

Coverage at a Crossroads: Marketplace Affordability and the End of Enhanced Premium Tax Credits

Webinar

3:00 p.m. ET

Monday, October 20, 2025



The
Commonwealth
Fund

Higher Health Care Costs in 2026 As Enhanced Premium Tax Credits Expire

Sara R. Collins, Ph.D., Senior Scholar, Expanding Coverage and Access & Tracking Health System Performance

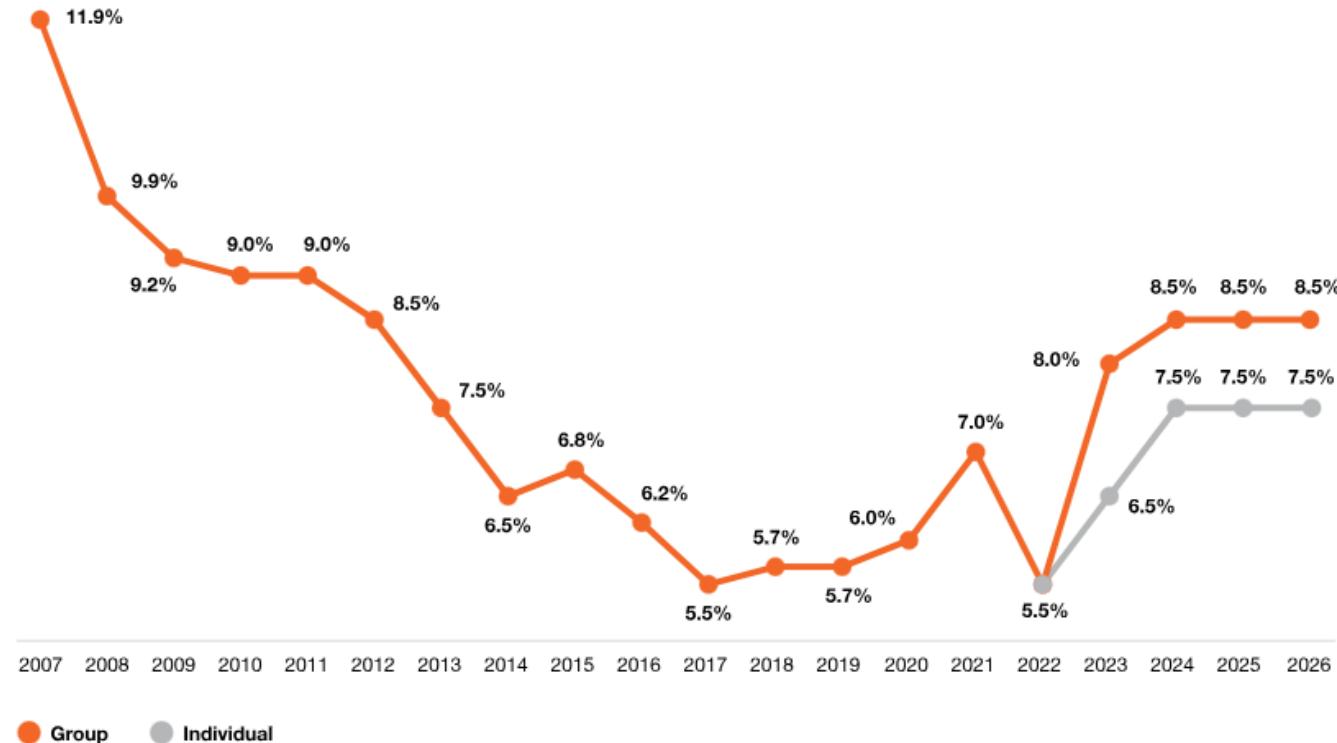


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EXHIBIT 1

Medical cost growth projections, used by insurers to set premiums each year, remain elevated for 2026

Actual and projected annual percent growth in per capita medical costs in commercial insurance



Expiration of enhanced tax credits will double to quadruple net premiums for marketplace enrollees

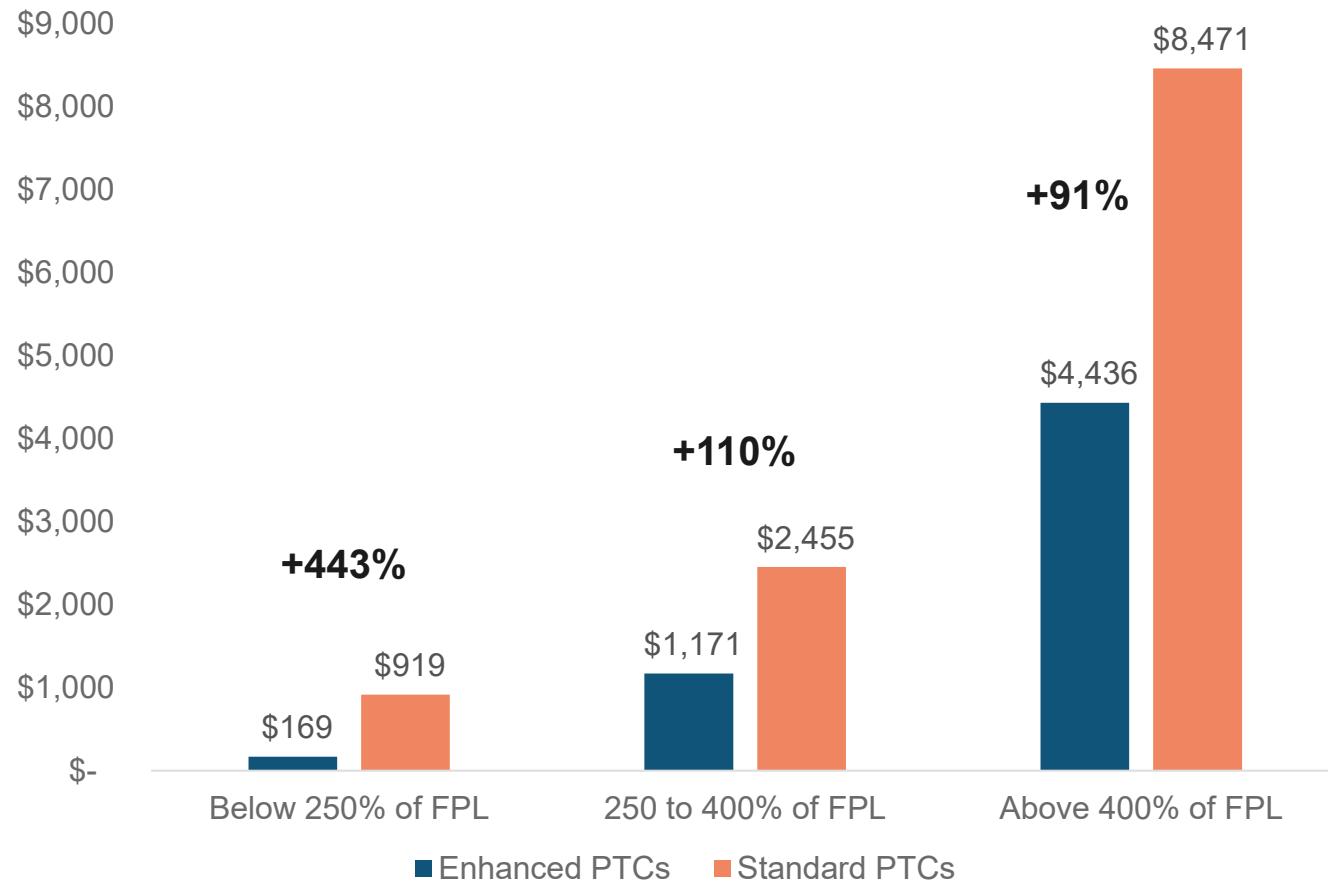
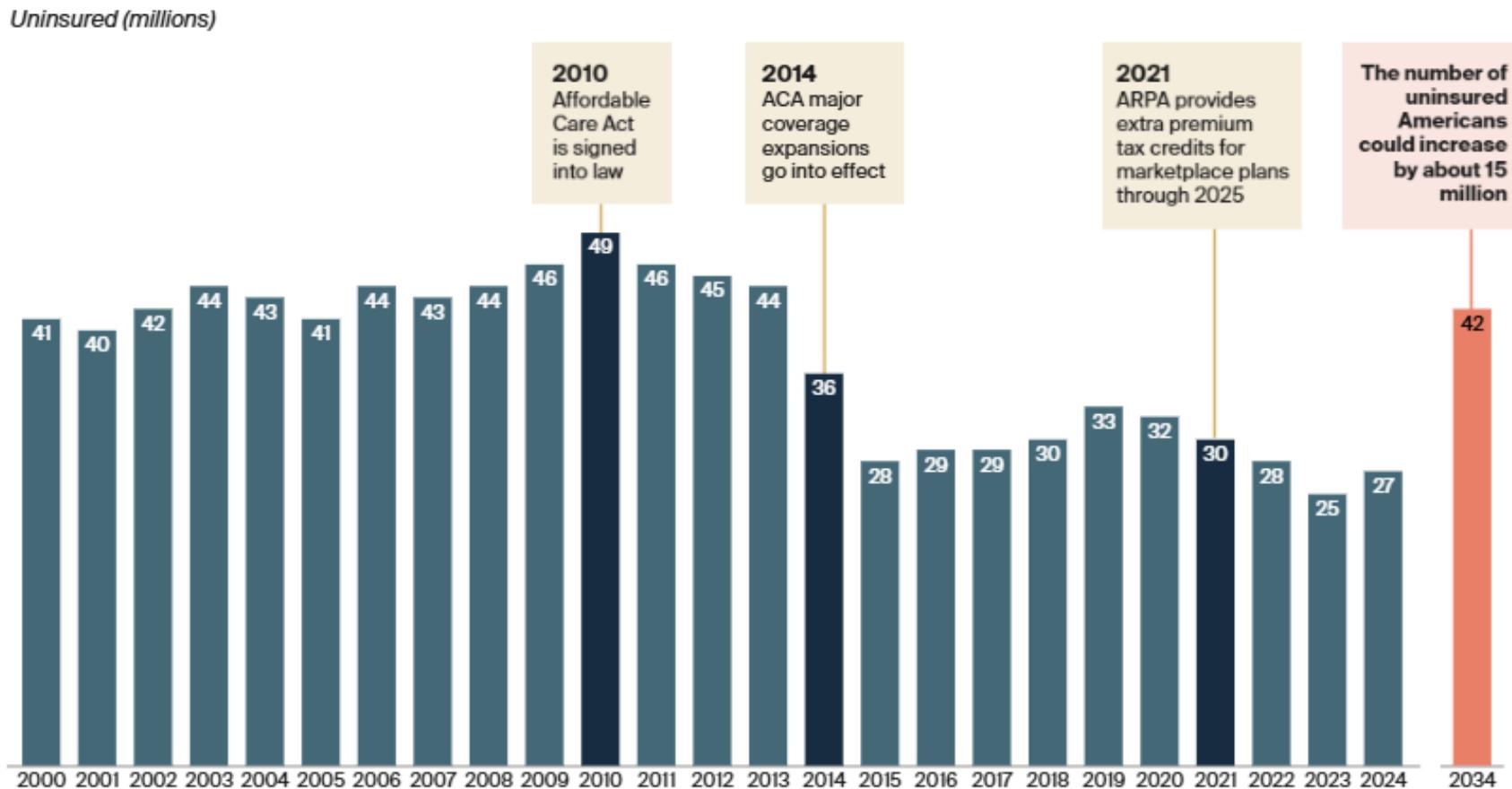


