

Protect Our Care: Millions of families, including 29,000 Wisconsinites, could pay thousands more for their health care if American Rescue Plan tax credits expire

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WISCONSIN — A [new report](#) from the Robert Wood Johnson Foundation and Urban Institute shows that more than three million people – including [29,000 Wisconsinites](#) would lose their coverage if Congress fails to make the American Rescue Plan’s enhanced premium tax credits permanent. The study also shows that millions of people currently eligible for the enhanced premium tax credits could pay between \$1,000 to \$2,000 more a year for their health insurance without congressional action. The American Rescue Plan made insurance more affordable than ever before, driving down premium costs for families and leading to record ACA enrollment. In response, **Protect Our Care Wisconsin State Director Joe Zepecki** issued the following statement:

“Wisconsinites are counting on Congress to extend the American Rescue Plan’s premium tax credits. President Biden and Democrats in Congress are working tirelessly to keep premiums low and further reduce the cost of health care, and now we need every member of Congress to get on board and extend these tax credits. Thanks to the American Rescue Plan, enrollment in high-quality coverage is at an all-time high and families have more breathing room to pay for essentials like food and rent at a time when families are concerned about rising prices. This new study underscores that the consequences of letting these tax credits expire would be devastating for millions of people.”

[Axios: Affordable Care Act Subsidy Cliff Hits Southern States Hardest](#)

Caitlin Owens // April 8, 2022

A disproportionate share of young adults, low-income, Black Americans and residents of Southern states will lose health coverage if Congress doesn't extend enhanced Affordable Care Act subsidies, according to [a new analysis](#) by the Robert Wood Johnson Foundation.

Why it matters: The analysis estimates that 3.1 million Americans would become uninsured when the subsidies expire beginning next year, and millions more would face much higher premiums than they currently pay. But those effects wouldn't be felt evenly across the country.

The big picture: Democrats' coronavirus relief package last year made ACA subsidies more generous and expanded who was eligible for them, but only temporarily.

- Millions more people [have entered](#) the ACA marketplaces as a result. But Democrats' efforts to extend the subsidies have stalled in the Senate, along with the rest of President Biden's domestic agenda.

Details: The uninsured population would increase most significantly among people with incomes of 138-400% of federal poverty absent congressional action, according to the analysis.

- When looking at race and ethnicity, Black Americans would see the largest change, followed by white Americans. Young adults ages 19-34 would be the most affected age group.
- States that haven't expanded Medicaid, like Florida, Georgia and South Carolina, would see some of the highest increases in their uninsured populations.

Yes, but: Extending the larger subsidies would cost the federal government more than \$25 billion in 2023 alone, and \$305 billion over 10 years.

Between the lines: Being uninsured obviously has implications for people who then struggle to pay for health care when they need it.

- But it also creates financial problems for hospitals, which are required to treat patients having emergencies regardless of their ability to pay.

What we're watching: Insurers calculate premiums months before open enrollment begins in November.

- That means that if the tax credits aren't extended in the first half of this year, insurers may not have time to adjust their premiums accordingly — meaning premiums would likely be inflated, the authors of the analysis argue.
- That, in turn, could discourage marketplace enrollment and increase federal costs.