Sedona Lodging Council Chamber Update

Navigating the Government Shutdown and What It Means for Your Healthcare Benefits

Greater SEDONA
CHAMBER OF COMMERCE
& TOURISM BUREAU

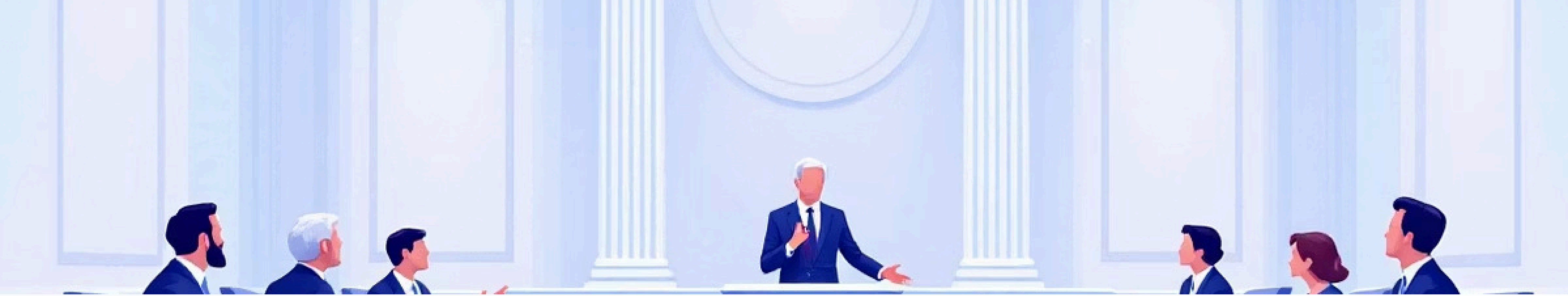
Is the Government Still Shutdown?

YES

The federal government remains in a state of shutdown as negotiations continue in Washington.

The good news?

The Grand Canyon is open...with limited services.



Why the Impasse?

Unable to pass a continued resolution (CR)

Republicans looking to pass a working budget and continue reducing spending. Previous CR lacked additional funding asks. Democrats demanding healthcare subsidies.

Affordable Care Act Subsidies

Democrats are pushing for new funding concessions to maintain enhanced premium subsidies for ACA marketplace plans.

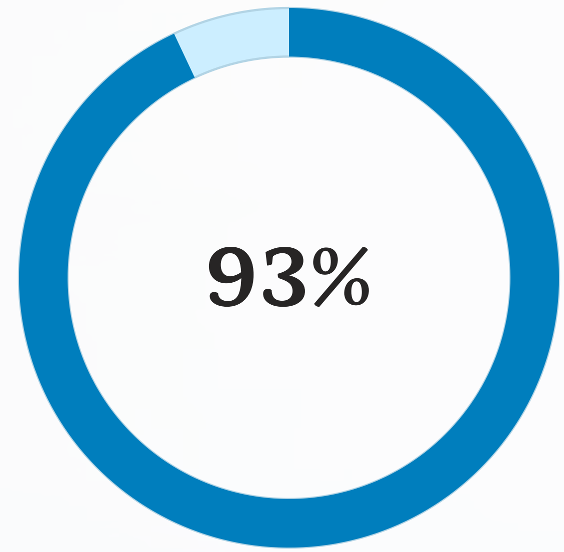
Separating Fact from Fiction

The Claim

You may have heard that health care premiums will **double** for everyone if subsidies expire.

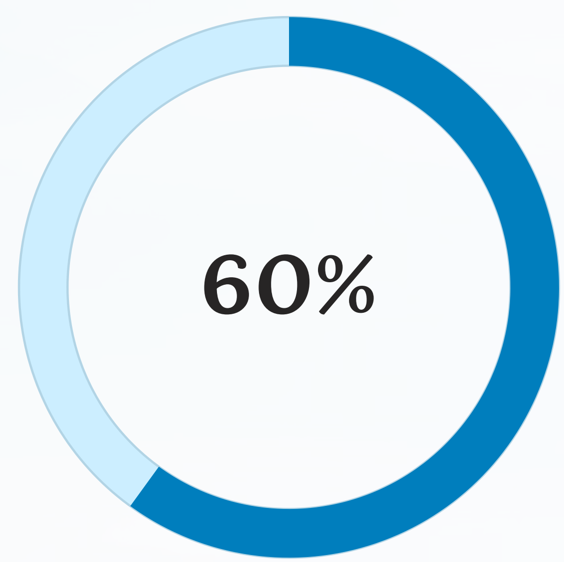
The Reality

For those on ACA, premiums will increase significantly, estimates point to approximately **75% increases** on average—not double for all enrollees.



Currently Subsidized

Of ACA enrollees receive some form of subsidy



Low-Income Recipients

Of subsidized enrollees qualify due to low income

What's Really at Risk?

1. March 2021

American Rescue Plan creates **enhanced ACA subsidies** to make coverage more affordable

2. August 2022

Inflation Reduction Act **extends subsidies through 2025**, providing temporary relief

3. January 2026

Enhanced subsidies expire without Congressional action—premiums spike

Who Will Be Impacted?

Low-Income Enrollees

Will still qualify for *some* subsidies, but at reduced levels. Their out-of-pocket costs will increase, though not as dramatically as others.

