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Higher Marketplace Premiums Take a Toll on Enrollment and on Marketplace Enrollees

Congressional Republicans failed to extend premium tax credit (PTC) enhancements at the end of 2025, and now the harm of higher marketplace premium costs is beginning to show up.[1] Enrollment has plummeted, and many families are making tough tradeoffs to afford health care along with other basic needs.

The premiums people pay for marketplace coverage in 2026 more than doubled, on average.[2] As a result of the higher premiums most enrollees faced, the number of people choosing a marketplace plan for 2026 fell for the first time since 2020 by 1.2 million people, a 5 percent decline. Unfortunately, data from states show that coverage losses are mounting, as many people who initially selected a plan or who were automatically reenrolled drop coverage in the face of high premiums.

While some states have introduced their own policies to lower premiums and mitigate the harm caused by the loss of federal subsidies, these measures cover only a fraction of those affected by the expiration of the enhancements and are temporary.[3] Without PTC enhancements, many more people will lose coverage that helps them afford the health care they need.

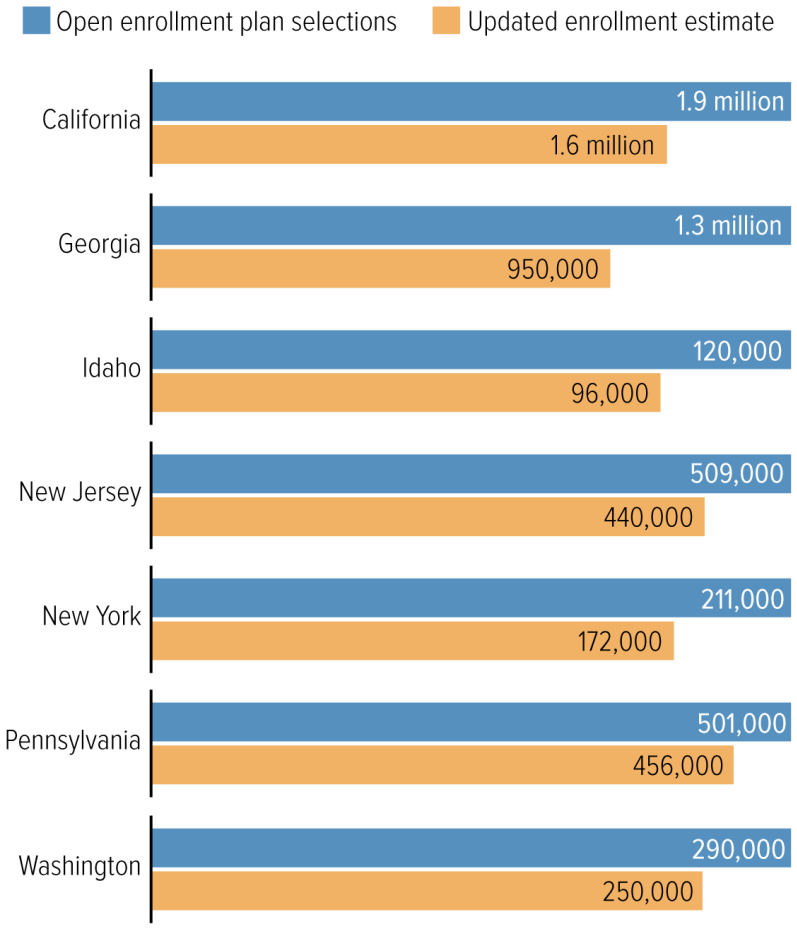
Early Data From States Show Declining Enrollment Since January

Data from states that run their own marketplaces suggest that large numbers of people who selected a 2026 plan or were automatically reenrolled in one are now dropping coverage, and at higher rates than in previous years.[4] These states never experienced the unauthorized enrollment issues[5] that occurred on the federal marketplace (where certain agents and brokers fraudulently enrolled and switched enrollees' plans to gain commissions), which makes claims that this attrition is simply eliminating fraud improbable.[6]

A few states have already reported a significant number of people dropping marketplace coverage this year, with declines since January ranging from 9 percent in Pennsylvania to 28 percent in Georgia. (See Figure 1.) See the Appendix for sources for all states shown in Figure 1.

FIGURE 1

Early Data Show Large ACA Marketplace Coverage Losses Following Open Enrollment



Source: Open enrollment plan selections are from the Centers for Medicare & Medicaid Services. Updated enrollment estimates are from state-based marketplaces and represent the number of people who had an active policy and paid their premium at the time the data were reported. Reporting dates vary by state and range from March 15 to April 23. See Jennifer Sullivan, "Higher ACA Marketplace Premiums Take a Toll on Enrollment and on Marketplace Enrollees," for details on sources and how enrollment is measured in each state.

