

**Congress of the United States**  
**Washington, DC 20515**

May 5, 2025

Dr. Phillip Swagel  
Director  
Congressional Budget Office  
402 Ford House Office Building  
Washington, D.C. 20515

Dear Dr. Swagel:

We write to request that the Congressional Budget Office (CBO) prepare an analysis on the total effects on health insurance coverage that will result from not extending the expanded premium tax credit structure provided in the Inflation Reduction Act, the 2025 Marketplace integrity and Affordability Proposed Rule, and the coverage losses that will result from Republicans' reconciliation bill, including the cuts to federal Medicaid funding.

The Medicaid policies that Republicans are seeking to enact through reconciliation would have devastating effects on low-income Americans' access to health care—resulting in millions of Americans losing Medicaid coverage over the 10-year budget window. The number of Americans who would lose their health coverage will only be compounded if—in addition to gutting federal Medicaid funding—Republicans let the expanded premium tax credit structure expire. Based on media reports, Republicans on the Ways and Means Committee are not likely to include an extension of the enhanced Affordable Care Act (ACA) premium tax credit in their budget reconciliation legislation, which would indicate a high likelihood that Republicans will allow it to lapse at the end of 2025.

In 2021, the American Rescue Plan Act provided enhanced premium tax credits for consumers. The premium tax credits are advanceable, refundable credits that help lower premiums for individuals who obtain coverage through the ACA Marketplaces. The American Rescue Plan extended eligibility to include individuals above 400 percent of the federal poverty level (FPL) and reduced premium contributions for individuals below 400 percent of FPL. The Inflation Reduction Act extended the enhanced tax credits through 2025.

Thanks to the enhanced premium tax credits included in the Inflation Reduction Act, nearly 24 million Americans enrolled in health coverage through the ACA Marketplace in 2025. The number of individuals with health coverage through the ACA Marketplace coverage has grown by 110 percent from 11.4 million to 24 million, 12 million more than before the enhanced tax credits went into effect in 2021.<sup>1</sup> The enhanced tax credits have lowered health care costs for American families, saving consumers an average of \$800 annually on their premiums.<sup>2</sup> Families above 400 percent of the FPL are saving an average of

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<sup>1</sup> The White House, *FACT SHEET: Biden-Harris Administration Announces Record-Breaking 2025 Open Enrollment Period Under the Affordable Care Act* (Jan. 8, 2025) (press release).

<sup>2</sup> *Id.*

\$3,200 annually.<sup>3</sup> These historic levels of enrollment and premium reductions are made possible by the enhanced premium tax credits. We request a CBO analysis to discuss the effects on health insurance coverage that will result from not extending the enhanced premium tax credits.

The 2025 Marketplace Integrity and Affordability Proposed Rule, released on March 10, 2025, includes proposed policies that, by its own estimate, will result in two million Americans losing coverage through the Marketplaces in 2026.<sup>4</sup> The proposed rule makes it harder for individuals and families to access coverage by shortening the open enrollment period, eliminating special enrollment periods that help low-income families, and new income verification rules and restrictions on enrollment. We request a CBO analysis to discuss the effects on health insurance coverage that will result from the policies in the proposed rule if all of the policies are finalized as proposed.

To help Congress understand the implications of 1) Republicans' cuts to Medicaid and other health care programs, 2) their failure to extend the enhanced premium tax credits and 3) the harmful policies included in the Administration's proposed rule, we request an analysis of the total effects on the number of individuals without health insurance coverage from the combined effects of these policies by the end of the budget window (2034).

Thank you for your work on this analysis. Please contact Saha Khaterzai or Gayle Mauser at 202-225-2927 with any questions.

Sincerely,



Frank Pallone, Jr.  
Ranking Member  
House Committee on Energy and Commerce



Ron Wyden  
Ranking Member  
Senate Committee on Finance



Richard Neal  
Ranking Member  
House Committee on Ways and Means

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<sup>3</sup> The White House, *Expanded Financial Assistance Allows Families to Save Money and Upgrade Health Insurance* (Nov. 8, 2024) (<https://bidenwhitehouse.archives.gov/cea/written-materials/2024/11/08/expanded-financial-assistance-allows-families-to-save-money-and-upgrade-health-insurance/>).

<sup>4</sup> See note 1.