Middle-Class Families

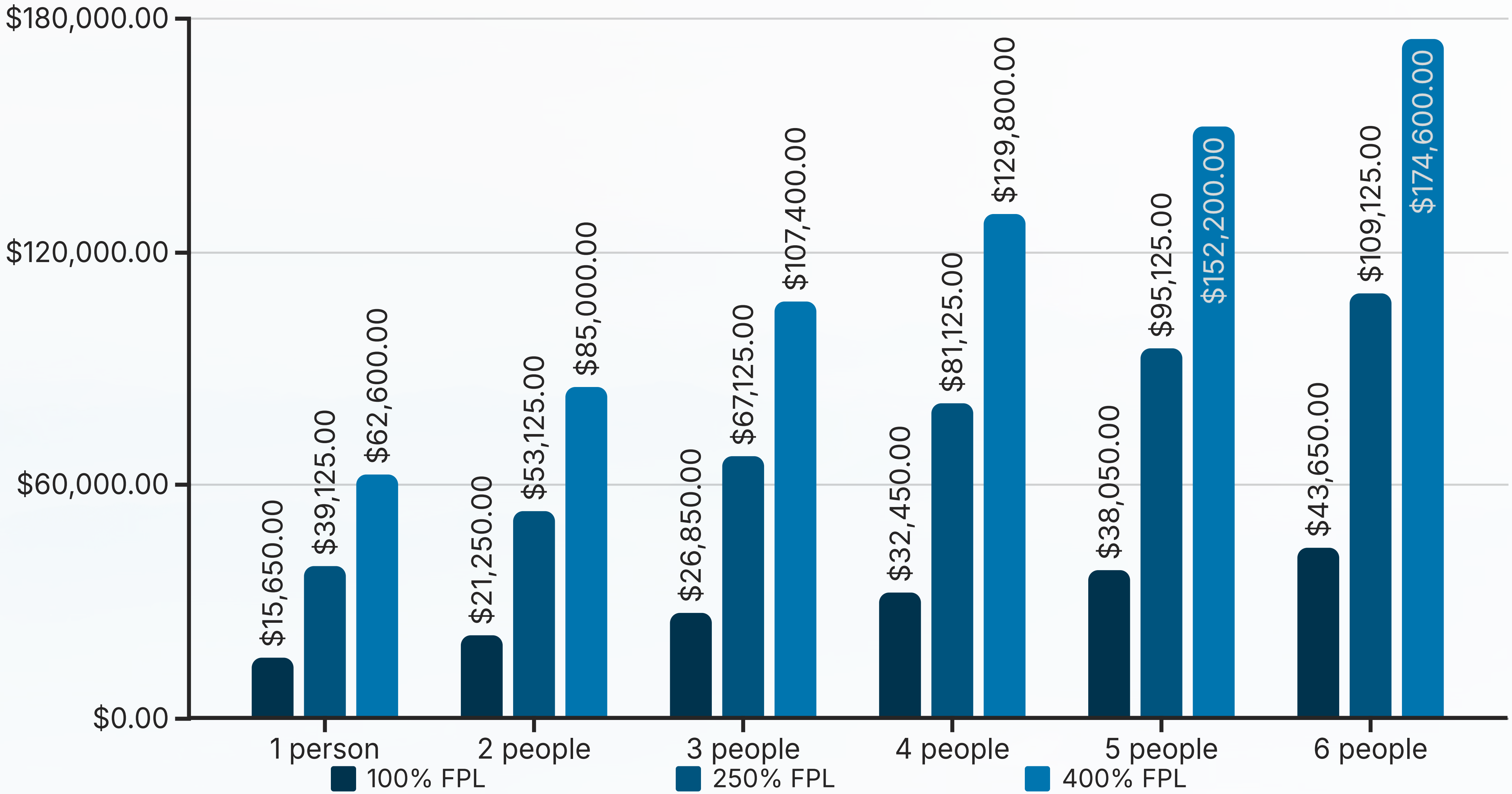
Will lose eligibility entirely for subsidies. This group faces the most significant financial impact from the subsidy cliff.

Everyone Under 400% FPL

Will pay more because their subsidies shrink substantially. Premium increases will strain household budgets across income levels.

Federal Poverty Level Reference Guide

Understanding who qualifies for subsidies—and who doesn't—starts with the Federal Poverty Level thresholds.



Households above 400% FPL currently receive no subsidies and will continue to pay full marketplace premiums.

Why This Matters to Sedona Employers

1 Increased Employer Plan Participation

Employees currently considering personal ACA plans have less incentive if marketplace premiums spike. Your employer plan becomes more attractive by comparison.

2 Stability in an Uncertain Market

If enhanced premiums end, employees in the 100-400% FPL range on ACA plans face higher premiums. Those above 400% FPL lose subsidies entirely. **Employer coverage remains a stable, predictable option.**

3 Competitive Advantage for Recruitment

Offering robust employer health benefits becomes an even stronger differentiator in attracting and retaining hospitality talent in Sedona's competitive labor market.

Recommended Messaging to Employees

> *"While Washington debates ACA subsidies, we will be monitoring the situation closely. Our company health plan remains a steady, reliable option—no subsidy cliffs, no sudden premium spikes. We're committed to providing consistent, quality coverage you can count on."*

Clear communication helps employees feel secure during uncertain times and reinforces the value of your benefits package.

Action Items for Lodging Managers

01

Monitor the Situation

Stay informed about Congressional negotiations and ACA subsidy developments on behalf of your employees.

02

Educate Your Team

Ensure employees understand their coverage options, including the stability of your employer plan versus marketplace uncertainty.

03

Review Your Benefits

Evaluate your current health benefits package and consider how it positions you competitively in the Sedona lodging market.

04

Communicate Proactively

Share updates with staff regularly, emphasizing the reliability of employer-sponsored coverage during this period of change.

Questions? The Greater Sedona Chamber is here to support you through these changes.