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Data are not yet available for every state, but a private actuarial analysis with data from 30 states[7] estimated that on average, only 86 percent of enrollees paid their first premium in January (after applying grace period rules,[8] coverage is canceled for people who don't pay their January premium), and actual individual market enrollment may decline between 17 and 26 percent this year. This is not unexpected; the Congressional Budget Office projected that millions of people will become uninsured over the next decade due to Congress's failure to extend PTC enhancements (around 4 million people), and new barriers to marketplace enrollment in a Trump Administration marketplace regulation and cuts in the Republican reconciliation legislation enacted in July 2025 (around 3 million people). And an

estimated 7.5 million people are expected to lose Medicaid, also due to cuts in the Republican reconciliation legislation.[9]

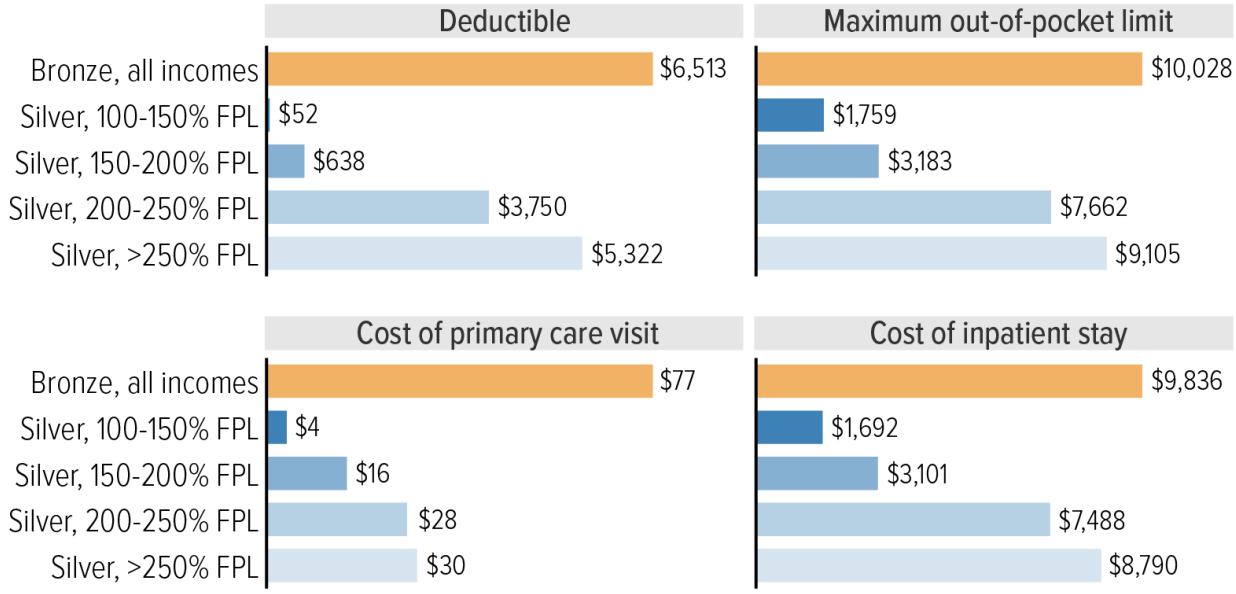
How Higher Premiums Affect Current and Former Marketplace Enrollees

In addition to premium hikes, many people who remain enrolled in marketplace coverage this year are also facing higher deductibles and out-of-pocket costs.[10] The share of enrollees choosing bronze plans — plans that provide skimpier coverage and typically require higher cost sharing than silver and gold plans — increased from 30 percent in 2025 to 40 percent in 2026. Far fewer people received silver plans with cost sharing reductions (CSRs) to help them pay for their deductibles and other out-of-pocket expenses. With silver-plan premium costs rising sharply with the expiration of the PTC enhancements, many people who would have received CSRs enrolled in bronze plans with lower premiums, but significantly higher out-of-pocket costs. (See Figure 2.)

FIGURE 2

Silver Marketplace Plans Provide More Protection From High Health Care Costs Than Bronze Plans

Average plan features and example costs of care for individuals in Affordable Care Act marketplace plans, by metal level and income eligibility for silver plans with CSRs



Note: CSR = cost-sharing reduction; FPL = federal poverty level.

Source: CBPP analysis of the Centers for Medicare & Medicaid Services landscape files for HealthCare.gov states. Costs of care are based on the latest national averages from the Agency for Healthcare Research and Quality adjusted for health care inflation and assume enrollees have not applied other expenses toward their deductibles.

For people with chronic conditions, the increase in premiums and out-of-pocket costs has made it harder to afford the routine care they need.

