



Cost Sharing Reductions (CSR) Special Discounts on Out-of-Pocket Costs

Special discounts lower the amount you pay for out-of-pocket costs. Special discounts or CSR (Cost Sharing Reduction) save you money on out-of-pocket costs like copayments, coinsurance, deductibles and out of pocket maximums. These discounts are only available if you pick a **Silver level** plan.

Copayment or Copay: The fixed amount (for example, \$15) you pay for a covered service (for example, seeing a doctor), usually when you get the service.

Co-insurance: Your share of the costs of a covered service, usually a percent (for example, 20%), of the amount covered by your insurance plan. If you have met your deductible, you would pay 20% (\$20) on a \$100 hospital bill. Your health insurance pays the rest or 80% (\$80).

Deductible: The amount you owe for covered services before your health insurance begins to pay. For example, if your deductible is \$1,000, your plan won't pay anything until you've paid \$1,000 toward your costs. The deductible may not apply to all services. Some plans have separate deductibles for medications.

Out-of-Pocket Maximum: The most you will pay during a policy period (usually one year) before your insurance plan starts to pay 100% of your costs. For example, if your out-of-pocket maximum is \$2,000. Once you have paid \$2,000 towards your deductibles, copays, coinsurance and similar charges, you would not pay for other costs. This may not apply to all charges. For example, you may still have to pay a copay when you go to the nurse practitioner.

Your income determines if you are eligible for special discounts.

Special discounts are based on your income and the Federal Poverty Level (FPL). Special discounts (CSR) come in different categories (A, B, and C). Your CSR Category changes during the year if your income changes.

How do I qualify?

YOUR INCOME LEVEL COMPARED TO THE FPL	CATEGORY	SPECIAL DISCOUNTS
If your income is less than 150% of FPL	A	may pay up to 94%
If your income is less than 200% but more than 150% of FPL	B	may pay up to 87%
If your income is less than 250% but more than 200% of FPL	C	may pay up to 73%

The Federal Poverty Level changes each year. For more information, go to healthcare.gov. Each insurance company adjusts the deductible, coinsurance and copayment amounts on *Silver level* plans to provide the discount.

A Category change may qualify you for special enrollment

You may be eligible for a special enrollment period which means you can start to enroll right away. This would be if you have just become eligible for special discounts or if your Category changes because your income or household size changes. If you are not currently enrolled in a *Silver level* plan, you can change to a *Silver level* plan to get the special discounts.

If you decide to pick a different plan and a different insurance company because your Category changes, you will start at \$0 to meet the new deductible.

Special discounts changes can affect your out-of-pocket costs

Let's take a look at a few examples to see how your out-of-pocket costs may change.





Sarah is enrolled in a *Silver level* plan Category C with a \$2,300 deductible. Sarah pays \$40 to see her doctor. Sarah changes jobs and reports her new lower income. Now Sarah qualifies for Category A. She does not change her plan, but her Category of special discounts automatically changes to Category A. Now her deductible is \$750 and a doctor visit would cost Sarah \$10. Since Sarah had already paid \$600 toward her deductible, she only needs to pay \$150 more toward medical costs to meet her new deductible.

Dennis is currently enrolled in a *Silver level* plan Category A. Dennis reports a change in income and is now eligible for Category C. Dennis had already met the \$500 deductible for Category A, but since his income changed, his new deductible for Category C is \$2,250. Even though he is in the same plan, Dennis will need to pay \$1,750 more to meet his new deductible.



Jess is enrolled in a *Silver level* plan Category B. He goes to the doctor often and has met his deductible of \$250. In the middle of the year, Jess loses his job. He contacts kynect to make this change and is now eligible for Category A. His deductible is now \$0. Even though Jess met his deductible already, he will NOT get a refund for the amount he paid towards the deductible. But, the \$250 Jess paid towards the deductible will count toward his new out of pocket maximum.

Changes in Categories also change the out-of-pocket maximum you pay.

When will my changes take effect?

If your Category changes before the 15th of the month, the new Category will start the next month. If the change happens after the 15th of the month, then the new Category will take effect after the following month.

Things to remember

- **These discounts are only available if you pick a *Silver level* plan.**
- **If you stay in your current *Silver level* plan with the same insurance company and your Category changes, your insurance company may send you new insurance ID cards.**
- **If you are an American Indian or an Alaska Native, you may be eligible for other special discounts. kynect has a separate fact sheet explaining the new health coverage benefits and protections you may be eligible for through kynect.**



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