

# **Statement: Congressional Republicans and President Trump Fail to Address Affordability; Health Care Costs Set to Spike for Millions**

Statement of Sharon Parrott, CBPP President, on Senate vote rejecting extension of ACA premium tax credit enhancements

With premium tax credit (PTC) enhancements that make Affordable Care Act (ACA) marketplace coverage affordable set to expire at the end of this month, Senate Republicans today blocked a bill to extend the enhancements and prevent millions of people from seeing their health care costs spike starting January 1.

Instead of supporting this common-sense and urgently needed legislation, Senate Republicans put forward a partisan proposal from Senators Cassidy and Crapo that fails to extend the PTC enhancements and would leave people with less coverage, higher costs, and more medical debt. Congressional leadership and the White House have similarly blocked any meaningful effort to reach a bipartisan compromise on this critical issue.

Congressional Republicans and the President claim they are serious about addressing affordability issues for people across the U.S., but their continued refusal to negotiate and find a bipartisan solution will cause annual premiums for people with marketplace coverage to more than double on average, including for families, small business owners, young adults, and workers who can't afford their employer coverage.

The Congressional Budget Office estimates 4 million people will be unable to afford this cost increase and become uninsured. Many people may have already been scared away from marketplace coverage by the higher prices they saw as they shopped for coverage during open enrollment, which started last month.

These coverage losses would come on top of the harmful megabill that Republicans enacted earlier this year, which is projected to leave 10 million people uninsured through cuts to Medicaid and marketplace coverage.

Some who have enrolled for 2026 will make difficult tradeoffs to be able to pay the higher premiums, such as cutting back on groceries and other basics. Others will enroll in less-generous plans that leave them exposed to high out-of-pocket costs and medical debt. And still others may initially enroll and then drop coverage at some point during the year when the premiums prove unaffordable.

At the 11<sup>th</sup> hour, Senate Republicans coalesced around a proposal put forward by Senators Cassidy and Crapo that is designed to push people into low-quality plans with high deductibles, leaving people exposed to devastating health care costs if they get sick.

For instance, a 40-year-old in New Orleans making \$30,000 a year will pay \$1,358 more for their annual premium for a silver-level plan due to the expiration of the PTC enhancements. Cassidy and Crapo's proposal wouldn't stop this premium hike. Under the proposal, this person could use their now-lower premium tax credit to fully cover the premiums for a lower-value bronze plan, but such a plan would come with a staggering deductible of \$9,900. The Cassidy-Crapo plan would deposit \$1,000 into a health savings account for a bronze plan holder (but not for someone who struggles to buy better coverage), but that would still leave them with an \$8,900 out-of-pocket deductible – nearly 30 percent of their income – before their health insurance kicked in. If this person got sick and needed to be admitted to the hospital for a few days, they would face that \$8,900 in out-of-pocket costs before insurance covered any part of their care.

By contrast, if the PTC enhancements are simply extended, this individual could buy a silver plan for \$492 a year, about the same as they paid in 2025, with a deductible of only \$700, giving them the financial security to seek the care they need.

Cassidy and Crapo's proposal also brings back policies Republicans considered and rejected as part of their harmful megabill earlier this year that would take coverage away from more people and hamstring states' ability to provide comprehensive health coverage to their own residents. And it would codify regulations that increase costs and reduce availability of gender-affirming care.

If the President and congressional Republicans are serious about protecting families from enormous price spikes, they need to deal in reality: open enrollment started in November, premiums come due next month, and without action the premiums that people will pay will spike.

The solution is simple: a clean extension of the PTC enhancements would be the best outcome for the more than 20 million people whose coverage and costs are hanging in the balance. There is still time for Congress and President Trump to act, if they take this common-sense approach. Legislation should also correct for the delay in fixing this issue and grant people more time to enroll for 2026, so they can return to the marketplace, assess their new options, and secure coverage.

Republicans campaigned in 2024 on the promise that they would make it easier for families to make ends meet, but their actions since taking office have raised costs for basic needs such as health care, food, and housing and taken away people's health coverage and food assistance. If Republicans and the President are serious about affordability, it is time for them to prevent premium spikes with the only realistic solution available.

---

*The Center on Budget and Policy Priorities is a nonprofit, nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs. It is supported primarily by foundation grants.*