Jane is a 42-year-old with a long history of poorly controlled asthma. Her asthma makes it difficult to engage in many activities due to shortness of breath. Jane understands that she needs to seek better care to keep her asthma under control and is shopping for insurance on the exchange to find a new health plan. Thanks to the Inflation Reduction Act passed in August 2022, plan costs are now lower.

Jane takes these medications to control her asthma.

- Quick Relief Medication
- Controller medication such as inhaled corticosteroids (ICS)
- Oral Corticosteroids
- Leukotriene Modifier

Jane also receives several diagnostic tests and imaging tests on her lungs...

- Peak Flow Measurement & Incentive Spirometry
- Sinus CT
- FeNo Testing
- Allergy Testing
Scenario

Jane’s annual income is about $19,000. New legislation passed in March 2021 and August 2022 increased premium subsidies at all income levels, making Jane’s coverage options more affordable.

To manage her asthma, Jane has many medications, diagnostic tests and office visits throughout the year. These needs will impact which plan option is best for her.

Jane compares plans at her income level to examine her yearly out-of-pocket costs in addition to her premiums.

It is important to note the yearly costs across different plan levels (bronze, silver, gold). Spending for prescription drugs and services will vary.

The three metal tiers are based on how patients and the plan split the cost of healthcare. Premiums are paid each month to be enrolled in a health insurance plan. Deductibles are paid for covered services before the plan begins to pay. The maximum out-of-pocket limit is the cap on out-of-pocket costs paid by the patient for covered services in one year.

At Jane’s income level, the silver plan has the lowest total yearly spending. Silver plans typically have high monthly premiums paired with low cost sharing, compared to bronze plans. Jane also qualifies for additional cost sharing reductions if she chooses a silver plan. In this case, the silver plan included lower prescription drug costs for Jane’s complex needs, keeping the overall costs lower.

As a patient with a chronic illness, Jane’s yearly spending on healthcare will be dependent not just on premiums but on out-of-pocket costs for her medications and whether her providers are in-network or out-of-network.

Costs for medications can vary significantly across plans due to health plan use of prescription drug tiering levels and copays versus coinsurance. Formulary tiering dictates how much a patient may pay out-of-pocket for types of drugs.

In this case, the bronze and silver plans use coinsurance for medications a higher tiering levels, driving up Jane’s overall costs. Jane’s costs will also be higher if she visits a provider that is out of her plan’s network. Jane can review her plan’s medication list and provider network on their website before purchasing her insurance.

### Table: Yearly Spending

<table>
<thead>
<tr>
<th></th>
<th>Bronze</th>
<th>Silver</th>
<th>Gold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yearly Premium</td>
<td>$0</td>
<td>$0</td>
<td>$491</td>
</tr>
<tr>
<td>Deductible</td>
<td>$0</td>
<td>$0</td>
<td>$1,000</td>
</tr>
<tr>
<td>Maximum Out-Of-Pocket</td>
<td>$8,500</td>
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<td>$8,700</td>
</tr>
<tr>
<td>Total Yearly Out-Of-Pocket Spending</td>
<td>$5,551</td>
<td>$1,000</td>
<td>$5,046</td>
</tr>
<tr>
<td>Total Yearly Spending (including premiums)</td>
<td>$5,551</td>
<td>$1,000</td>
<td>$5,537</td>
</tr>
</tbody>
</table>

Bottom Line

It is important to consider more than premiums when selecting a plan. At Jane’s income level the Inflation Reduction Act provided additional cost savings. It is important to include your previous year’s income on healthcare.gov to receive accurate information on premium and healthcare costs. Individuals should check the website not only for premium savings, but additional savings based on their income.