EXHIBIT 3

Expiration of the enhanced tax credits, marketplace rule, and HR1 cuts will drive the number of uninsured near pre-ACA levels



Featured Speakers



**Justin Giovannelli,
J.D.**
Associate Research
Professor and Project
Director at the Center on
Health Insurance
Reforms, McCourt
School of Public Policy,
Georgetown University



Devon Trolley, MHA
Executive Director of the
Pennsylvania Health
Insurance Exchange
Authority



Lynn Cowles
Director of Health and
Food Justice, Every
Texan

What's Next for ACA Marketplace Coverage as Enhanced Premium Tax Credits Face Expiration

October 20, 2025

Justin Giovannelli

Georgetown Center on Health Insurance Reforms (CHIR)

Nationally recognized team of health
policy experts

- Part of McCourt School of Public Policy
- Legal & policy analysis
 - Federal and state regulation
 - Market trends
- Published reports, studies, blog posts
- Technical assistance

Premiums for Marketplace Coverage



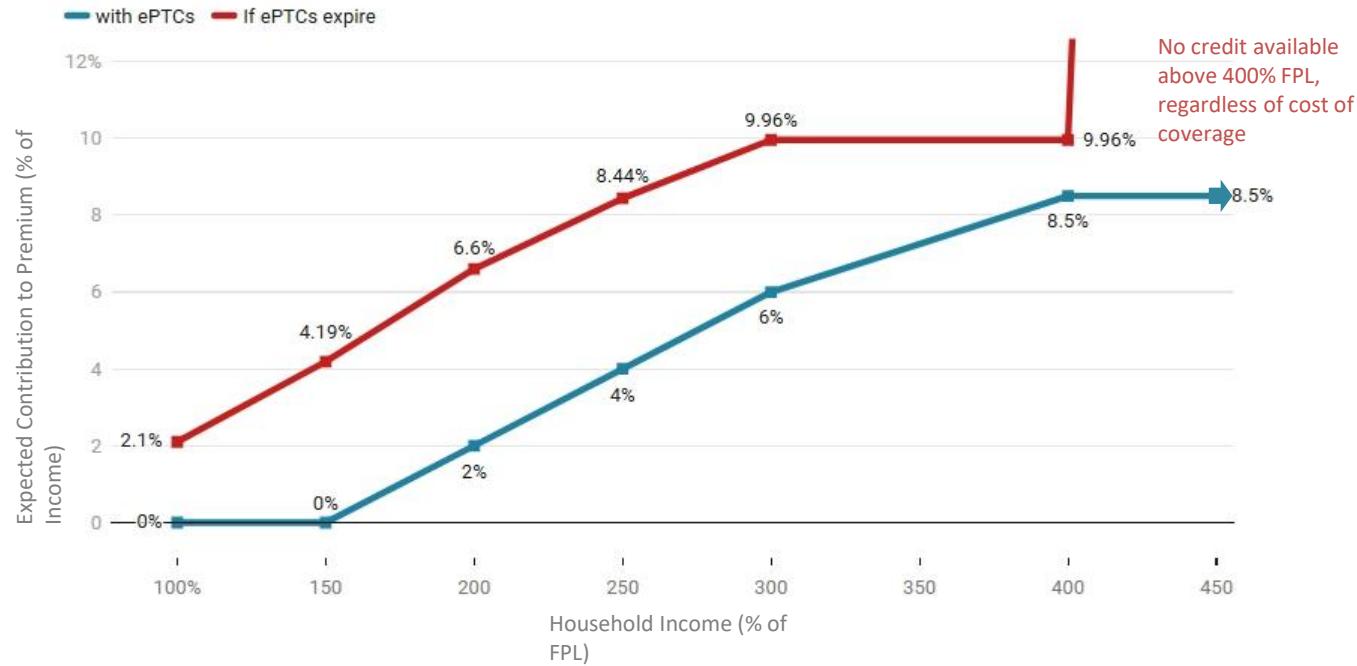
What We Know About Gross Premiums

- They're going up, by a lot: nationally, median proposed increase was 18%
 - Biggest increases since 2018
 - Final rates appear consistent with proposed
- What's driving this?
 - Health care costs
 - Expiration of enhanced federal premium tax credits
- Are these increases set in stone?
 - At this point, probably

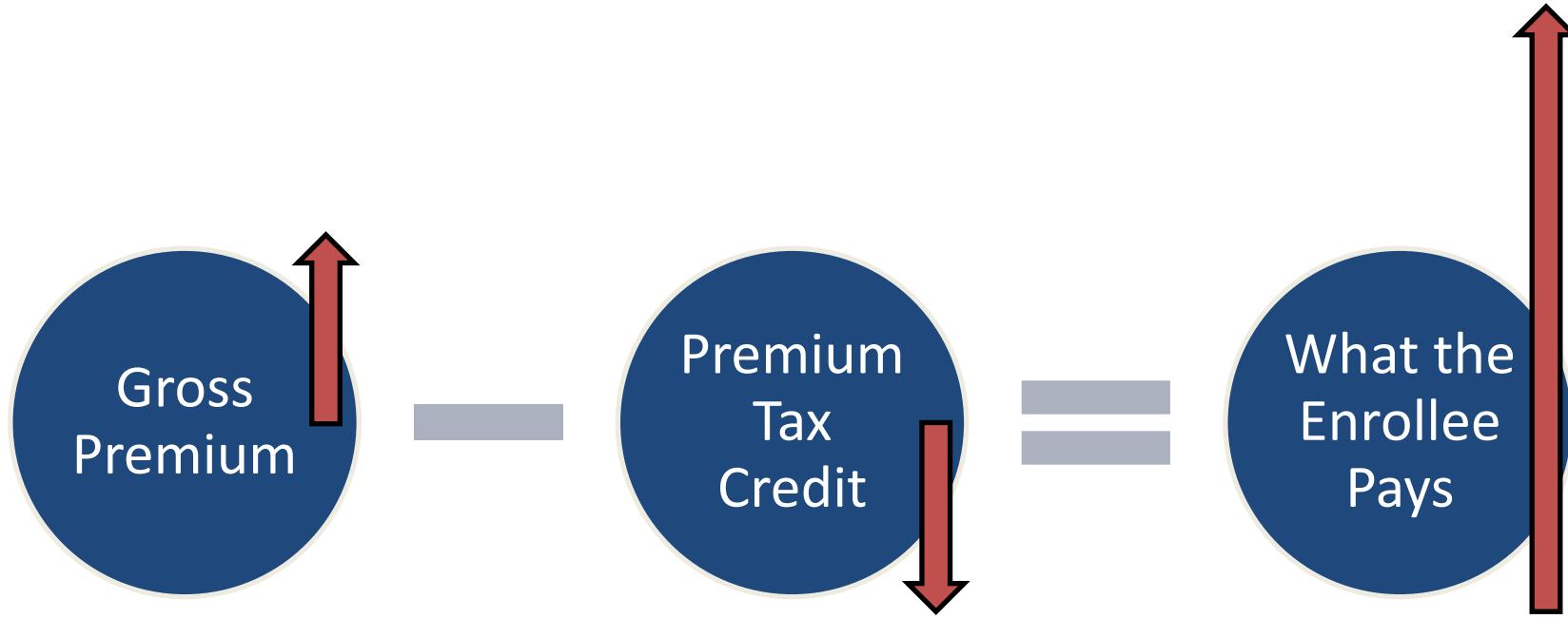
The Federal Premium Tax Credit

- Most enrollees (90%) qualify for the federal premium tax credit and therefore do not pay the gross premium.
- The amount of the PTC depends, in part, on gross premiums. Provides a cushion against spikes in gross premiums.
- The amount also depends on how Congress structures the credit.
 - Who is eligible?
 - How much are enrollees expected to pay before the credit kicks in?

Expected Contributions to Marketplace Premiums: With Enhanced PTCs vs. Without



Premiums for Marketplace Coverage



If ePTCs Expire: Enrollees Will Have to Pay Much More to Keep Their Coverage

- 18% median increase in gross premiums
- 115% average increase in out-of-pocket premium payments
- Middle-income consumers above eligibility cutoff:
 - Lose all financial help, bear full brunt of increase in gross premiums
- Consumers who are still eligible:
 - Credit will shrink, actual premium costs will rise substantially

Who Does This Affect?

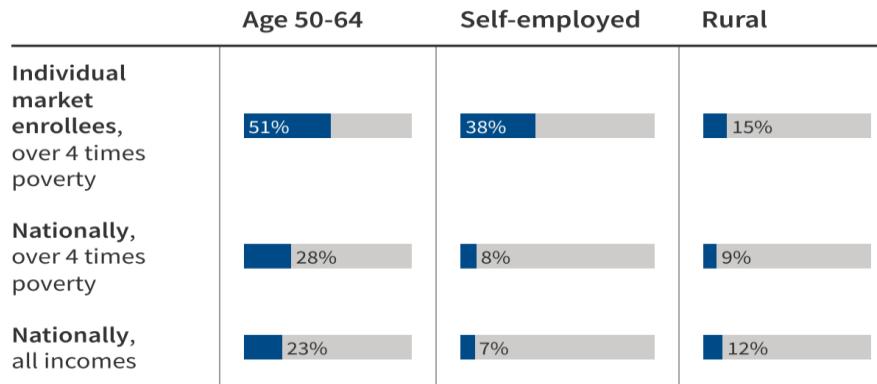
- About 23 million people are enrolled in the marketplaces (90%+ get help with cost)
- Since 2020, enrollment grew across the board. . .
- . . . But in some states, especially:
 - Alabama, Arizona, Georgia, Louisiana, Mississippi, Ohio, South Carolina, Tennessee, Texas, West Virginia
 - Enrollment tripled in these states

Who Would Lose Financial Help?

