration issued a federal rule extending the permissible terms of these policies to up to 364 days. Kansas law (K.S.A. 40-12,193) limits terms to six or 12 months based upon

policy design. In November 2020, KID reported eight companies which may offer STLDI policies in Kansas.

**Health Benefits Plans**, such as those offered by the Kansas Farm Bureau (KFB) starting October 2019, pay a set amount of money when a consumer experiences a medical event. These plans are not considered health insurance and are therefore exempt from state insurance regulation. KFB reports that their membership consists of more than 30,000 farmers and ranchers in Kansas, but estimates of how many members had actually purchased the health benefit were not available.

**Health Care Sharing Ministries (HCSM)** are arrangements in which members who follow a common set of religious or ethical beliefs agree to contribute regular payments (similar to premiums) toward qualifying medical expenses of the group and also must pay some out-of-pocket costs. HCSMs are not considered health insurance and are therefore exempt from state insurance regulation in Kansas. A recently proposed IRS Rule that would allow individuals who participate in HCSMs to deduct the amounts paid as medical expenses may encourage more individuals to join these types of arrangements. The Alliance of Health Care Sharing Ministries reported that there are 19,184 active Kansas members in 2020.

## Looking Ahead

Many factors could impact 2021 open enrollment. The addition of more plans and insurers, decreasing premiums and the ongoing COVID-19 pandemic could be expected to increase enrollment for the 2021 plan year. However, less expensive non-ACA-compliant plans may lead some consumers away from the marketplace. There also could be some concern about the future of the marketplace as the U.S. Supreme Court considers [California v. Texas](#), in which 20 states including Kansas are challenging the validity of the entire ACA law after the elimination of the individual mandate penalty.

### ABOUT THE ISSUE BRIEF


This brief is based on work done by Hina B. Shah, M.P.H., Cheng-You Tsai, M.P.H., and Phillip Steiner, M.A. It is available online at [khi.org/policy/article/20-54](https://khi.org/policy/article/20-54).

### KANSAS HEALTH INSTITUTE

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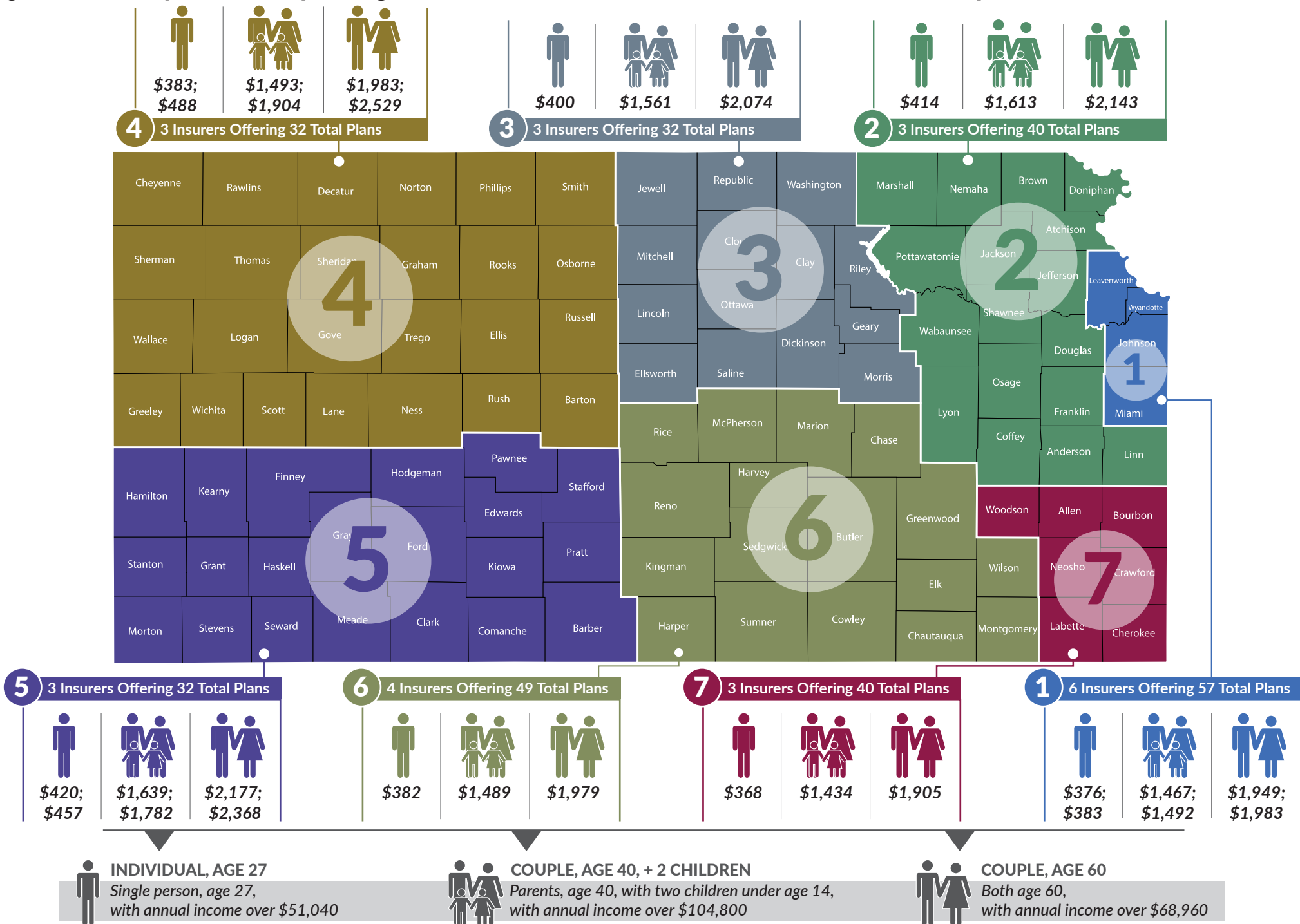
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**Figure 3: Monthly Premium by Rating Area for Silver Benchmark Plan on the Kansas Marketplace, 2021 Plan Year**



