

Enhanced Premium Tax Credit (APTC) Expiration

Table 1: Percent of Income Paid for Marketplace Benchmark Silver Premium, by Income		
Income (% of poverty)	Affordable Care Act (before legislative change)	COVID-19 Relief (current law 2021-2022)
Under 100%	Not eligible for subsidies*	Not eligible for subsidies**
100% – 138%	2.07%	0.0%
138% – 150%	3.10% – 4.14%	0.0%
150% – 200%	4.14% – 6.52%	0.0% – 2.0%
200% – 250%	6.52% – 8.33%	2.0% – 4.0%
250% – 300%	8.33% – 9.83%	4.0% – 6.0%
300% – 400%	9.83%	6.0% – 8.5%
Over 400%	Not eligible for subsidies	8.5%

NOTES: *Lawfully present immigrants whose household incomes are below 100% FPL and are not otherwise eligible for Medicaid are eligible for tax subsidies through the Marketplace if they meet all other eligibility requirements.
**In the COVID-19 relief law, lawfully present immigrants in states that have not expanded Medicaid would continue to be eligible for marketplace subsidies. In addition, people receiving Unemployment Insurance (UI) are treated as though their income is no more than 133% of poverty for the purposes of the premium tax credit. This could extend premium tax credits to some individuals with incomes below poverty.
SOURCE: KFF

The Change: The temporary enhanced APTCs, which increased financial assistance subsidies temporarily in 2021 due to the pandemic are set to expire. As of January 1, 2026, the pre-pandemic subsidy rules will return.

Who is Affected:

Everyone with a subsidized plan will see an increase in their monthly premiums. Individuals and families with incomes \$1 above 400% of the Federal Poverty Level (FPL) will no longer qualify for financial assistance.

Possible Solutions/Options:

- * **Shop and Compare Plans:** It is more critical than ever to compare plans from all available carriers. Your current plan may no longer be the most affordable option.
- * **Consider a Higher Deductible Plan:** A Bronze or Silver plan with a higher deductible may have a lower premium, which can help offset the loss of subsidies.
- * **Explore Off-Marketplace Options:** While not eligible for subsidies, some carriers offer plans directly that may be more competitive than unsubsidized Marketplace plans. Varies by state.
- * **Cash Pay Solutions:** For everyday medical needs, consider using cash-pay options like Cost Plus Drugs, Good Rx or telemedicine services to reduce out-of-pocket costs on prescriptions and non emergency care.
- * **Consider Gap or Supplemental Plans:** These are plans that can help pay for your out of pocket cost which permits you to purchase a higher deductible plan without reducing coverage.
- * **Contribute to an HSA or 401K:** This can help reduce your taxable income and help

qualify you for financial assistance.

To see how much your annual payment for the second lowest priced Silver plan which is the benchmark plan may increase please use the following tool:

<https://www.kff.org/interactive/how-much-more-would-people-pay-in-premiums-if-the-acas-enhanced-subsidies-expired/>

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