

# United States Senate

WASHINGTON, DC 20510

June 30, 2022

The Honorable Chuck Schumer  
Majority Leader  
United States Senate  
S-221 Capitol Building  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives  
H-232 Capitol Building  
Washington, DC 20515

Dear Majority Leader Schumer and Speaker Pelosi,

We write to you today urging you to prioritize making permanent the Affordable Care Act's (ACA) enhanced premium tax credits set to expire at the end of this year in upcoming reconciliation legislation. Americans deserve a stable health care market that provides access to high-quality care coverage for all, and American Rescue Plan Act's (ARPA) enhanced premium tax credits must be extended to ensure that we can maintain our progress on closing the coverage gap. Failure to do so will leave millions with increased costs for vital health insurance, undoing Democrats' progress in ensuring that every American has access to affordable, meaningful coverage.

This has been a banner year for the ACA. In 2022, a record 14.5 million Americans signed up for Marketplace plans. 13 million of those received subsidies that help low- and middle-income individuals and families purchase previously unaffordable coverage, eliminating premiums for those making 150 percent of the federal poverty level and guaranteeing comprehensive coverage costs no more than 8.5 percent of a family's income. Millions of those Marketplace enrollees are benefiting from enhanced premium tax credits passed by Congress as part of the ARPA, which have cut premiums in half for many beneficiaries<sup>1</sup>. This year, four out of five enrollees can find a plan for \$10 or less per month,<sup>2</sup> and families are saving an average of \$2,400 on their annual premiums.<sup>3</sup>

Unfortunately, these subsidies are set to expire at the end of 2022, leaving families, states, health care providers and insurers in a precarious position. If Congress fails to extend ARPA's enhanced subsidies, net premiums are expected to increase by more than 50 percent for 2023 and lead to even higher costs in 2024.<sup>4</sup> According to a recent report from the Department of Health and Human Services, about 3 million individuals are projected to become uninsured if ARPA is

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<sup>1</sup> <https://www.kff.org/policy-watch/how-marketplace-costs-premiums-will-change-if-rescue-plan-subsidies-expire/>

<sup>2</sup> <https://www.hhs.gov/about/news/2021/04/01/hhs-secretary-becerra-announces-reduced-costs-and-expanded-access-available-marketplace-health-coverage-under-american-rescue-plan.html>

<sup>3</sup> <https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/22/statement-by-president-biden-on-4-6-million-americans-gaining-health-insurance-this-year/>

<sup>4</sup> <https://www.kff.org/policy-watch/for-aca-enrollees-how-much-premiums-rise-next-year-is-mostly-up-to-congress/>

allowed to expire.<sup>5</sup> More than 10 million will have reduced tax credits or lose them entirely, with 1.5 million losing more than \$3,200 annually in subsidies.<sup>6</sup>

In a number of states, 2023 premiums will be public starting in July, with official notices in all states sent to enrollees starting in the early fall. In early state-based insurance filings, premiums are estimated to increase anywhere from 25 to 70 percent for Americans that did not qualify for subsidies prior to ARPA. Consumers need stability year-over-year to make the best enrollment decisions for themselves and their families. Similarly, with Open Enrollment set to begin on November 1<sup>st</sup>, insurers have already begun plan pricing for 2023, leaving a quickly diminishing window to ensure a robust and stable Marketplace.

Health care costs continue to rise, and we must ensure affordable, quality health coverage remains in reach. ARPA improved coverage affordability and if these subsidies are not extended premium payments will rise sharply for nearly all marketplace enrollees. We must not lose momentum in our work to close the coverage gap. As you continue your ongoing work to negotiate a reconciliation package, we urge to make permanent the vital ARPA enhanced premium tax credits.

Thank you for your time and attention to this matter. We look forward to continuing to work with you to improve access to quality health care.

Sincerely,



Jeanne Shaheen  
United States Senator



Kirsten Gillibrand  
United States Senator



Amy Klobuchar  
United States Senator



Richard Blumenthal  
United States Senator

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<sup>5</sup> <https://www.hhs.gov/about/news/2022/06/22/fact-sheet-what-happens-premiums-if-extra-help-american-rescue-plan-expires.html>

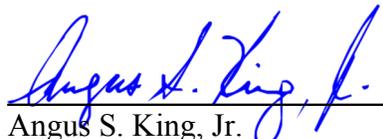
<sup>6</sup> *Ibid*



Tammy Duckworth  
United States Senator



Raphael G. Warnock  
United States Senator



Angus S. King, Jr.  
United States Senator



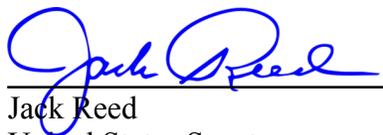
Gary C. Peters  
United States Senator



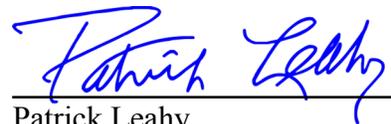
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