Figure 1

Subsidy-Eligible Individual Market Enrollees Making Above Four Times Poverty Are Disproportionately Early and Pre-Retirees, Self-Employed, and Live in Rural Areas

Demographics of Subsidy-eligible Individual Market Enrollees With Incomes Over Four Times Poverty, 2023

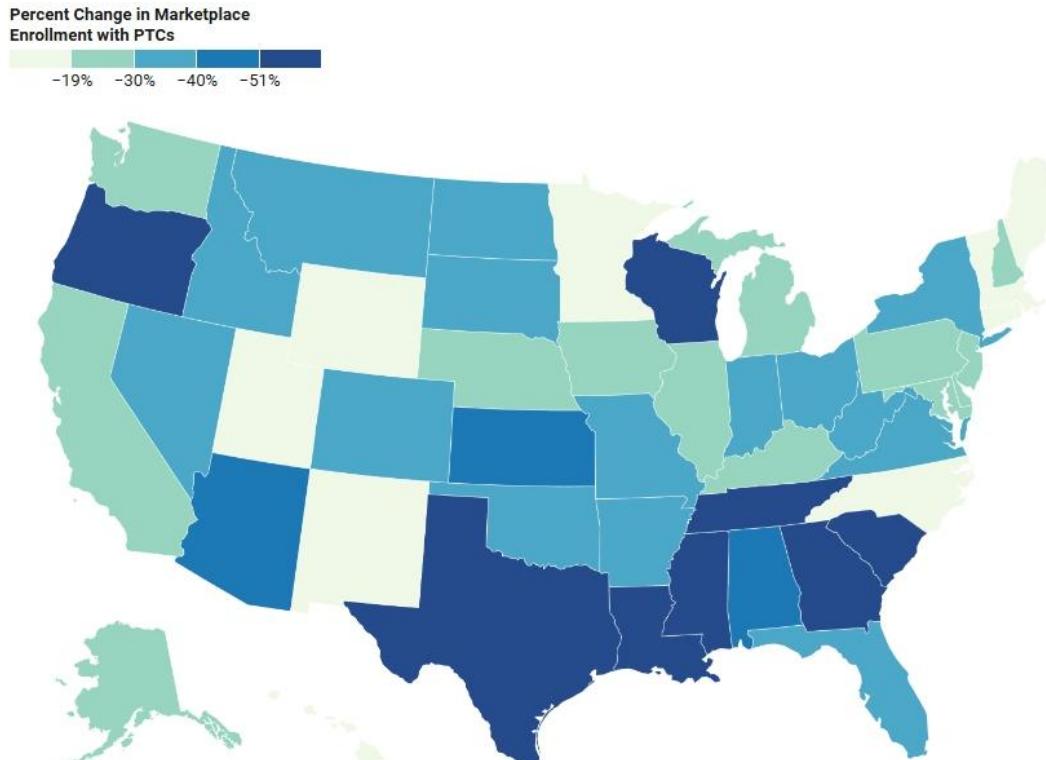


Note: Individual market enrollees with incomes over 4 times the poverty level are statistically different from all comparison groups, except when comparing rural individual market enrollees over 4 times the poverty level to the national population across all income levels. Self-employed includes share of adults between 19 and 64. Other demographics include all between 0 and 64. Rural includes all counties outside of US Census Metropolitan Statistical Areas.

Source: KFF analysis of US Census Bureau 2024 Current Population Survey Annual Social and Economic Supplement

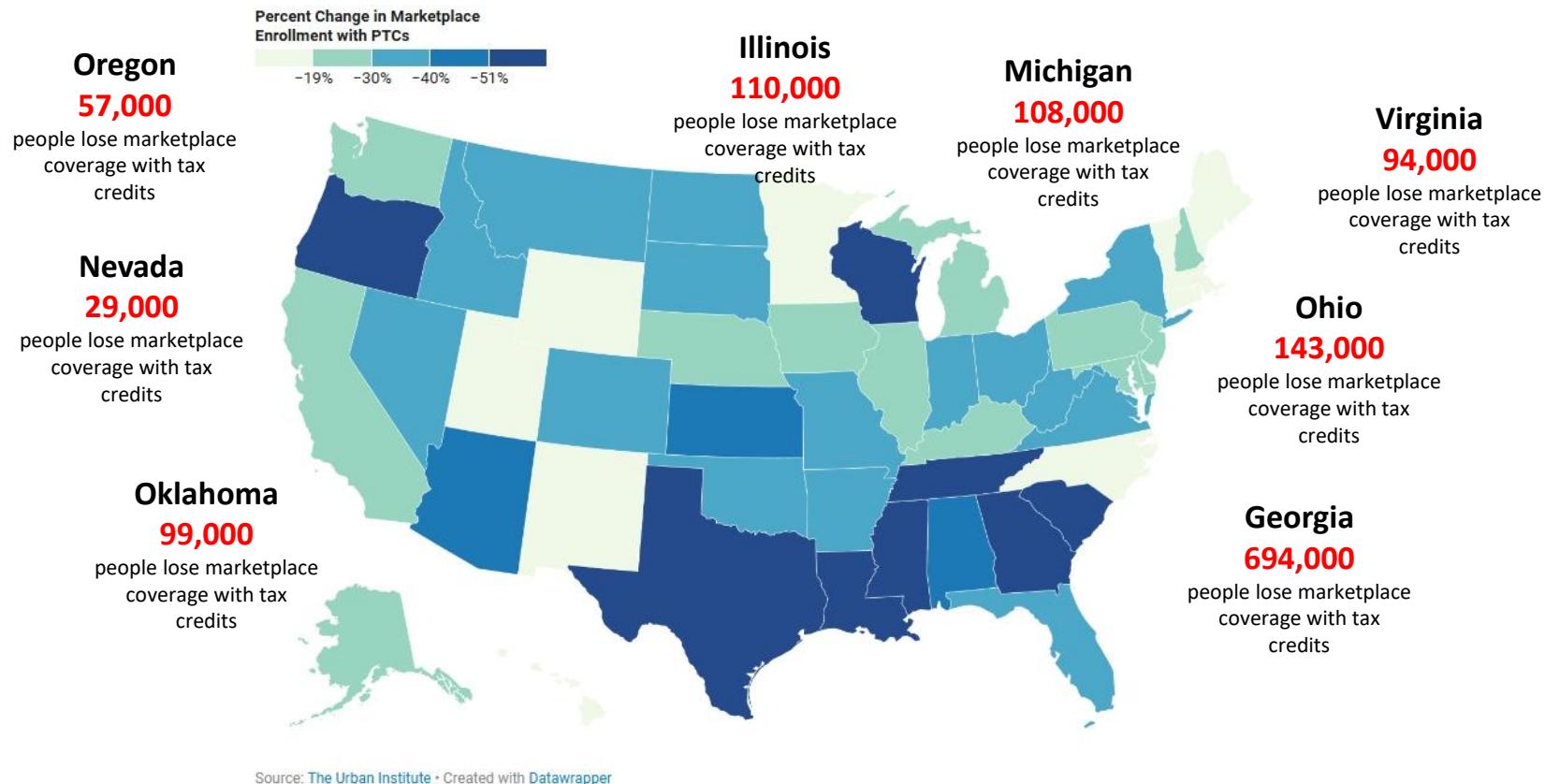
KFF

If ePTCs Expire: Large Declines in the Number of People with Marketplace Coverage

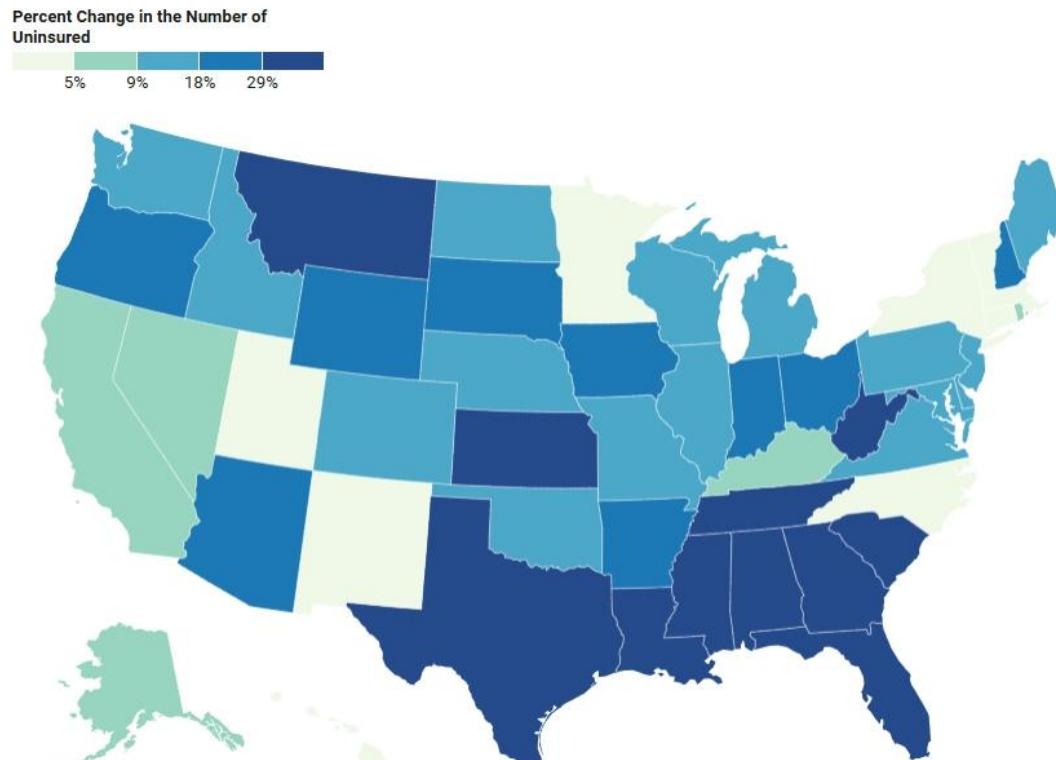


Source: The Urban Institute • Created with Datawrapper

If ePTCs Expire: Large Declines in the Number of People with Marketplace Coverage

