



CITIZEN ACTION OF WISCONSIN

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Senate Health Plan Would Cause Out-of-Pocket Costs to Skyrocket for Wisconsinites, End Credits for Many

Senate plan tax credit scheme worse for states like Wisconsin with high healthcare costs, hurting consumers

Regional health insurance price changes provided in analysis

Statewide: A Citizen Action of Wisconsin analysis of the Senate's health repeal legislation reveals that this plan would expose many Wisconsin consumers who receive federal tax credits under the Affordable Care Act (ACA) to premium hikes and massive out-of-pocket costs.

The Senate Republican's bill released on Thursday would, if enacted, sabotage the Affordable Care Act (ACA) tax credits for over 100,000 Wisconsinites. The bill would remove the law's current tax credits which reduce out-of-pocket costs like deductibles and it would direct the monthly premium tax credits to focus on worse "Bronze" plans (currently aimed at "Silver" plans). These changes would be catastrophic for Wisconsin health consumers, exposing hundreds of thousands of Wisconsinites to the state's higher than average healthcare prices. Wisconsin is the 2nd most expensive state for [medical prices in the country after Alaska](#).

This Senate scheme immediately exposes residents to skyrocketing deductibles and higher monthly premiums for many. For residents earning between 350%-400% of the federal poverty line (\$42,210 - \$48,240 annually for an individual), it would completely cut them off from assistance purchasing coverage.

"As a high cost state, Wisconsin health consumers benefit more than other states from tax credits under the Affordable Care Act which provide more help for consumers who live in areas with more expensive health insurance," said Robert Kraig, Executive Director of Citizen Action of Wisconsin. "By trying to sabotage the health care law, the Senate's scheme would dramatically increase the price of health care for tens of thousands of Wisconsinites."

Key findings:

The Senate's tax credit scheme ignores Wisconsin's high medical prices and exposes Wisconsinites, especially the low to moderate income, to higher health costs.

- Average deductibles for a "benchmark" plan (what the tax credits are based on) would increase for someone earning 150% of the poverty line (\$18,090/year) by **over \$6,000 a year**
- A 60 year old at 351% of the federal poverty line (\$42,220 annually) would be **cut off from any tax credits** to make premiums more affordable. Currently, that same individual averages **over \$450 per month** in premium tax credits under the ACA.

Table 1: Out-of-Pocket Tax Credit Methodology to Individual Marketplace plans, Affordable Care Act vs Senate Health Repeal bill for those earning 150% of the federal poverty line

Individual earning 150% of Poverty Line ¹	Current deductibles under ACA, "benchmark" plan ²	Deductible under Senate bill, "benchmark" plan ³	Difference
Wisconsin Average ⁴	~\$225	\$6,475	+\$6,249/year
Eau Claire, WI	\$750	\$6,000	+\$5,250/year
Madison, WI	\$300	\$6,900	+\$6,600/year
Janesville, WI	\$0	\$6,650	+\$6,650/year
Milwaukee, WI	\$500	\$6,500	+\$6,000/year
Fond du Lac, WI	\$300	\$5,450	+\$5,150/year
Sheboygan, WI	\$0	\$6,500	+\$6,500/year
Green Bay/ Manitowoc, WI	\$0	\$6,500	+\$6,500/year
Appleton/Oshkosh, WI	\$0	\$6,500	+\$6,500/year
Wausau/Stevens Pt/ Wis Rapids, WI	\$0	\$6,650	+\$6,500/year
Rhineland, WI	\$250	\$6,650	+\$6,400/year
Superior, WI	\$750	\$6,500	+\$5,750/year
La Crosse, WI	\$400	\$6,500	+\$6,100/year
Hudson, WI	\$150	\$6,850	+\$6,700/year

1 - 150% of poverty equals \$18,090 for an individual

2 - Examining 2nd lowest cost Silver plans (ACA "Benchmark" plan) using Healthcare.gov comparison tools.

3 - Examining current median Bronze plans (Senate bill "Benchmark" plan) using Healthcare.gov

4 - Average of the above Metro areas

Table 2: Premium Tax Credit Methodology to Individual Marketplace plans, *Affordable Care Act* vs *Senate Health Repeal bill* for a 60 year old earning 351% of the federal poverty line

60 year old earning 351% of poverty line ¹	Current premium tax credits available under ACA ²	Current premium tax credits available Senate bill ³
Wisconsin Average ⁴	\$457/mo	\$0
Eau Claire, WI	\$603/mo	\$0
Madison, WI	\$256/mo	\$0
Janesville, WI	\$230/mo	\$0
Milwaukee, WI	\$464/mo	\$0
Racine/ Kenosha, WI	\$480/mo	\$0
Fond du Lac, WI	\$353/mo	\$0
Sheboygan, WI	\$424/mo	\$0
Green Bay/ Manitowoc, WI	\$486/mo	\$0
Appleton/Oshkosh, WI	\$424/mo	\$0
Wausau/Stevens Pt/ Wis Rapids, WI	\$492/mo	\$0
Rhineland, WI	\$396/mo	\$0
Superior, WI	\$541/mo	\$0
La Crosse, WI	\$620/mo	\$0
Hudson, WI	\$619/mo	\$0

1 - 351% of poverty equals \$42,220 for an individual

2 - Tax credit based on the cost of the 2nd lowest Silver plan by age, income and county.

3 - Senate health repeal bill ends monthly tax for those between 350-400% of the poverty line

4 - Average of the above Metro areas

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