

2021-2025 Applicable Percentages

The "applicable percentage" is the maximum proportion of a subsidy-eligible household's income that can be spent on the marketplace's benchmark plan. After being calculated as a dollar figure, the difference between the applicable amount and the benchmark premium becomes a premium tax credit which can then be applied to any qualified health plan in the marketplace. For eligible Vermonters with income up to 300% FPL, Vermont Premium Assistance provides an additional 1.5% of household income in assistance if the member's selected premium is not entirely covered by the federal premium tax credit. The applicable percentages for all income levels increase proportionally from the initial to final percentage. For example, Vermonters at 250% and 300% FPL have applicable percentages of 2.50% and 4.50% respectively, so an eligible Vermonter at 275% FPL would be expected to contribute 3.50% of their income to the cost of the benchmark plan, with premium tax credits and Vermont Premium Assistance covering the rest of the cost.

Household income (expressed as a percentage of federal poverty level, or FPL)	Federal Applicable Percentage (premium tax credit only)		Vermont Applicable Percentage (with Vermont Premium Assistance)	
	Initial percentage	Final percentage	Initial percentage - VT	Final percentage - VT
<133%	0.00%	0.00%	-1.50%*	-1.50%*
133-150%	0.00%	0.00%	-1.50%*	-1.50%*
150-200%	0.00%	2.00%	-1.50%*	0.50%
200-250%	2.00%	4.00%	0.50%	2.50%
250-300%	4.00%	6.00%	2.50%	4.50%
>300-400%**	6.00%	8.50%	6.00%**	8.50%
>400%>	8.50%	8.50%	8.50%	8.50%

*If a member has a negative applicable percentage, DVHA will apply Vermont Premium Assistance to any remaining portion of a member's monthly premium that is not covered by their application of advance premium tax credit.

**Because a Vermonter at 300% FPL has an applicable percentage of 4.50%, no Vermonter has an applicable percentage of 6.00%. However, 6.00% is used as the initial percentage for determining applicable percentages for Vermonters between 300% and 400%.