

DETERMINING HRA AFFORDABILITY & ELIGIBILITY FOR APTC 2024

OBJECTIVE: FOR THE 2024 PLAN YEAR. TO DETERMINE IF A CUSTOMER'S INDIVIDUAL COVERAGE HRA IS DEEMED AFFORDABLE PER FEDERAL STANDARDS AND DETERMINE HOW TO SELECT SUBSIDIES WHEN ENROLLING. ELIGIBILITY FOR SUBSIDIES MAY BE AFFECTED BY HRA AFFORDABILITY.

1. Gather the following information from the customer:

- Customer's household income amount.
- Employer's monthly contribution amount from the HRA Notice from the customer's employer.
Please confirm that the HRA is an Individual Coverage HRA and not an Excepted Benefit HRA or a QSEHRA
- Continue to the next step.

2. Determine Affordability using the collected information and the HRA Affordability Worksheet 2024 to determine the customer's required contribution as a percentage of their household income.

Note: The Lowest Cost Silver Plan (LCSP) for an individual is used to calculate affordability, regardless of the plan the customer selects, and regardless of other household members covered by the plan.

- If this number is less than or equal to .0839 (8.39%), the HRA is considered **affordable**, and the customer is **not** eligible for APTC.
- If this number is greater than .0839 (8.39%), the HRA is considered **unaffordable**, and the customer may be eligible for APTC. Advise the customer that **if they enroll and accept subsidies, they must opt out of their employer's HRA, or they will owe money back at tax time.**
- Continue to the next step.

3. Is the HRA affordable?

- **Yes, HRA is affordable** → Is the customer currently enrolled in QHP coverage?
 - **Yes** → Determine the start date of HRA benefits.
 1. If the benefits begin at the start of the new plan year (ex: 01/01/2024), make the changes below to the prospective renewal plan.
 2. If this is a mid-year change, make the changes below to the current plan per the 15/16 rule.
 - Go into the Portal and update the APTC selection to **\$0.00 APTC**.
 - Create an SR to document changes.
Process Complete
 - **No** → If no active Master Case exists, complete an application with the customer.
 1. Clear any existing SEPs and manually add the Qualifying Event and Reason Code: Marriage/32 to the benefit plan and enroll into the selected QHP with **\$0.00 APTC** selected.
 - Plan start date will be the first of the month following plan selection.
Note: The system may still generate subsidy amounts in the BLI and magic box, but you must select \$0 subsidies when enrolling.
 2. Create an SR with the following LOVs and leave detailed notes to document changes:
 - **Type:** VHC Health Insurance
 - **Sub Type:** Employee
 - **Area:** Special Enrollment Period
Process Complete
- **No, HRA is unaffordable** → Is the customer currently enrolled in QHP coverage?
 - **Yes** → The customer may continue with their APTC but must notify their employer and opt out of their HRA.
 1. Create an SR and document HRA offer and affordability. **Process Complete**
 - **No** → If no active Master Case exists, complete an application with the customer.

1. Clear any existing SEPs and manually add the Qualifying Event and Reason Code: Marriage/32 to the benefit plan and enroll into the selected QHP with their selected APTC amount applied.
 - Plan start date will be the first of the month following plan selection.
2. Create an SR with the following LOVs and leave detailed notes to document changes:
 - **Type:** VHC Health Insurance
 - **Sub Type:** Employee
 - **Area:** Special Enrollment Period
3. Advise the customer that they must notify their employer and opt out of their HRA.

Process Complete