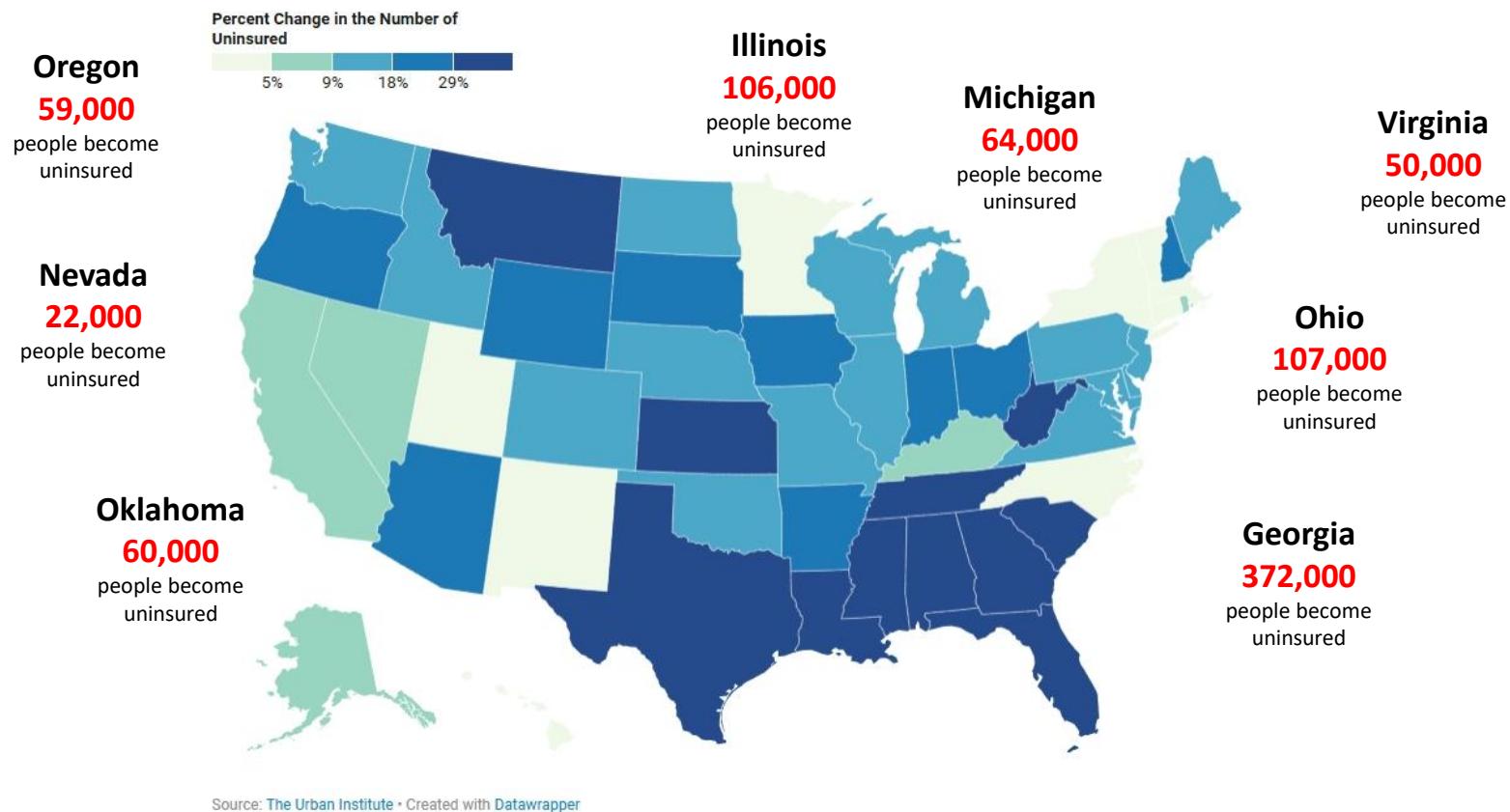


If ePTCs Expire: Large Increases in the Number of People Without Insurance



Source: The Urban Institute • Created with Datawrapper

If ePTCs Expire: Large Increases in the Number of People Without Insurance



pennie®



- ✓ Lowest Costs
- ✓ Quality Coverage
- ✓ Local Support

Marketplace Impact in Pennsylvania

- **Pennie launched as PA's official health insurance marketplace in late 2020.**
- **Record number of Pennsylvanians enrolled – nearly 500,000.**
- Serves individuals without access to employer-based coverage, Medicare, or Medicaid
 - Small business owners
 - Gig workers
 - Part-time employees
 - Farmers
 - Early retirees



Note: The information in this presentation is for educational purposes only and should not be relied upon for any other use.

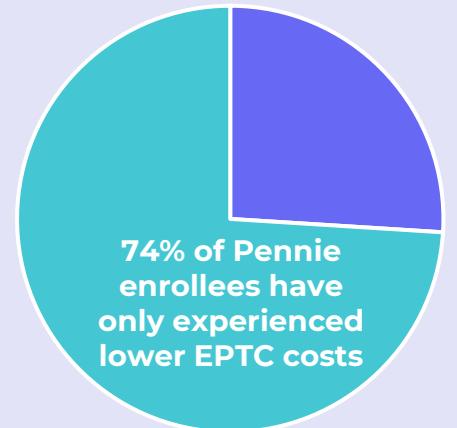
Affordability as Primary Enrollment Driver

- **Cost is consistently the largest barrier** to health coverage.
 - **60% of Pennie enrollees** already find their coverage barely affordable.
 - **80% of uninsured** cite cost as the reason for not having coverage.
- Enhanced premium tax credits are **extremely effective at reducing this barrier** and allowing more to enroll – Pennie **enrollment increased by 50%** with these additional savings

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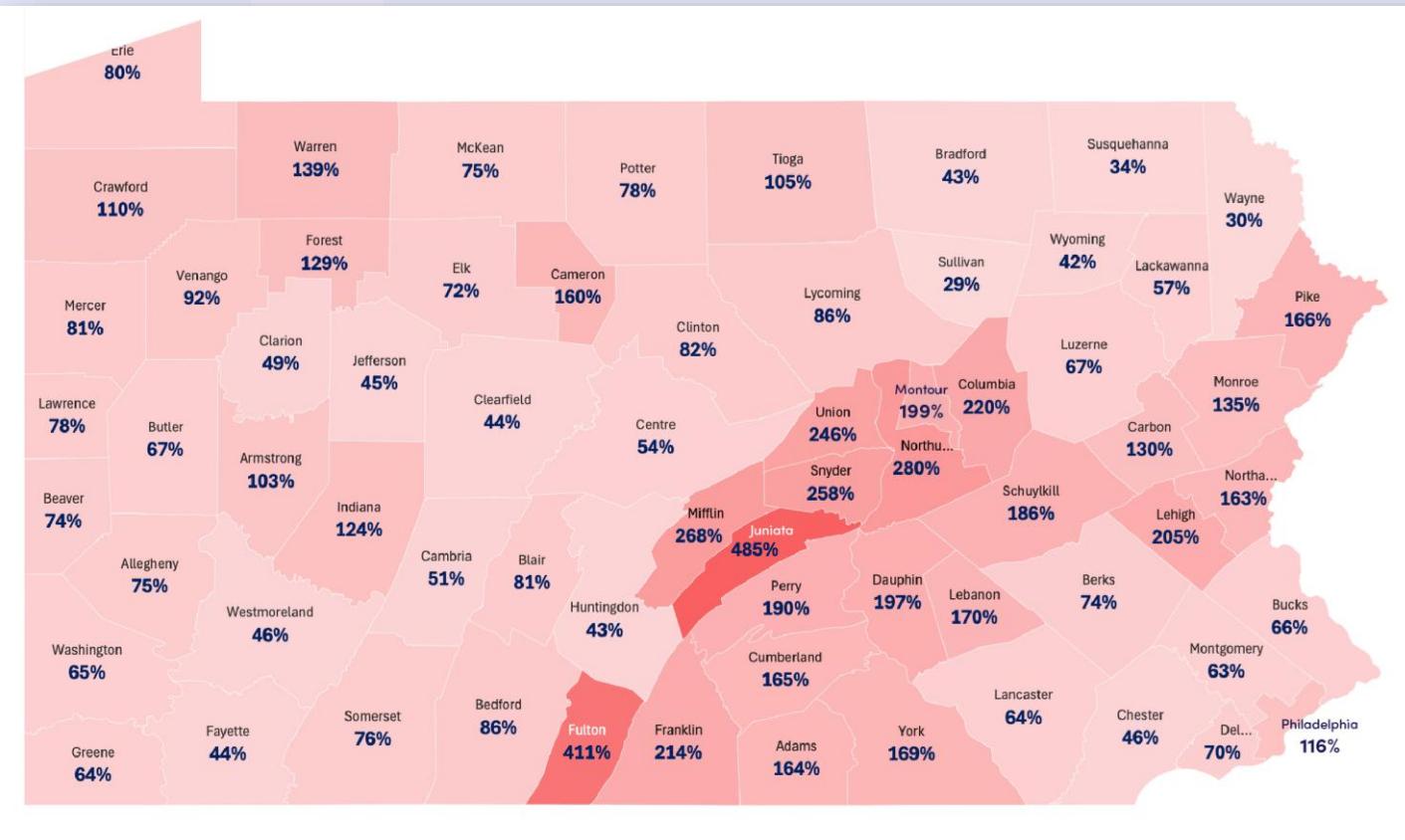
Enhanced Premium Tax Credits (EPTC)

- Expiration of the enhanced premium tax credits will cause **cost increases at every income** level.
- Pennie enrollees will pay 102% more on average for their coverage.** Some will see even larger impacts with double or even quadruple current costs.
 - Example: 60-year-old couple in York County, earning \$82,000 annually, will see their **premiums jump from \$600 a month to nearly \$3,000 — 44% of their income.***
- Rural, older, and middle-income populations are impacted the most.



Note: The information in this presentation is for educational purposes only and should not be relied upon for any other use.

Actual 2026 Cost Increases by County



Uninsured Impacts

Combined, federal changes and expiration of EPTC would result in:

- **Up to 245,000 Pennsylvanians losing health coverage –** nearly half of Pennie enrollees going uninsured.
- Higher uninsured rate that will **further strain hospitals and doctors** across PA.
- **Small business owners that may need to increase costs** of goods/services to absorb cost increases.
- Families shifting from protection against medical bankruptcy and having access to medical care, to **living on the edge and taking risks** with their health.
- Over \$1 billion less annually in funding that helps Pennsylvanians get covered and supports healthcare providers.



