

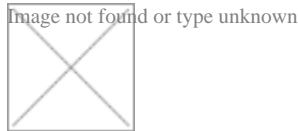


Weekly Checkup

Silver Plan Enrollment Motivated by Cost Sharing Subsidies

CONOR RYAN | MARCH 12, 2015

Silver plans continue to dominate enrollment through the Health Insurance Marketplace. After the 2014/2015 open enrollment period, 67 percent of individuals enrolled through the Marketplace are beneficiaries of Silver plans, up from 65 percent after the last enrollment period. At first, the heavy preference for plans in the Silver metal level seems odd, as the plans are neither the cheapest (Bronze) nor the most generous (Platinum). However, the Affordable Care Act includes cost sharing reduction subsidies for households that enroll in Silver plans and earn less than 250 percent of the federal poverty level. The subsidies reduce coinsurance rates, copays, and the plan deductible, effectively creating plans that could be characterized as Platinum or Gold plans for the price of a subsidized Silver plan premium. Only 32 percent of individuals that are not eligible for financial assistance enroll in Silver plans, suggesting that the cost sharing reduction subsidies are motivating higher enrollment among eligible households.^[1]



[1] “Health Insurance Marketplaces 2015 Open Enrollment Period: March Enrollment Report,” ASPE Issue Brief, Department of Health and Human Services, March 10, 2015, available at: http://aspe.hhs.gov/health/reports/2015/MarketPlaceEnrollment/Mar2015/ib_2015mar_enrollment.pdf