

# House Reconciliation Bill's Elimination of Eligibility for Affordable Marketplace Coverage for Most Lawfully Present Immigrants

Today, Citizens and Lawfully Present Non-Citizens are Currently Eligible for Marketplace Premium Tax Credits and Cost-Sharing Reductions

## The House Reconciliation Bill eliminates eligibility for most non-citizen groups.

- H.B. 1 bill eliminates a long-standing federal provision allowing lawfully present non-citizens to access tax credits when their income is below 100 percent of the Federal Poverty Level (FPL) and they are ineligible for Medicaid with a federal match.
- The bill eliminates Marketplace eligibility for Deferred Action for Childhood Arrivals (DACA) recipients.
- The bill also restricts Marketplace tax credits and cost-sharing reductions to a newly defined narrow group of “eligible aliens.”
- All other lawfully present non-citizens — representing more than 90 percent of immigration categories that qualify today — will lose eligibility for tax credits and cost-sharing reductions and instead will be required to enroll at full cost. This includes lawfully present groups that have traditionally been eligible, including those with work and student visas, refugees, asylees, and victims of trafficking and other violent crimes.

*This series, produced by the State Marketplace Network, shares direct analysis from the State-based Marketplaces (SBMs) about the impact of H.R. 1 on the Marketplaces, health insurance markets, and the millions of consumers they serve.*

## Eliminating tax credit eligibility effectively bars immigrants from accessing coverage.

- Current enrollees are expected to drop coverage, and new applicants are expected to abandon the sign-up process when faced with unsubsidized premiums.
- Immigrants who choose to remain enrolled, despite losing eligibility for tax credits and cost-sharing reductions, will see their costs rise dramatically when these provisions take effect.
- Further, because this population is, on average, younger and healthier, this will affect the health of the residual market and result in increased premiums for all.
- Immigrants will lose this tax benefit with no corresponding reductions in their tax liability.



### Example of consumer impacts: Massachusetts

In Massachusetts, more than 100,000 non-citizens are enrolled in Marketplace coverage, and 97 percent receive tax credits. They comprise 27 percent of overall Marketplace enrollees.

Under the House bill, more than 55,000 are expected to lose coverage as a result of the bill.



### Example of consumer impacts: New York

In New York, more than 730,000 individuals will lose their Essential Plan coverage, which is funded through premium tax credits, of which 506,000 will move to state-funded Medicaid and 224,000 will become uninsured. Another estimated 17,000 Qualified Health Plan enrollees are estimated to lose their coverage due to this policy change.