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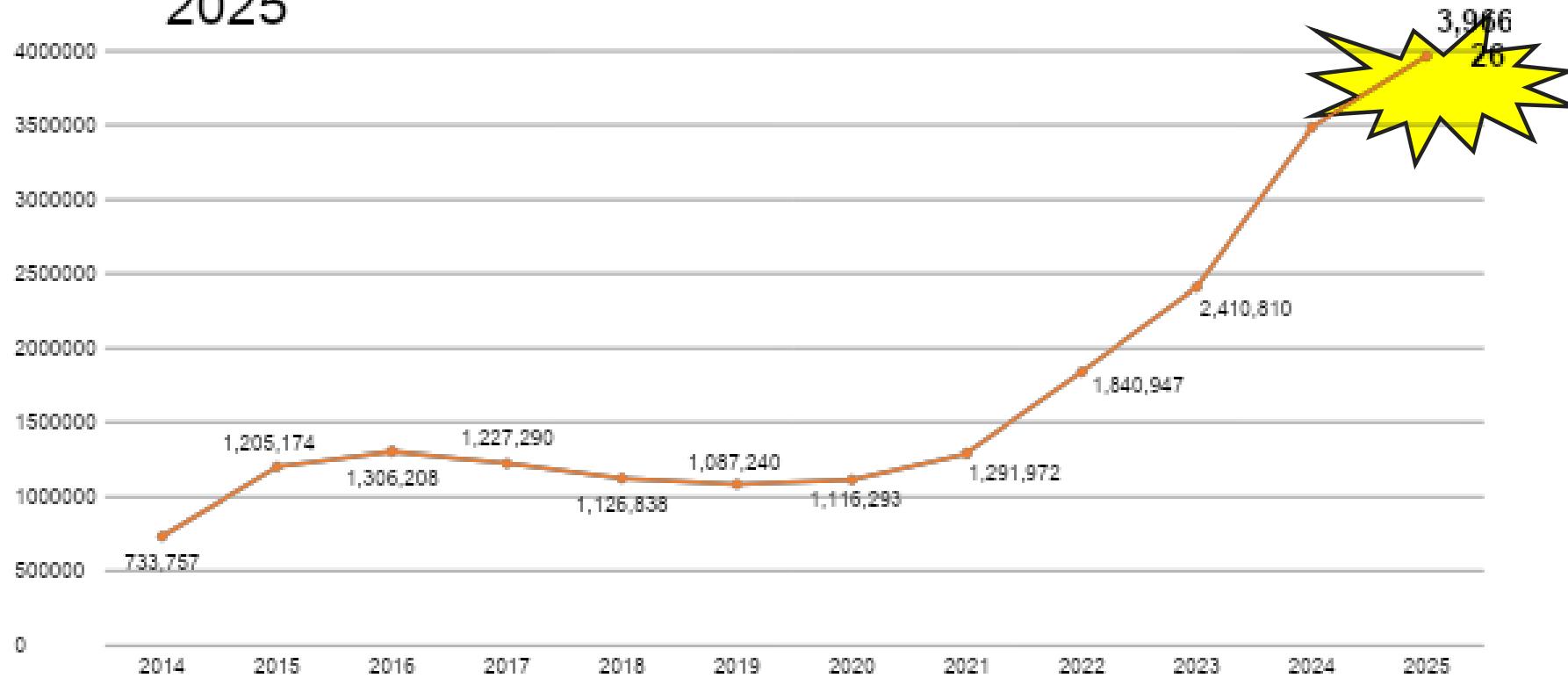
EAPTCs Expiring? Impacts on Nonexpansion States

October 20, 2025

Lynn Cowles, Director of Health and Food Justice
512-522-3220 / [cowles@everytexan.org](mailto:cwles@everytexan.org)



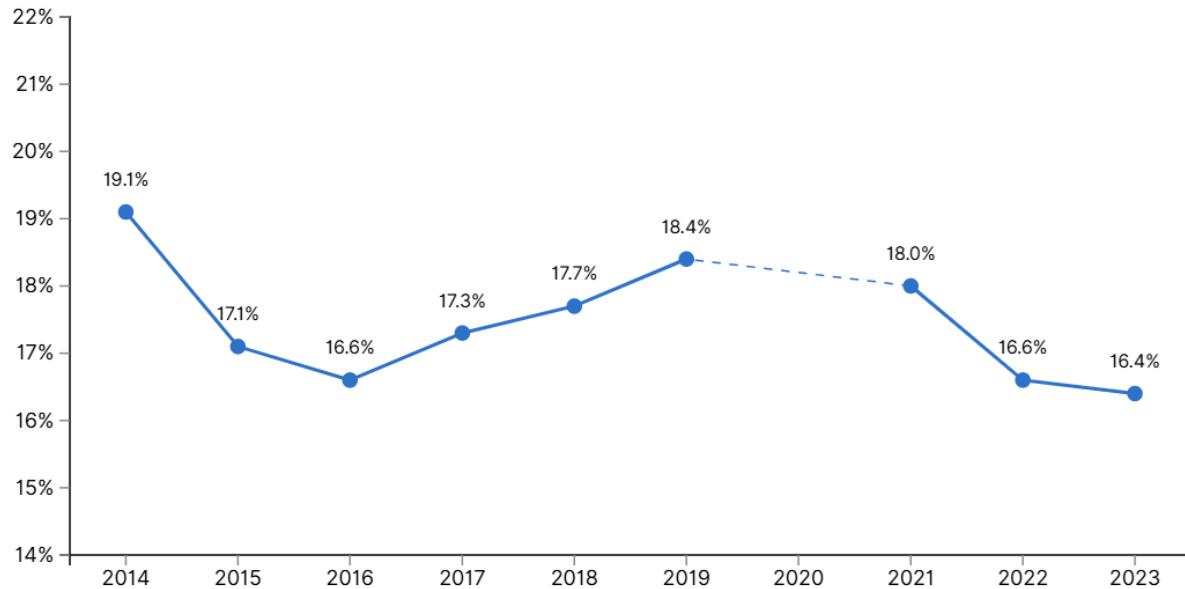
Texas Marketplace Open Enrollment Totals, 2014-2025



Centers for Medicare & Medicaid Services. 2025. [Open Enrollment Public Use Files](#).
[Texas counties-specific data pulled from CMS public use files linked here](#).

Bottom Line: EAPTCs have helped drop the rate of uninsurance in Texas to its lowest point in ten years

Population Without Health Insurance Coverage in Texas



The 2020 ACS 1-year estimates were released as an experimental product and are not shown. For more information visit the [ACS Experimental Data Release](#)

US Census. 2023. [Population without Health Insurance Coverage in Texas](#).



Keep Health Care Costs Affordable for Texans: Renew the Enhanced Tax Credits

If Enhanced Premium Tax Credits Expire, Texas Is Hit Hardest

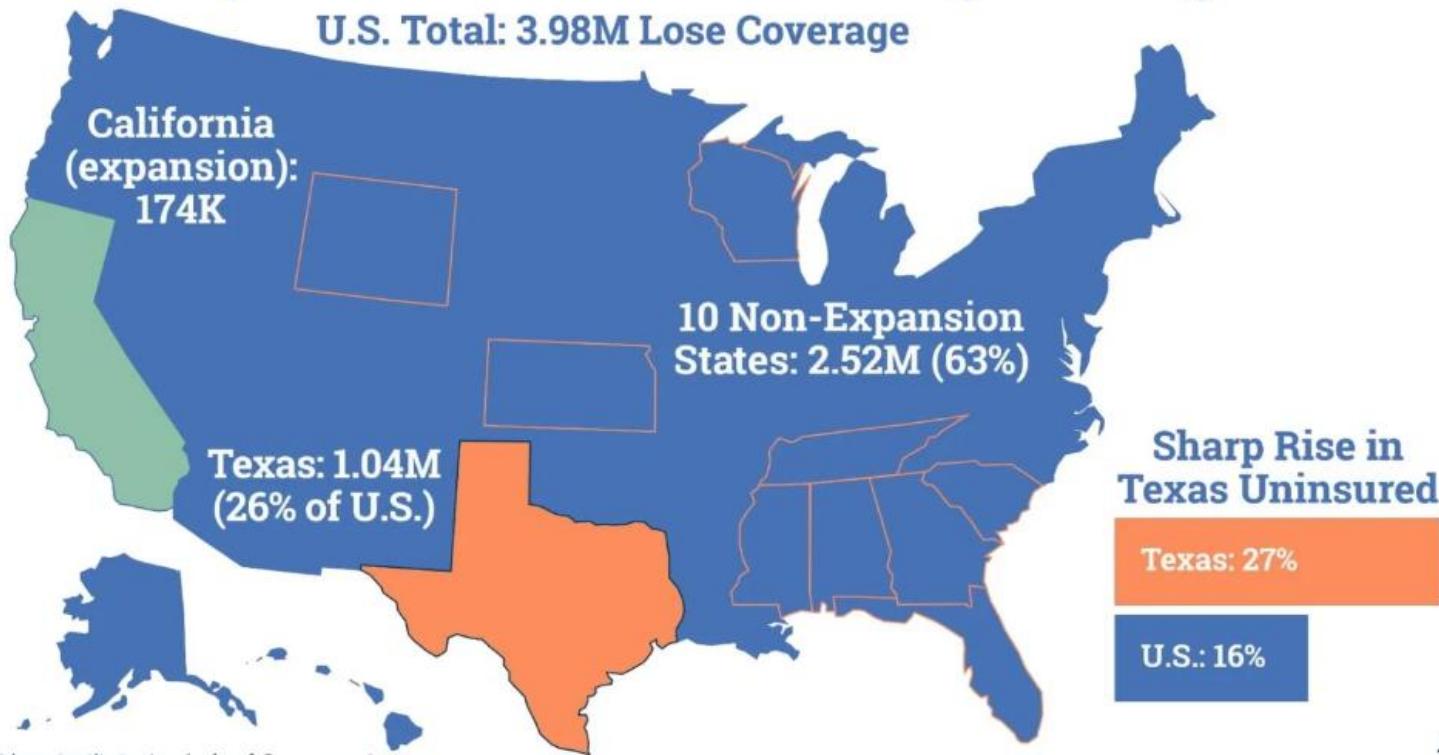
- **Why Texas?**: State relied on the private individual market instead of Medicaid expansion.
- **Coverage Losses**: 1.04M Texans lose coverage – 26% of all U.S. losses.
- **Family Costs**: Average family premiums up \$2,000/year for over 3 million Texans that rely on tax credits.
- **Uninsured Spike**: Texas uninsured rate jumps from 16% → 20% (27%↑)
- **Who's Hit**: Self-employed, entrepreneurs, and small-business workers – those groups make up half of the Texas workforce & marketplace coverage
- **Before 2022**: Coverage was out of reach for many Texans without enhanced credits.
- **Deadline: Without Congressional action, Texans will receive premium notices soon, and face sticker shock on Nov. 1 open enrollment.**



Texas Association of Health Plans. September 30, 2025. Marketplace Health Coverage: Why Texas is Set to Lose the Most.

Non-Expansion States Bear the Burden Led by More Than 1M Texans Losing Coverage

U.S. Total: 3.98M Lose Coverage



4

Texas Association of Health Plans. September 30, 2025. Marketplace Health Coverage: Why Texas is Set to Lose the Most.

