STATE AFFAIRS
WISPOLITICS
Wisconsin's Premier Political News Service

U.S. Sen. Baldwin: Reintroduces legislation to lower health care costs & expand access to insurance for millions more Americans

Posted on Tuesday, Jan 24, 2023

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. Get the app or access via desktop.

WASHINGTON, D.C. – U.S. Senator Tammy Baldwin (D-WI) joined Senator Jeanne Shaheen (D-NH) to reintroduce the *Improving Health Insurance Affordability Act,* legislation to make permanent enhanced tax credits that led to record enrollment in the Affordable Care Act (ACA) marketplace, while reducing health care costs for millions of additional Americans.

The premium tax credit enhancement provisions were originally put into effect under the *American Rescue Plan*. This expansion of premium tax credits marked the biggest improvement to the ACA since it became law over a decade ago. Under the *Inflation Reduction Act*, the enhanced tax credits were extended for an additional three years. The *Improving Health Insurance Affordability Act* continues to build on these efforts by making these tax credits permanent while also lowering out-of-pocket costs for Marketplace enrollees.

“Thanks to enhanced tax credits, countless American families have access to quality health coverage on the insurance marketplace,” **said Senator Baldwin.** “We need to protect and expand access to affordable health insurance. By making these tax credits permanent, millions of Americans can rest assured they can continue to find the quality health care coverage they need, at a price they can afford.”

The *Improving Health Insurance Affordability Act* would make permanent premium tax credits for individuals signing up for health care coverage through the ACA

marketplace, tax credits that were improved and extended through the *Inflation Reduction Act.* Those enhanced tax credits increased the value of the financial assistance available to people with incomes between 100 and 400 percent of the federal poverty level (FPL) while expanding eligibility for premium tax credits to include individuals with incomes above 400 percent of FPL. The bill would also make the second-lowest-cost Gold plan the benchmark plan upon which premium tax credits are based, which helps substantially reduce deductible and out-of-pocket costs for families of all incomes. Finally, the bill would also increase the value of cost-sharing reduction (CSR) assistance for people with incomes between 100 and 250 percent of FPL (who are already eligible), while also expanding eligibility for CSR assistance to people with incomes up to 400 percent of FPL.

According to the most recent data, nearly 15.9 million Americans have signed up for 2023 individual market health insurance coverage through the Marketplaces since the start of the 2023 Marketplace Open Enrollment. That record-breaking enrollment represents a 13% increase over last year. According to a June 2022 report from the Department of Health and Human Services, absent the enhanced tax credits, 8.9 million Americans stood to have their tax credits reduced and 1.5 million would lose their subsidies entirely. Similarly, a February 2021 Urban Institute analysis of changes included in this legislation indicates that this bill could significantly reduce out-of-pocket costs for consumers newly eligible for CSR assistance or heightened levels of CSR assistance through lower deductibles.

In addition to Senators Baldwin and Shaheen, the bill is cosponsored by U.S. Senators Richard Blumenthal (D-CT), Bob Casey (D-PA), Tim Kaine (D-VA), Amy Klobuchar (D-MN), Jack Reed (D-RI), Tina Smith (D-MN), Debbie Stabenow (D-MI), Catherine Cortez Masto (D-NV), Maggie Hassan (D-NH), Ben Cardin (D-MD), Michael Bennet (D-CO) and Kirsten Gillibrand (D-NY).

Full text of the bill is available here.

An online version of this release is available here.