

Marketplace Enhanced Premium Tax Credits

Individuals who purchase their health insurance through the Affordable Care Act's (ACA) Marketplaces are eligible for tax credits to lower their monthly premiums. These credits are based on their projected income for the next year and are paid directly to health insurers, who in turn lower what enrollees have to pay each month. When enrollees file their federal taxes, the credits are adjusted based on actual income. ePTCs eliminate the ACA's "subsidy cliff," which made people with incomes above 400% of the federal poverty level (FPL) ineligible to receive financial assistance for Marketplace coverage. With these subsidies, enrollees under 150% of FPL pay little to nothing for their plan.

The Marketplace Enhanced Premium Tax Credits (ePTCs) expired on December 31st, 2025.

Impact on Rural Health:

Rural enrollees would see premiums **nearly double**, with an average increase of \$133 per month.

Rural residents would pay for more health coverage. ePTCs save rural enrollees an average of **\$890 per year**, about 28% more than their urban counterparts.

Rural areas are projected to see a 30% drop in Marketplace coverage and a **37% rise in the number of people without insurance**.

S.46/H.R.247: Health Care Affordability Act

Sen. Shaheen (D-NH) & Rep. Underwood (D-IL)

The Health Care Affordability Act would permanently lower health care costs for millions of Americans by permanently extending Marketplace ePTCs.

H.R.5145: Bipartisan Premium Tax Credit Extension Act

Rep. Kiggans (R-VA) & Suozzi (D-NY)

The Bipartisan Premium Tax Credit Extension Act would extend Affordable Care Act Marketplace ePTCs through 2026.