

Over 24 million Americans have private health insurance coverage through Affordable Care Act Marketplaces. Nationally, 8 of 10 small business owners who buy their own coverage through marketplaces have lower premiums thanks to a health insurance tax credit. If Congress takes the health insurance tax credit away, millions of small business owners and sole proprietors will have huge premium hikes and millions will lose affordable health care.

DC FACTS: THE FEDERAL HEALTH INSURANCE TAX CREDIT LOWERS PREMIUMS FOR DC SMALL BUSINESS OWNERS WHO BUY THEIR OWN COVERAGE


- ✓ 7 of 10 people with lower premiums in DC are sole proprietors and small business owners who buy their own health insurance.
- ✓ Federal health insurance tax credit saved DC small business owners and residents approximately \$19 million on their health insurance premiums.
- ✓ Small business owners and DC residents saved on average \$741/month (nearly \$9,000 a year) on their health insurance premium.
- ✓ Small business owners who are older saved even more -- 55+ years old small business owners saved on average \$1,192/month (over \$14,300 a year) on their health insurance premium.

*“For most of our working lives, we have had health insurance through our employers, but now that I work freelance and my husband lost his job, we rely on the ACA to pay for medications, physical therapy, screenings, and medical services without going bankrupt. **If the tax credit goes away, my premiums would go up by \$1,030 per month.** In this economy, I am panic-stricken about the future of my business and my husband’s prospects for finding a full time position. We have two kids in college. We are doing our best to keep things together, reducing expenses and seeking loans to cover college tuition. We simply can’t reduce costs enough to afford such a hike. The tax credits we get through the ACA means we can get the healthcare we desperately need to care for our family.”*

-Karen, Small Business Owner

LOSS OF HEALTH INSURANCE TAX CREDIT WILL RESULT IN SMALL BUSINESS OWNERS FACING CATASTROPHIC COSTS


 Premium Increases Nearly 600%
\$328 → \$2,255/Month


Self-Employment Income: \$88,000

If Congress takes away the health insurance tax credit: This self-employed couple would no longer be eligible for lower premiums.

The couple's health insurance premium will cost **\$23,000 more** in 2026 for a bronze plan with a \$7,500 deductible.

 Premium Nearly Doubles
\$758 → \$1,450/Month


Self-Employment Income: \$107,000

If Congress takes away the health insurance tax credit: This small business owner would no longer be eligible for lower premiums.

The small business owner's health insurance premium will cost **\$8,300 more** for their family in 2026 for a silver plan with a \$4,850 deductible.

IF CONGRESS TAKES THE HEALTH INSURANCE TAX CREDIT AWAY

- ▶ Sole proprietors and small business owners who buy coverage on their own will see huge premium hikes.
- ▶ Nationally, approximately 22 million Americans with marketplace coverage and millions of Americans who buy their own coverage outside marketplaces will face higher premiums.
- ▶ An estimated 5 million people will lose their health insurance and affordable health care.
- ▶ Small businesses are job creators employing nearly half of all Americans and making up nearly half the country's GDP. They will suffer. When small businesses suffer, local economies suffer.

*"I have been self-employed since 2002. My family used to have coverage through my husband's employer. We lost that coverage after my husband died. I needed an affordable option to cover my son and myself. Thanks to the affordable premiums we qualified for, I was able to continue being self-employed and even open a second small business. **If I lose \$899 per month in tax credits, that's over \$10,000 a year, my monthly premiums will triple.** I will no longer be able to afford health insurance. I'd have to close my two small businesses."*

-Lisa, Small Business Owner