Note: Premiums shown are before application of Advance Premium Tax Credits (APTC). Data are actual monthly premiums for the “benchmark plan,” a middle-of-the-road plan in terms of covered benefits and cost among the plans available on the Kansas marketplace. Technically, the benchmark plan is the second-lowest-cost silver plan (SLCSP). Some rating areas have more than one silver benchmark plan because some insurers offer plans in only some counties within a rating area. Number of total health plans includes all bronze, expanded bronze, silver, gold and catastrophic health insurance plans offered in each rating area. The same plan may be offered in more than one rating area. An issuer that has filed to offer plans in a Rating Area may not be covering all counties inside that Rating Area.  
 Source: Kansas Health Institute analysis of 2021 health insurance marketplace data provided by the Centers for Medicare and Medicaid Services.

**Figure 4. Monthly Premium Before Advance Premium Tax Credits (APTC) on the Kansas Marketplace, 2021 Plan Year**

Below are the monthly premiums, before APTC, in the seven Kansas rating areas for the following plans: silver benchmark, lowest-cost bronze, lowest-cost gold, highest-cost gold and the lowest-cost catastrophic. Some rating areas have more than one silver benchmark plan because some insurers offer plans in only some counties within a rating area.

**Premium – Individual, Age 27**

Rating Area	Silver Benchmark Plan	Lowest Bronze Plan (Including Expanded)	Lowest Gold Plan	Highest Gold Plan	Lowest Catastrophic Plan
1	\$376.36; \$382.80	\$306.96	\$410.06	\$543.92	\$240.01
2	\$413.70	\$325.55	\$427.02	\$661.80	\$315.45
3	\$400.37	\$317.40	\$414.80	\$656.01	\$322.29
4	\$382.84; \$488.25	\$317.62	\$409.81	\$631.93	\$310.46
5	\$420.39; \$457.11	\$330.11	\$433.00	\$641.33	\$315.08
6	\$381.99	\$304.26	\$395.76	\$502.14	\$241.18
7	\$367.85	\$296.78	\$381.11	\$638.98	\$303.20

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver.

