

Cost Sharing Reduction (CSR) Extra Savings on Out-of-Pocket Costs

Depending on your circumstances, you may be eligible for Cost Sharing Reductions (CSRs), or commonly called special discounts, are extra savings that reduce your out-of-pocket costs. CSRs lower the amount that you'll have to pay yourself for expenses like copays, deductibles, and will decrease your out-of-pocket maximums. The savings are only applicable to *silver level plans*. If you choose any other "metal level," your eligible discounts will not be applied to your plan.

- **Copayment or copay:** The fixed amount you pay for a service, usually at the time of service (For example: \$15 due when you visit the doctor).
- **Co-insurance:** Your share of the cost of a service that is not covered by your insurance plan. (For example: If you have a 20% plan, after your deductible is met, your insurance company will pay 80% of the service received, and you will be responsible for the remaining 20%).
- **Deductible:** The amount that you owe out-of-pocket before your insurance begins to pay. (For example: If your deductible is \$1,000, your insurance won't pay anything until you have paid \$1,000 of your money towards those services).
- **Out-of-Pocket Maximum:** The most amount of your own money that you will have to pay during a policy period before your insurance starts to pay 100% of your costs. The life of a policy is usually one year. (For example: If your out-of-pocket maximum is \$2,000, and you have paid that much towards your deductible, copays, co-insurance, and any other charges, you would be responsible for no other costs after that \$2000 max has been met by you).

How will I know if I'm eligible for these extra savings?

These special savings are determined by two factors: 1) Your income, and 2) the Federal Poverty Level (FPL). It is important to note that if your income changes during the course of a year, your level of eligibility may also change.

For more information on the FPL please go to www.healthcare.gov. Note: The FPL changes on a year to year basis, and each insurance company adjusts the deductible, co-insurance, and copayment amounts accordingly.

How will I find out if I qualify for the special savings?

After you apply for Marketplace coverage, carefully read your Eligibility Determination Notice. It will tell you if you qualify for extra savings. It is important to remember that you only get these special savings if you choose a plan in the Silver category. You may also want to use the Prescreening Tool on HealthCare.gov to find out if you qualify before you apply.

IMPORTANT THINGS TO REMEMBER

- **Regardless of your income, if you choose a catastrophic plan, you will *not* be eligible for tax credits or CSRs. Catastrophic plans mainly protect you from very high medical costs. These plans generally have lower monthly premiums, but require you to pay all of your medical costs up to a certain amount. Catastrophic plans on the Marketplace are reserved for those under age 30.**
- **CSRs only apply to *silver level plans***
- **If you are an American Indian or Alaska Native, you may be eligible for other special discounts. There is a separate fact sheet regarding these discounts and other benefits for which you may be eligible.**