

# Federal enhanced premium tax credits

Congressional reauthorization is needed to keep people covered



**Set to expire at the end of 2025, federal enhanced premium tax credits are critical to ensuring health insurance coverage is accessible and affordable in Washington state.**

The American Rescue Plan Act of 2021 and the Inflation Reduction Act of 2022 temporarily enhanced the federally funded enhanced premium tax credits.

In Washington state, **enhanced premium tax credits have led to:**

- ▶ **Record enrollment** in qualified health plans.
- ▶ **Historically low uninsured rates.**
- ▶ **Increased affordability**, especially for older Washingtonians and rural residents.



**286,545**

Number of residents enrolled in qualified health plans (QHPs).



**216,375**

Number of QHP enrollees who are eligible for enhanced premium tax credits.



**\$1,330**

Average yearly decrease in premium costs with enhanced premium tax credits.



**\$1,910**

Average yearly decrease in premium costs for 55- to 64-year-old residents with enhanced premium tax credits.

**If Congress does not reauthorize enhanced premium tax credits before the end of 2025, Washingtonians will face steep premium increases and many will forgo coverage.**

The effect of enhanced premium tax credits expiring in Washington state:



**65%**

Amount net premiums will increase for enhanced premium tax credits recipients.



**\$285M**

Amount of lost federal funds from enhanced premium tax credits.



**80,000**

Number of enhanced premium tax credits recipients who will forgo coverage.

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Washington  
Congressional  
District

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Set to expire at the end of 2025, enhanced premium tax credits are critical to ensuring that Washingtonians in Congressional District 3 have health insurance coverage that is accessible and affordable.



24,625

Number of residents who receive enhanced premium tax credits.



\$1,470

Average annual enhanced premium tax credits received.



\$2,160

Average annual enhanced premium tax credits received by 55- to 64-year-old residents.

If Congress does not reauthorize enhanced premium tax credits before the end of 2025, many Washingtonians will forgo health insurance or purchase less expensive coverage with higher cost sharing.



70%

Percent net premiums will increase for residents who receive enhanced premium tax credits.

## Meet Arturo (a composite of an average Exchange customer)

Living in Stevenson (Skamania County), Arturo is 45 years old and works as a roofer at a newly formed construction company.

His employer does not provide health insurance. He earns \$45,180 per year.

\$2,710

Total annual premiums Arturo pays for his insurance coverage **with enhanced premium tax credits.**

\$4,450

Total annual premiums Arturo will pay **without enhanced premium tax credits.**

65%

Percent that Arturo's annual premiums will **increase** without enhanced premium tax credits.



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Set to expire at the end of 2025, enhanced premium tax credits are critical to ensuring that Washingtonians in Congressional District 4 have health insurance coverage that is accessible and affordable.



16,120

Number of residents who receive enhanced premium tax credits.



\$1,255

Average annual enhanced premium tax credits received.



\$1,720

Average annual enhanced premium tax credits received by 55- to 64-year-old residents.

If Congress does not reauthorize enhanced premium tax credits before the end of 2025, many Washingtonians will forgo health insurance or purchase less expensive coverage with higher cost sharing.



90%

Percent net premiums will increase for residents who receive enhanced premium tax credits.

## Meet Selma (a composite of an average Exchange customer)

Living in Toppenish (Yakima County), Selma is 60 years old and earns \$41,700 a year.

Her health insurance was through her husband Frank's employer, but now he is over 65 years old and is enrolled in Medicare.

\$70

Total annual premiums Selma pays for her insurance coverage **with enhanced premium tax credits.**

\$1,945

Total annual premiums Selma will pay **without enhanced premium tax credits.**

2,600%

Percent that Selma's annual premiums will **increase** without enhanced premium tax credits.



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Set to expire at the end of 2025, enhanced premium tax credits are critical to ensuring that Washingtonians in Congressional District 5 have health insurance coverage that is accessible and affordable.



20,025

Number of residents who receive enhanced premium tax credits.



\$1,330

Average annual enhanced premium tax credits received.



\$1,835

Average annual enhanced premium tax credits received by 55- to 64-year-old residents.

If Congress does not reauthorize enhanced premium tax credits before the end of 2025, many Washingtonians will forgo health insurance or purchase less expensive coverage with higher cost sharing.



80%

Percent net premiums will increase for residents who receive enhanced premium tax credits.



## Meet Jeff (a composite of an average Exchange customer)

Living in Davenport (Lincoln County), Jeff is 26 years old and earns \$30,120 a year. He is a part-time student and part-time server at a restaurant.

He is too old to be on his parent's health plan and his employer does not provide coverage.

\$445

Total annual premiums Jeff pays for his insurance coverage **with enhanced premium tax credits.**

\$1,810

Total annual premiums Jeff will pay **without enhanced premium tax credits.**

310%

Percent that Jeff's annual premiums will **increase** without enhanced premium tax credits.