

# Pandemic-era tax credits made health care more affordable, but they're set to expire

June 18 2024, by Ernie Mundell



In a success story for Americans seeking affordable health care coverage, tax credits put in place during the pandemic helped millions

gain health insurance, a new report found.

Trouble is, the [credits](#) are set to expire at the end of 2025, noted a research team from the nonprofit Robert Wood Johnson Foundation (RWJ).

According to RWJ's [new analysis](#), so-called enhanced Premium Tax Credits will reduce the number of uninsured Americans by 4 million next year, and boost enrollment in the Affordable Care Act (ACA) health insurance marketplace by 7.2 million.

The credits were put into place by Congress during the pandemic to help folks hang on to [health insurance](#).

The strategy worked, with the new modeling analysis finding:

- A predicted 14% reduction in the number of uninsured Americans in 2025, alongside a 71% boost in ACA marketplace enrollment
- 50% to 100% reductions in premiums for 2025 in the lowest income households (those below 300% of the federal poverty level) and about a 25% reduction for households above that level
- About a doubling of ACA marketplace enrollment in five states—Texas, South Carolina, Mississippi, Louisiana and Georgia—leading to roughly a 21% reduction in the numbers of uninsured in those states.

"The enhanced premium tax credits have led to record-high enrollment in the Marketplaces at all income levels, and enrollment will likely rise as the Medicaid unwinding finishes," said Jessica Banthin, senior fellow at the Urban Institute.

"If Congress does not extend enhanced premium tax credits after 2025,

we project that these gains will be reversed, and more than 4 million people could become uninsured."

"Thanks to the enhanced premium tax credits, millions of additional people across America have gotten covered," Katherine Hempstead, RWJ's senior policy adviser, said in a foundation news release.

"These tax credits have increased affordability for individuals and families who might have otherwise been forced to choose between health care and other necessities. Expanding coverage advances equity, increases [financial stability](#) and empowers millions to access needed care."

**More information:** Find out more about affordable health insurance at [healthcare.gov](https://healthcare.gov).

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Citation: Pandemic-era tax credits made health care more affordable, but they're set to expire (2024, June 18) retrieved 11 July 2024 from <https://medicalxpress.com/news/2024-06-pandemic-era-tax-credits-health.html>

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