> *"[My plan from last year] did go up five-fold in premiums…and that's not even talking about increases in deductible and out of pocket. So yeah, it's been kind of a shock, especially at the beginning of the year, dealing with all the medical supplies that I need and drugs that I use." – M.M., 44, IT consultant, Illinois*

> *"[My premiums] did go up and my co-pays and deductibles and all of that also went up. For me, I'm a type one diabetic, and I've got a lot of health problems and a lot of doctor appointments and just a lot of things going on health wise. So it's going to take some time to figure out how much all of that is really going to affect me with the increases." – Lisa J., 57, part-time tutor, Ohio*

People faced difficult decisions choosing a plan as premiums skyrocketed. A person with few health care needs may have been able to reduce their premium increase by switching to a less generous plan. But for people with specific, ongoing health care needs, it is important for continuity of care to keep seeing the same providers. This often means keeping the same plan – regardless of premium increases – to ensure those providers continue to be in-network.

> *"The big problem this year was … I have two really specific doctors I need to see for issues I have, and there was really only one plan that had them both. My monthly premium almost tripled. So that's depressing." – Anonymous, 35, E-commerce manager for a small business, Georgia*

For some people, keeping marketplace coverage at any metal tier in 2026 was simply too costly, and many of these individuals have become uninsured.[11] But even people who were priced out of marketplace coverage this year and have access to employer coverage are finding it more difficult to afford basic needs.

> *"With the increase in premiums, we could break even for the year if we stopped buying groceries altogether." – Carrie, 50, unpaid caregiver, Iowa, left the marketplace in 2026 due to premiums, enrolled in spouse's employer coverage*

State Stopgaps Help Reduce Coverage Losses, But Are Not Sustainable

Several states' efforts to lower premiums, including state-funded premium subsidies and other policies,[12] have helped sustain plan selections. For example:

- In **New Mexico**, plan selections increased by 14 percent compared to 2025, the largest increase in any state. The state is fully replacing lost federal subsidies for people regardless of income, including those who lost subsidies due to changes to immigrant eligibility included in the 2025 Republican reconciliation law. This assistance currently ends mid-2027.

- In **Massachusetts**, plan selections increased by 5 percent. The state is partially replacing lost federal subsidies for people with incomes up to 400 percent of the federal poverty level (FPL). Starting in 2027, this assistance will only be available to people with income up to 300 percent of the FPL.
- In **Connecticut**, plan selections increased by 2 percent. The state is fully replacing lost federal subsidies for people with income between 100–200 percent FPL and providing a partial replacement for people with income between 400–500 percent FPL. This assistance is currently only available in 2026.

While coverage losses would be larger without state-funded premium subsidies and other state policies to reduce enrollees' premiums, these efforts are damage control and not likely to be a durable solution nor are they likely to become a more widespread solution. Most marketplace enrollees don't qualify for state subsidies and fewer than 1 in 4 non-elderly people in the U.S. even live in a state that is offering them.[13] Plus, most states will struggle to maintain these subsidies beyond their current expiration, which is generally in the next 12–18 months.

The Republican reconciliation law's deep cuts to programs that help people meet their basic needs foist significant new costs and responsibilities on states,[14] in addition to many states' own policy choices that are intensifying budget pressures.[15] Most states won't be able or willing to pick up the slack following congressional Republicans' refusal to extend PTC enhancements. But the longer people with marketplace coverage endure higher premiums and unaffordable cost sharing, the more they are likely to delay needed care, drop coverage, and accrue significant medical debt. Congress should reinstate federally funded PTC enhancements to restore millions of people's access to affordable health care.

Appendix

Plan selection data in this paper come from the Centers for Medicare and Medicaid Services.[16] Enrollment and cancellation/termination data come from state-based marketplaces' reporting. State-based marketplaces do not report data in a uniform way; language below reflects the language used in the source data.

- In **California**, 1.9 million people selected a plan during open enrollment, but 374,000 people cancelled or terminated their plans by April 6, 2026, a nearly 20 percent decrease.[17]
- In **Georgia**, 1.3 million people selected a plan during open enrollment, but only 950,000 people had an active policy as of April 17, 2026. This is a 28 percent decrease, the largest of all states reporting so far.[18]
- In **Idaho**, 120,400 people selected a plan during open enrollment, but 24,400 people had disenrolled as of April 23, 2026, a 20 percent decrease.[19]
- In **New Jersey**, 509,200 people selected a plan during open enrollment, but only 440,400 people were enrolled as of April 15, 2026, a 14 percent decrease.[20]
- In **New York**, 210,700 people selected a plan during open enrollment, but 38,600 had terminated or cancelled coverage as of March 15, 2026, an 18 percent decrease.[21]
- In **Pennsylvania**, 501,500 people selected a plan during open enrollment, but 45,000 people had cancelled or terminated their plans by April 9, 2026, a 9 percent decrease.[22]
- In **Washington**, 290,100 people selected a plan during open enrollment, but enrollment had declined to 250,000 by the end of March, a 14 percent decrease.[23]

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