



September 2, 2025

The Honorable John Thune  
Majority Leader  
511 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Mike Johnson  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Hakeem Jeffries  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Leaders Thune, Schumer, Johnson, and Jeffries:

For over a decade, State-Based Marketplaces have provided private health coverage to tens of millions of Americans, ensuring their health, well-being, and economic security. The Americans who depend on Marketplaces are our neighbors: working parents, small business owners, farmers, gig workers, early retirees, and lower- and middle-income individuals of all ages and backgrounds who drive our local economies and make our rural, suburban, and urban communities thrive.

We, the undersigned State-Based Marketplaces, urge Congress to extend the enhanced premium tax credits by the end of September to avoid dramatic increases in health coverage premiums for tens of millions of Americans, which would result in the loss of health insurance, increased cost pressures for Americans, and risks to our local health care systems.

**The continuation of enhanced premium tax credits is more vital and urgent than ever as tens of millions of Americans prepare to face the largest health premium increases in nearly a decade. Marketplaces prepare to open “window shopping” for consumers as soon as October 1, and notices about premium increases start to be issued throughout the month of October. Time is running short to protect tens of millions of Americans from these striking increases by extending enhanced premium tax credits.**

## **Mounting Urgency to Extend Enhanced Premium Tax Credits by September 30**

While we have previously urged action on the enhanced premium tax credits, our request is now more imperative and urgent:

- 1) Enhanced premium tax credits must be extended in September in order to avoid coverage losses and confusion.** Final health insurance plans and premiums will be uploaded into State-based Marketplace systems by September 30. Shortly after, millions of our consumers will receive notices with information detailing their tax credit losses and premium increases. An extension after September 30 will result in irreversible coverage losses for those who choose not to return to the Marketplaces after seeing notices of double, triple, or even quadruple cost increases expected due to the expiration of the enhanced premium tax credits. Younger individuals (18-24) will be the most likely to drop coverage, reversing significant enrollment gains among this age group since the enhanced premium tax credits were enacted. Loss of this population will adversely impact risk pools, increasing premiums for remaining Marketplace enrollees, especially people over age 55.
- 2) The nearly 22 million enrollees in all 50 states currently receiving premium tax credits will see dramatic cost increases, resulting in millions choosing to drop coverage, effective in January 2026.** Due to the combined effect of increased premiums and the loss of enhanced premium tax credits, Marketplace enrollees will pay [75 percent more](#), on average, for their coverage, a cost increase of hundreds, if not thousands, of dollars per year for many families. As families receive preliminary invoices this fall, the cost barriers will cause an immediate and significant drop in coverage. If the enhanced premium tax credits expire, the Congressional Budget Office estimates [4.2 million](#) people will go uninsured, contributing to [worsened health outcomes](#), [morbidity](#), and financial insecurity.
- 3) Overall health insurance premiums are dramatically increasing for 2026 – averaging a [20 percent](#) proposed premium increase across the Marketplaces.** Premium costs are increasing due to factors such as rising medical costs and other recent federal policies, with some portion directly attributable to the expiration of the enhanced premium tax credits. This is the largest rate increase insurers have requested since 2018. Loss of tax credits at a time when average premiums are increasing to this extent will be a double whammy for American families; millions will not only lose existing tax credit assistance, but will also face a 20 percent average premium increase. Nearly 1.6 million enrollees will lose eligibility for tax credits altogether<sup>1</sup>, many of whom are older adults above age 55 with current or emerging medical conditions that will cost the overall system more if left undiagnosed or untreated due to lack of coverage. For example, a 60-year-old couple earning \$82,700 per year will, on average, see their premiums increase by [over \\$2,100 per](#)

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<sup>1</sup> Based on the number of Marketplace enrollees above 400% of the federal poverty level. [CMS 2025 Marketplace Open Enrollment Period Public Use Files](#)

[month](#), a 206% increase from what they would pay if the enhanced premium tax credits were extended. In contrast, extending the enhanced premium tax credits will lead to a significant reduction in overall health insurance premiums, leading to lower costs for millions of Americans.

- 4) The next few weeks are a critical time for Congress to avoid this impending cost increase for millions of Americans.** Allowing the enhanced premium tax credits to expire will make for a sicker, less financially secure American public and strain hospitals and health care providers by increasing uncompensated care, especially in rural areas. The stability of the American health care system, which is already facing mounting strain, and the economic security of millions of Americans depend jointly on the continuation of enhanced premium tax credits.

#### ***Impact on Small Business Owners and Self-Employed People***

Over [one-quarter](#) of Marketplace enrollees are small business owners and self-employed people. Nationally, [8 out of 10](#) small business owners and self-employed people who buy their own health insurance coverage through Marketplaces have lower premiums thanks to the health insurance premium tax credit. Small businesses drive our local economies. Access to affordable health insurance is critical as small business owners make decisions about their workforce and investment in their business. Their ability to stay in business is at risk due to many cost pressures. Affordability of health insurance is one cost pressure that can be addressed by extending the enhanced premium tax credits.