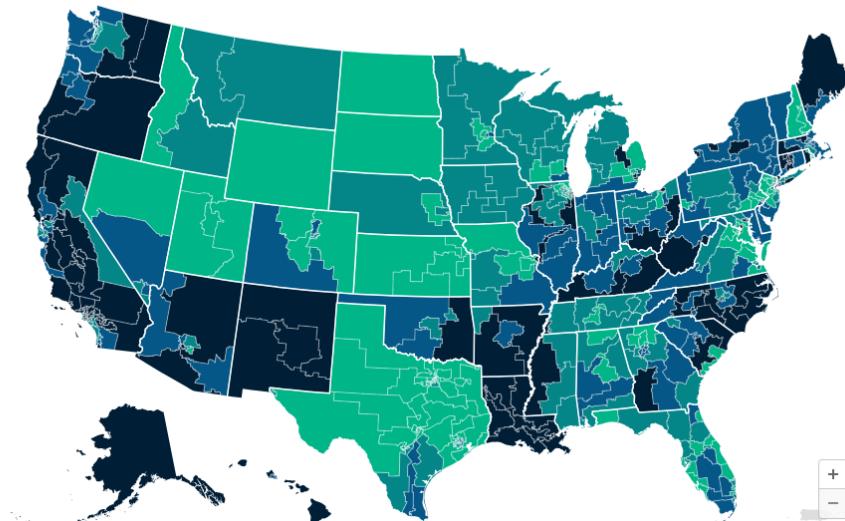


Current Medicaid Enrollment in Texas



Share of Congressional District Enrolled in Medicaid, 2024

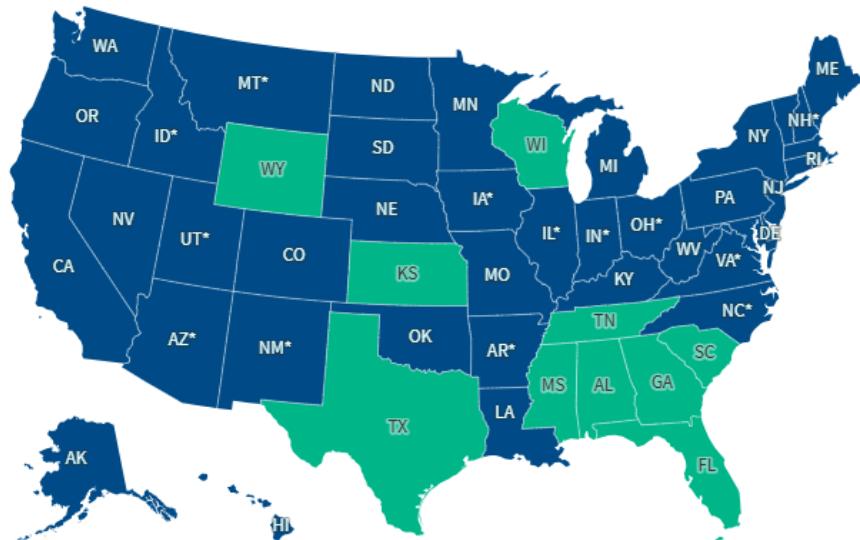
18% 23% 29%



16.7% \pm 0.2%

Without Health Care Coverage in Texas

S2701 | 2024 American Community Survey 1-Year Estimates



KFF. 2025. [Congressional District Interactive Map: Medicaid Enrollment by Eligibility Group](#).

US Census. 2020–2024. Congressional District Profiles: [Congressional District 20 \(119th Congress\), Texas](#).

Medicaid Eligibility for Adults in Expansion States



More adults are in the health insurance Marketplace in nonexpansion states like Florida and Texas because Medicaid doesn't cover low-income adults, so those low-income adults use the Marketplace for health coverage instead.

| 0% FPL | | 138% | |
|---|-------|--------------|-----------|
| Number in Tax Household and Estimated Income for 2025 | | | |
| # | <100% | 100% | 150% |
| 1 | | \$ 15,060 | \$ 22,590 |
| 2 | | 20,440 | \$ 30,660 |
| 3 | | 25,820 | \$ 38,730 |
| 4 | | 31,200 | \$ 46,800 |
| 5 | | 36,580 | \$ 54,870 |
| 6 | | 41,960 | \$ 62,940 |
| 7 | | 47,340 | \$ 71,010 |
| 8 | | 52,720 | \$ 79,080 |
| CSR 94% (06) | | CSR 94% (06) | |
| | | CSR 87% (05) | |
| | | | |

EAPTCs: Effects on Enrollment, Locally

| | Bexar County | Dallas County | Tarrant County | Travis County |
|------|--------------|---------------|----------------|---------------|
| 2015 | 94,093 | 128,502 | 94,838 | 66,150 |
| 2020 | 64,992 | 101,386 | 70,742 | 52,062 |
| 2023 | 139,459 | 227,106 | 140,225 | 93,852 |
| 2025 | 249,741 | 360,057 | 245,049 | 144,947 |

Centers for Medicare & Medicaid Services. 2015–2025. [Open Enrollment Public Use Files](#).
[Texas counties-specific data pulled from CMS public use files linked here](#).



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EAPTCs: Effects on Children's Enrollment, Locally

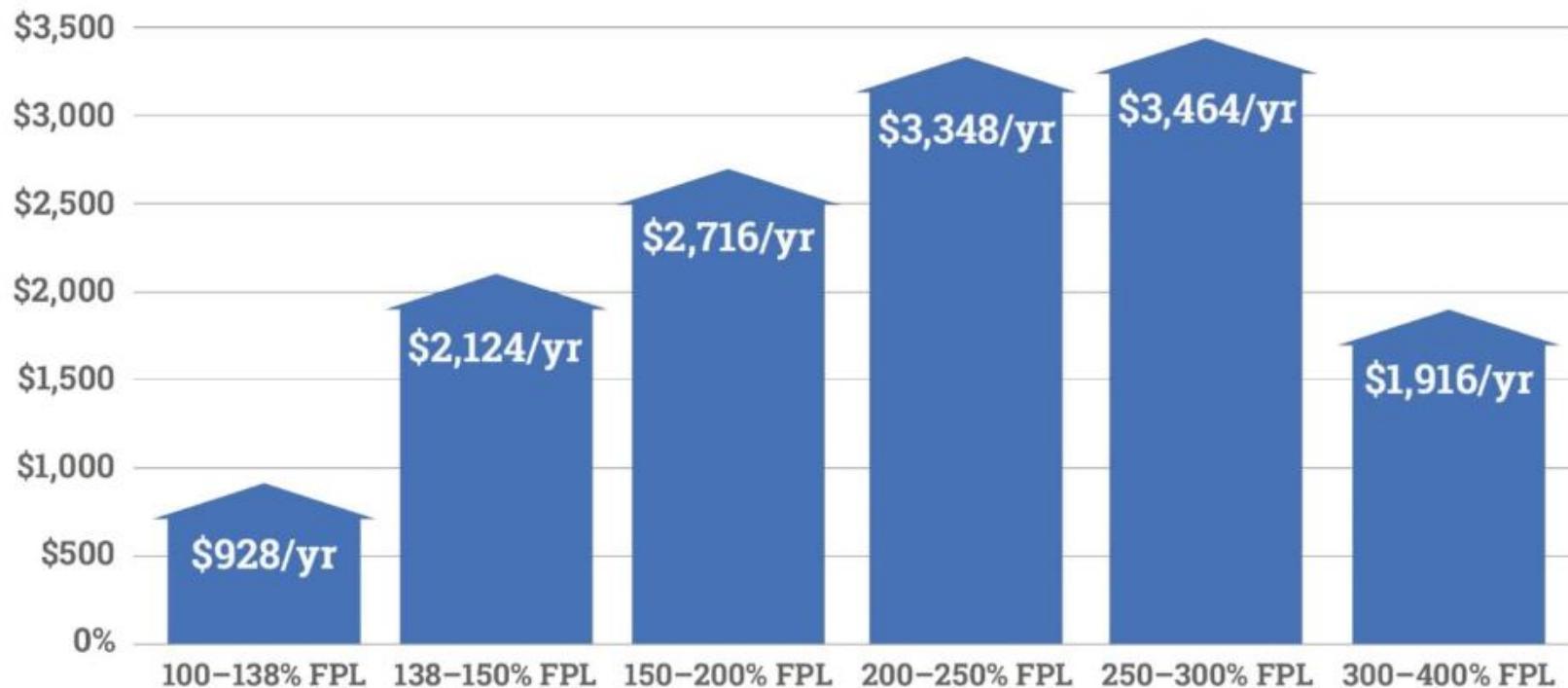


| | Bexar County | Dallas County | Tarrant County | Travis County |
|------|--------------|---------------|----------------|---------------|
| 2015 | 7,333 | 10,618 | 9,887 | 6,471 |
| 2020 | 6,956 | 10,867 | 8,259 | 5,894 |
| 2023 | 14,434 | 27,167 | 17,449 | 11,400 |
| 2025 | 30,258 | 51,932 | 35,230 | 18,573 |

* To be eligible for APTCs or EAPTCs, children must be ineligible for Medicaid, so these children are, generally, parts of middle-income or high-income households.

Centers for Medicare & Medicaid Services. 2015–2025. [Open Enrollment Public Use Files](#).
[Texas counties-specific data pulled from CMS public use files linked here](#).

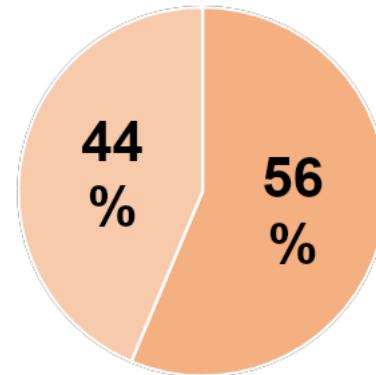
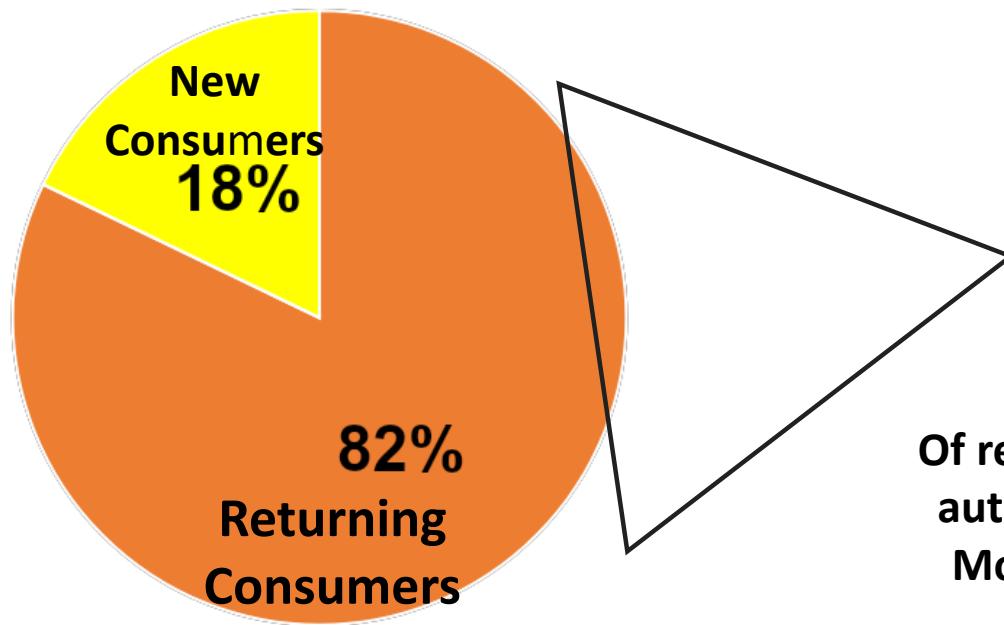
How Much More a Family of Four Pays in Premiums Each Year



Texas Association of Health Plans. September 30, 2025. Marketplace Health Coverage: Why Texas is Set to Lose the Most.