**Premium – Couple, Age 60**

Rating Area	Silver Benchmark Plan	Lowest Bronze Plan (Including Expanded)	Lowest Gold Plan	Highest Gold Plan	Lowest Catastrophic Plan
1	\$1,949.30; \$1,982.68	\$1,589.85	\$2,123.85	\$2,817.18	\$1,243.08
2	\$2,142.74	\$1,686.14	\$2,211.70	\$3,427.75	\$1,633.85
3	\$2,073.66	\$1,643.96	\$2,148.38	\$3,397.74	\$1,669.26
4	\$1,982.88; \$2,528.84	\$1,645.07	\$2,122.56	\$3,273.02	\$1,608.00
5	\$2,177.38; \$2,367.58	\$1,709.78	\$2,242.70	\$3,321.68	\$1,631.90
6	\$1,978.50	\$1,575.91	\$2,049.80	\$2,600.78	\$1,249.17
7	\$1,905.24	\$1,537.14	\$1,973.90	\$3,309.52	\$1,570.42

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver.

**Premium – Couple, Age 40, + 2 Children**

Rating Area	Silver Benchmark Plan	Lowest Bronze Plan (Including Expanded)	Lowest Gold Plan	Highest Gold Plan	Lowest Catastrophic Plan
1	\$1,467.38; \$1,492.48	\$1,196.77	\$1,598.76	\$2,120.66	\$935.74
2	\$1,612.98	\$1,269.28	\$1,664.90	\$2,580.28	\$1,229.89
3	\$1,560.96	\$1,237.50	\$1,617.24	\$2,557.68	\$1,256.56
4	\$1,492.64; \$1,903.60	\$1,238.35	\$1,597.78	\$2,463.82	\$1,210.44
5	\$1,639.04; \$1,782.22	\$1,287.06	\$1,688.22	\$2,500.46	\$1,228.42
6	\$1,489.34	\$1,186.29	\$1,543.02	\$1,957.76	\$940.35
7	\$1,434.20	\$1,157.10	\$1,485.88	\$2,491.28	\$1,182.16

Note: Expanded bronze plans are included in the lowest-cost bronze plan column. Catastrophic plans are only available to individuals under age 30 and those with a hardship waiver. Table assumes that both children are included in the family premium and not enrolled in Medicaid or the Children's Health Insurance Program (CHIP). Premiums will be lower if children are covered by Medicaid or CHIP.

**Advance Premium Tax Credit (APTC) on the Kansas Marketplace, 2021 Plan Year**

The Advance Premium Tax Credit (APTC) is based on the premium for the silver benchmark plan in each county. The APTC can then be applied to any plan on the marketplace, excluding catastrophic plans. The APTC shown in this figure is based on the cost of the benchmark plan in Sedgwick County, which is in Rating Area 6, and may vary slightly in other rating areas.

**Premium – Individual, Age 27**

FPL	Annual Income	Monthly Premium Tax Credit Estimate	Max Cost Per Month	Percent of Income Paid
100%	\$12,760	\$360	\$22	2.07%
157%	\$20,000	\$308	\$74	4.46%
235%	\$30,000	\$187	\$195	7.79%
313%	\$40,000	\$54	\$328	9.83%
400%	\$51,040	\$0	\$418	9.83%

**Premium – Couple, Age 60**

FPL	Annual Income	Monthly Premium Tax Credit Estimate	Max Cost Per Month	Percent of Income Paid
100%	\$17,240	\$1,949	\$30	2.07%
145%	\$25,000	\$1,898	\$80	3.84%
232%	\$40,000	\$1,722	\$256	7.68%
348%	\$60,000	\$1,487	\$492	9.83%
400%	\$68,960	\$1,413	\$565	9.83%

**Premium – Couple, Age 40, + 2 Children**

FPL	Annual Income	Monthly Premium Tax Credit Estimate	Max Cost Per Month	Percent of Income Paid
100%	\$26,200	\$1,444	\$45	2.07%
153%	\$40,000	\$1,347	\$142	4.27%
229%	\$60,000	\$1,111	\$379	7.57%
344%	\$90,000	\$752	\$737	9.83%
400%	\$104,800	\$631	\$858	9.83%

Note: Amount of APTC shown in the table assumes that eligible children will enroll in Medicaid or CHIP. In Kansas, children may be eligible if family income is less than 232 percent of the federal poverty level (FPL) (\$60,784 for a family of four in 2020).