#### ***Impact on Hard-Working American Families Who Depend on Marketplace Coverage***

Millions of Americans in every state across the country will see unsustainable increases in health care costs if Congress does not act to extend the enhanced premium tax credits. Americans are struggling today to make ends meet and trying to afford the rising costs of everyday necessities, such as groceries, childcare, housing, and health care. Expiration of the enhanced premium tax credits will exacerbate these challenges for Americans of all backgrounds.

#### ***Impact on Local Health Systems Across the Country***

The American health care system is under increasing strain, and the pressures behind that strain are forecasted to mount in the years to come. The expiration of the enhanced premium tax credits poses an additional risk to the already fragile health care delivery system by taking 4.2 million Americans out of the ranks of the insured – specifically, Americans whose commercial insurance reimbursements help keep hospitals on stable financial footing. The loss of these individuals' private health insurance will result in increased unpaid debt for hospitals, which will be passed onto other premium payers and parts of the health care system, and could hasten hospital closures, particularly in rural areas with more limited access to health care. Our Marketplace enrollees and

our states' entire populations depend on these hospitals and health care providers for timely access to health care.

### ***Impact on Local Economies***

We also know that an insured, healthy, and financially secure population is a critical ingredient for vibrant local economies. When health care costs become untenable, Americans are forced to cut back on other spending that keeps local economies strong. Small business owners who rely on Marketplace coverage are faced with the decision to either cut back on their businesses and hiring, or pass cost increases through to local economies. Furthermore, health care system fragility and closures mean lost jobs and economic activity that can ripple through local economies, particularly in rural areas. Our roles as State-Based Marketplaces, ensuring tens of millions of Americans receive affordable, quality health insurance, have promoted thriving local economies.

### ***Our Urgent Ask and Our Availability to Assist***

On behalf of the millions of Americans we serve, we ask that Congress take swift action to protect coverage for those enrolled in Marketplaces today and in the future by extending the enhanced premium tax credits by September 30. Twenty-two million Americans now rely on these tax credits to afford their health coverage. They need your support to stay covered, and time is running short.

We stand ready at your convenience to answer any questions you may have about our Marketplaces and how the critical policy decision before you will impact the Americans to whom we deliver health coverage.

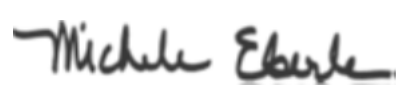
Sincerely,



**Jessica Altman**  
Executive Director  
Covered California



**Libby Caulum**  
Chief Executive Officer  
MNSure



**Michele Eberle**  
Executive Director  
Maryland Health Benefit  
Exchange



**Chiqui Flowers**  
Director  
Oregon Health Insurance  
Marketplace



**Audrey Gasteier**  
Executive Director  
Massachusetts Health  
Connector Authority



**Bruce Gilbert**  
Chief Executive Officer  
BeWellnm



**Danielle Holahan**  
Executive Director  
NY State of Health



**Pat Kelly**  
Executive Director  
Your Health Idaho



**Mila Kofman**  
Executive Director  
DC Health Benefit Exchange  
Authority



**Lindsay Lang**  
Director  
HealthSource RI



**Lisa D. Lee**  
Commissioner  
Kentucky Department for  
Medicaid Services



**James Michel**  
Chief Executive Officer  
Access Health CT



**Keven Patchett**  
Director  
Virginia Health Benefit  
Exchange



**Kevin Patterson**  
Chief Executive Officer  
Connect for Health Colorado



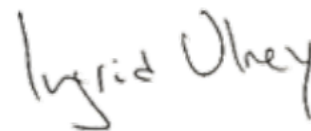
**Hilary Schneider**  
Director  
Office of the Health Insurance  
Marketplace  
Maine Department of Health and  
Human Services



**Adaline Strumolo**  
Deputy Commissioner  
Department of Vermont Health  
Access



**Devon Trolley**  
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**Ingrid Ulrey**  
Chief Executive Officer  
Washington Health Benefit  
Exchange



**Morgan Winters**  
Director  
Get Covered Illinois, Illinois  
Department of Insurance



**Justin Zimmerman**  
Commissioner  
New Jersey Department of  
Banking and Insurance

cc:

The Honorable Mike Crapo, Chairman, Committee on Finance

The Honorable Bill Cassidy, Chairman, Committee on Health, Education, and Labor

The Honorable Ron Wyden, Ranking Member, Committee on Finance

The Honorable Bernard Sanders, Ranking Member, Committee on Health, Education, and Labor

The Honorable Jason Smith, Chair, Committee on Ways and Means

The Honorable Richard Neal, Ranking Member, Committee on Ways and Means

The Honorable Brett Guthrie, Chair, Committee on Energy and Commerce

The Honorable Frank Pallone, Ranking Member, Ranking Committee on Energy and Commerce