Auto-Reenrollment:

In 2025, nearly 1.8 million Texans auto-reenrolled in their Marketplace health plans.



Of returning consumers in 2025, 44% automatically renewed their plans. Most consumers (56%) compared plans before enrolling.



Centers for Medicare & Medicaid Services. 2025. [Open Enrollment Public Use Files](#). [Texas counties-specific data pulled from CMS public use files linked here](#).

Fewer than 200k Texans pay for Marketplace health insurance without EAPTCs.

95% of Texans with Marketplace health insurance receive EAPTCs to help them pay for their Marketplace health insurance.

If Congress fails to extend EAPTCs, Texas' uninsured population could increase by 27% to early-Marketplace levels.

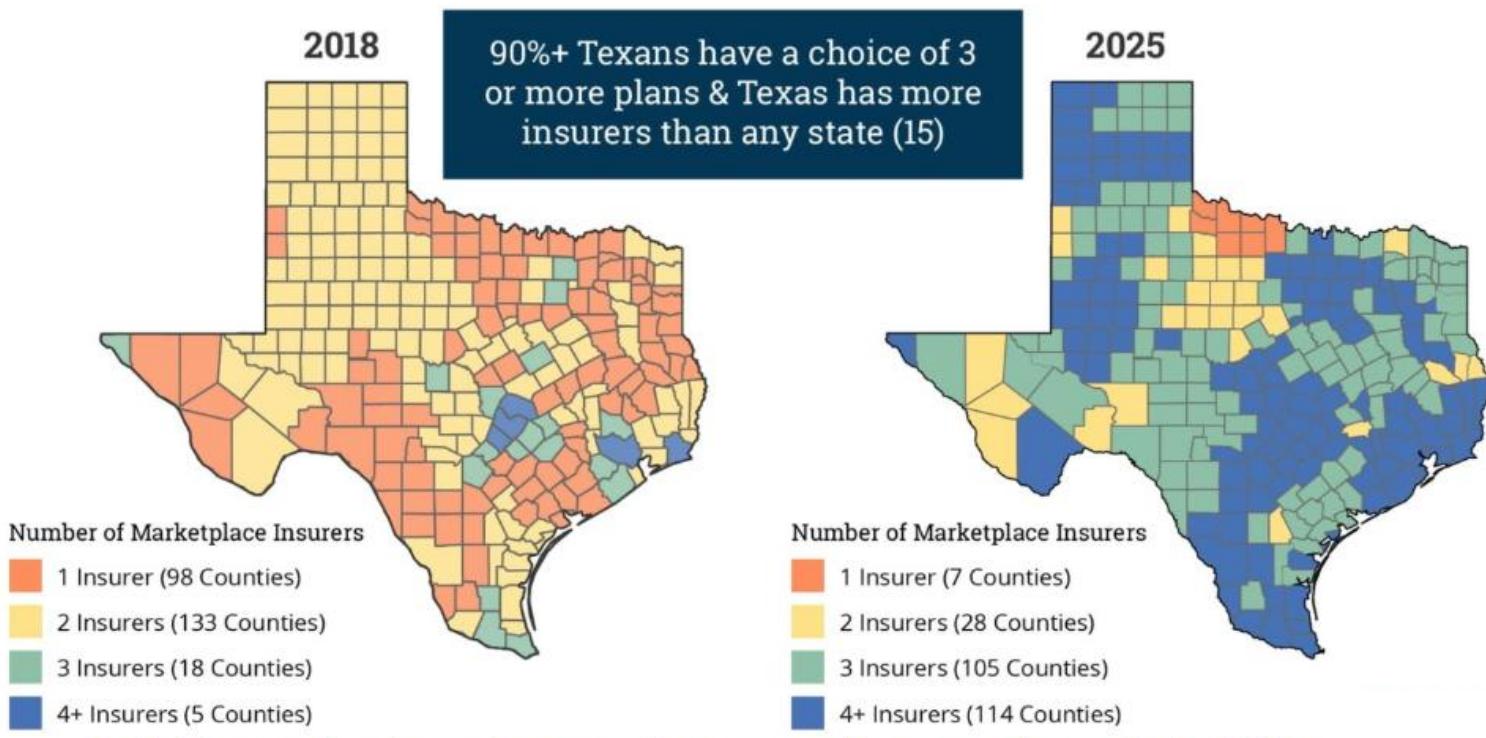
- This increase would lead to increased strain on local health systems and skyrocketing costs for emergency care because:
 1. Uninsured Texans would be unable to pay for routine health checkups and would resort to expensive ER healthcare; and
 2. Hospital systems would have to absorb the costs of healthcare for the newly-uninsured population.



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Enhanced Tax Credits Led to More Competition, Lower Prices



Only 7 counties have just one insurer, a decrease from 98 in 2018

Source: [CMS Insurer Coverage Maps](#)

Texas Association of Health Plans. September 30, 2025. Marketplace Health Coverage: Why Texas is Set to Lose the Most.



By the numbers:

If Congress fails to extend EAPTCs, Texas will lose:

- \$6.3 billion in federal funding
- \$14.1 billion in state economic output
- \$8.4 million in state GDP
- 69,3110 jobs—30,780 in direct health; 38,530 in other jobs
- \$1.3 million in federal tax revenue
- \$410 million in state/local tax revenue
- Hundreds of dollars in families' bank accounts annually



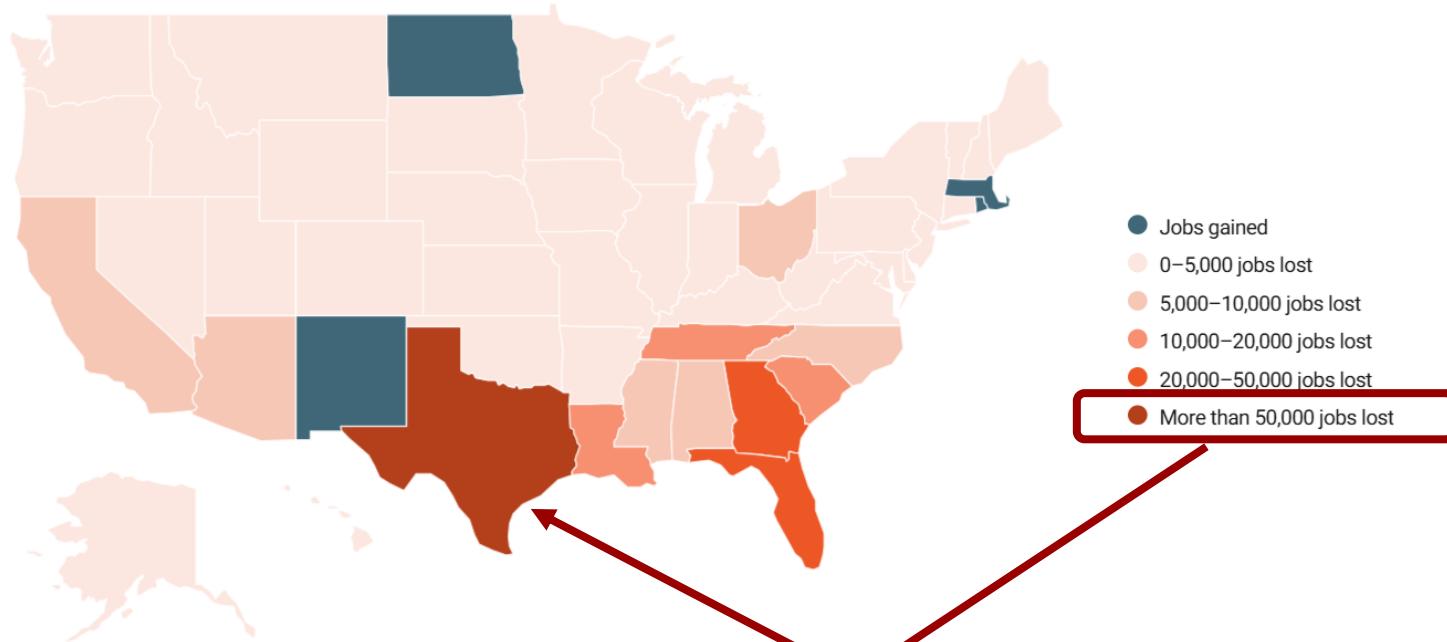
Commonwealth Fund. 2025. [The Cost of Eliminating the Enhanced Premium Tax Credits Economic, Employment, and Tax Consequences.](#)

CBPP. 2025. [Administration's ACA Marketplace Rule Will Raise Health Care Costs for Millions of Families.](#)

Medicaid Cuts Will Worsen Maternal Healthcare Gaps in Rural Texas

| RURAL MATERNITY CARE AT RISK | | | | | | | | | | |
|------------------------------|---|--------------------------------------|--|--|---------------------------------------|---|--|--|--|--|
| State | Closures of Rural Labor & Delivery | | Rural Hospitals Without L&D Services | | | Rural Hospitals Still Providing Labor and Delivery (L&D) Services in 2025 | | | | |
| | # of L&D Units Closed Since 2020 ¹ | % of Rural Hospital L&D Units Closed | # of Rural Hospitals With No L&D in 2025 | Median Driving Time (in Minutes) to Hospital With L&D Services | % of Rural Hospitals With L&D in 2025 | # of Rural Hospitals With L&D Services | # of L&D Units at Risk of Closing ² | % of L&D Units at Risk of Closing ² | Median Minutes to Alternative L&D Hospital | |
| Florida | 2 | 50% | 20 | 50 | 9% | 2 | 0 | 0% | >90 | |
| Texas | 3 | 4% | 93 | 37 | 42% | 67 | 14 | 21% | 41 | |
| Mississippi | 1 | 4% | 50 | 35 | 32% | 23 | 3 | 13% | 35 | |

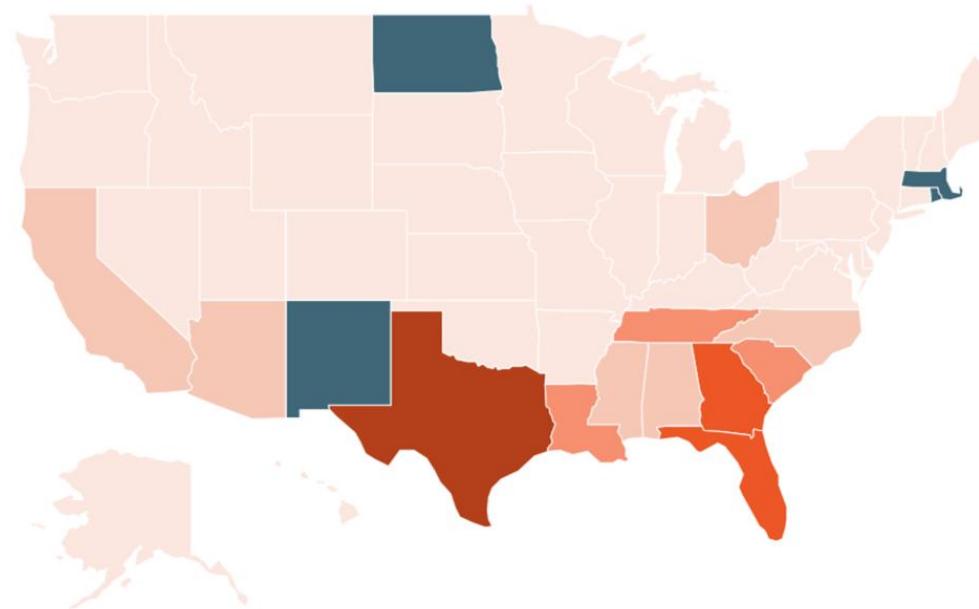
Number of Jobs Lost in Each State If Enhanced Premium Tax Credits Expire at the End of 2025



 Download data

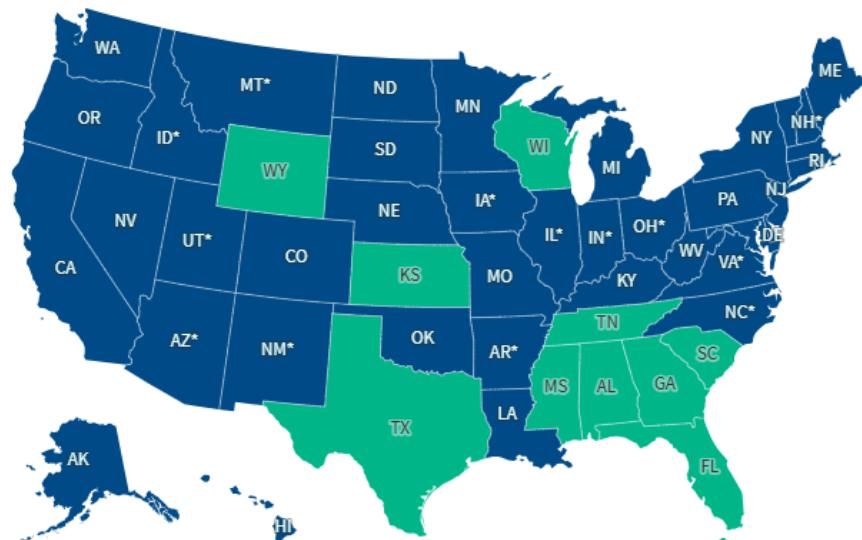
Data: George Washington University analyses using IMPLAN, 2025.

The Commonwealth Fund: The Cost of Eliminating the Enhanced Premium Tax Credits Economic, Employment, and Tax Consequences. 3 March 2025: <https://www.commonwealthfund.org/publications/issue-briefs/2025/mar/cost-eliminating-enhanced-premium-tax-credits>



 Download data

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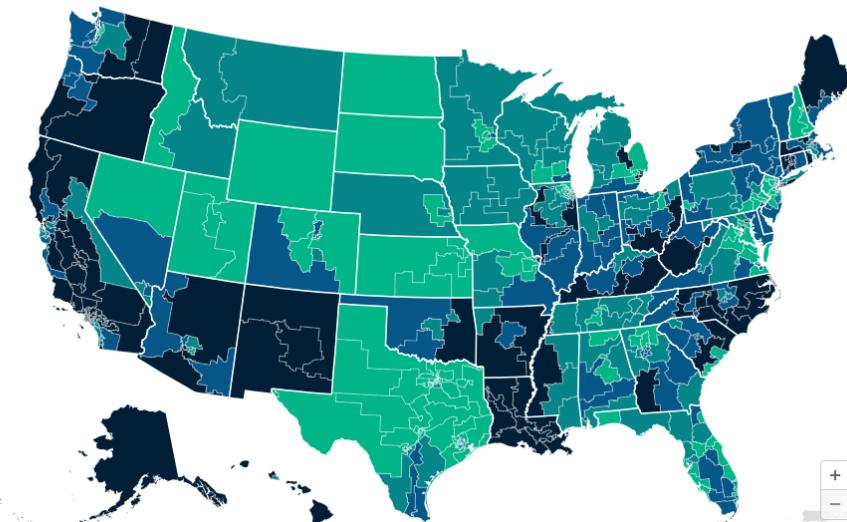
The Commonwealth Fund: The Cost of Eliminating the Enhanced Premium Tax Credits Economic, Employment, and Tax Consequences. 3 March 2025: <https://www.commonwealthfund.org/publications/issue-briefs/2025/mar/cost-eliminating-enhanced-premium-tax-credits>
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Share of Congressional District Enrolled in Medicaid, 2024

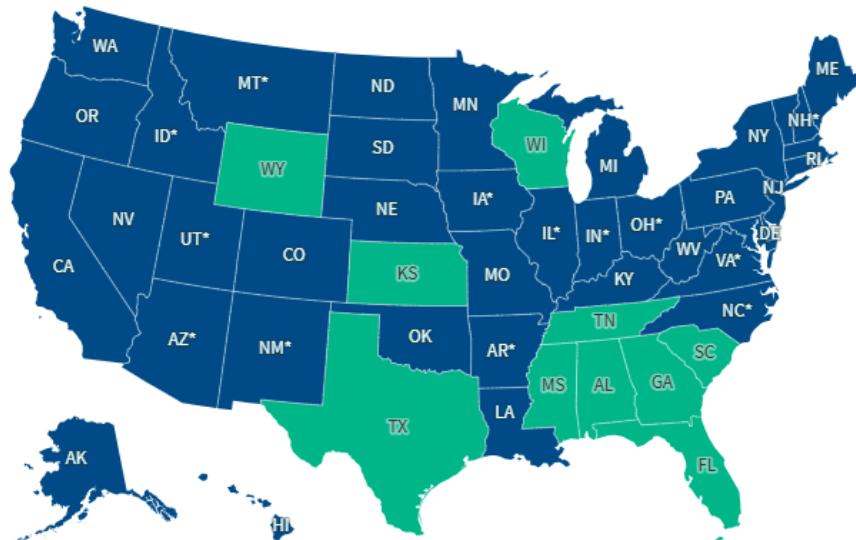
18% 23% 29%



16.7% $\pm 0.2\%$

Without Health Care Coverage in Texas

S2701 | 2024 American Community Survey 1-Year Estimates



Coverage Creates Access to Preventive Care

Private Coverage Creates Access to Preventive Care

- **Breast Cancer Screenings:** Twice as likely to get screened vs. uninsured
- **Colon Cancer Screenings:** Uninsured are 60% less likely to get screened
- **Cervical Cancer Screenings:** 80% higher rates of screening vs. uninsured

Marketplace Enrollees & Preventive Care

- Marketplace enrollees get preventive care at the same rate as those covered at work (55% to 57%)



Minority Groups Have Gained the Most in Coverage & Have the Greatest Need

- **Screening Rates Reflect Need for Coverage:** Hispanic men 60% less likely to get prostate cancer screening, Hispanic women 12% less likely to get cervical cancer screening. Rural Black & Hispanic women 33%/22% less likely to get mammograms.
- **Marketplace Coverage Gains:** Hispanic & Black enrollees have the greatest gains in coverage under enhanced tax credits (104% & 116%)

Source: [AACR Cancer Disparities Progress Report](#), [KFF Preventive Services Use](#), [Urban Institute Impact by Race/Ethnicity](#)



Texas Association of Health Plans. September 30, 2025. Marketplace Health Coverage: Why Texas is Set to Lose the Most.

Coverage Protects Against Catastrophic Costs

High Cost of Care Without Insurance: Without insurance, medical costs can quickly escalate into significant financial burdens, including debt or bankruptcy.

- **NICU Admissions:** \$77K median cost
- **Colorectal Cancer Treatment:** As high as \$300,000
- **Heart Bypass Surgery:** Average \$151,000
- **Hospital Stays:** Average 3-day stay costs \$30,000
- **Median New Drug Price 2024:** \$370,000, up 35% from 2022
(2008 was \$2,000)



Source: [Health Care Cost Institute](#), [Amer. Jour. Cardiology](#), [Public Health](#), [Healthcare.gov](#), [Reuters Survey](#)



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Effects of low uninsurance rates:

1. Less new medical debt
2. Fewer bankruptcies due to medical debt
3. Increased financial flexibility and capacity for risk
4. Increased stability in workforce
5. Increased jobs in local labor markets

What should applicants and enrollees do?

1. Actively reapply for 2026 coverage.
2. Check to see what plans are available to you.
3. Avoid short-term or limited duration plans.
4. If you decide to become uninsured, know where are your local FQHCs and hospitals with charity care programs.

Who represents me?

What to say:

To keep healthcare affordable for everyone in Texas, Congress must expand that ACA's Enhanced Advanced Premium Tax credits past December 2025. Without them, millions of people in Texas will not be able to afford health insurance, they won't be able to afford healthcare, healthcare providers will lose their jobs, and the entire Texas workforce and economy will suffer.



Ten things people can do:



1. Prepare for a long haul.
1. Talk with friends, family, staff, managers, patrons, community members, and community leaders about the importance of EAPTCs.
 - a. Talk with people all over the country, especially people who might not immediately agree with or understand these data and the future they represent.
 - b. These increases costs will affect everyone.
1. Share this presentation.
1. Invite health care advocates and community health workers to your workplaces, meetings, happy hours, city council meetings, etc.
1. Use resources like County Voter Registrars, fellow Chambers of Commerce, other interest groups, local schools, Vot-ER, local Get Out the Vote organizations, etc.
1. Organize groups of people to get together on weekday afternoons to make calls to their representatives. Get pizza, play music, make it fun.
1. Engage influential community members (county commissioners, school board presidents, popular pastors, popular bartenders, local heroes, etc.) to join those events, invite their networks, and spread the word.

Ten things people can do:



8. When reps come back to local districts during recesses, visit with them. Ask them to host town hall meetings.
 - a. Get current data from advocates like Every Texan and others and prepare your communities for those meetings.
 - b. Follow up with public letters, conversations, and meetings.
9. **Prepare your community to vote** in the November 2026 midterm elections.
 - a. Tap staff and community to **register voters** before Tuesday, Oct. 6, 2026; **organize carpooling** in neighborhoods; **share the momentum** in business newsletters and social media, etc.
 - b. You don't have to tell people who to vote for, but they need to understand these issues and vote for themselves.
10. Long haul: **Texans are leaders**. When we engage, the rest of the country engages. **We must continue to lead** after we remind our reps to represent us and restore EAPTCs.

11. **Keep in touch with Every Texan.** Get on my email list. Reach out to me anytime for data, strategy, engagement ideas, phone calls, etc.

Thank you!

Lynn Cowles, Director of Health and Food Justice
512-522-3220 / cwles@everytexan.org



EVERY TEXAN

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