



June 28, 2022

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Charles E. Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell:

As governors, we are working to expand access to quality, affordable healthcare for the people of our states. Since the beginning of the pandemic, we have seen the tragic impact of disease and illness among the uninsured and underinsured, particularly in communities of color and other underserved populations. As we have experienced during the COVID-19 pandemic, access to affordable health insurance can sometimes mean the difference between life or death. At a time when governments at all levels are struggling to find ways to reduce costs for the American people, we cannot allow the looming specter of rising health costs to cause more uncertainty and stress for American families. Therefore, we urge you to take action and ensure funding is in place to preserve Affordable Care Act (ACA) subsidies known as advanced premium tax credits (APTCs).

We applaud Congress for the passage of the American Rescue Plan Act of 2021 (ARP), which expanded and enhanced ACA APTCs. The ARP's expansion of subsidies, along with the Biden Administration's investment in marketing and enrollment support, led to a record high 14.5 million people signing up for ACA coverage during the most recent open enrollment period, a 21 percent increase from the prior year.¹

¹ <https://www.cms.gov/files/document/state-anniversary.pdf>

Health insurance coverage is critical to ensure consumers have access to healthcare and the best way to increase enrollment is to make coverage more affordable. The ARP has lowered costs for consumers: families saved an average of \$200 a month in premiums, with four out of five consumers eligible to obtain a plan for \$10 or less.² The ARP expanded access to financial assistance and increased the number of consumers eligible for subsidies by 2.8 million in 2022 compared to the prior year.³ With the Biden Administration’s reinvestment in the ACA and the proposed rulemaking to fix the “Family Glitch,” we have a historic opportunity to build upon these enrollment gains and affordability improvements next year and in years to come.

Unfortunately, the ARP-expanded subsidy eligibility is set to expire at the end of the current plan year, leaving consumers exposed to dramatic premium increases, and threatening the progress we have made. As inflation continues to put a strain on consumers’ budgets, we are concerned that many people will choose to reduce health insurance coverage or even go without coverage if Congress fails to act. The Biden Administration estimates that approximately 3.4 million consumers currently enrolled could lose coverage if the ARP subsidy expansions expire at the end of 2022.⁴ The expiration of the enhanced subsidies would also lead to a decrease in enrollment and an increase in premiums, destabilizing health insurance markets, and impacting affordability for the broader population. Additionally, as the Public Health Emergency is expected to end in the coming months, some consumers will no longer be eligible for Medicaid but may become eligible for ACA subsidies. Without the enhanced subsidies to ensure there are affordable marketplace options, those consumers are likely to become uninsured.

Healthcare is a right—not a privilege. The ARP greatly improved health insurance affordability to ensure lifesaving healthcare is accessible to all Americans. We urge you to take action immediately to make the ARP expanded subsidies permanent to prevent a disastrous erosion of health insurance coverage.

Sincerely,



Governor JB Pritzker
State of Illinois



Governor Gavin Newsom
State of California

² <https://www.whitehouse.gov/briefing-room/statements-releases/2022/04/05/fact-sheet-biden-harris-administration-proposes-rule-to-fix-family-glitch-and-lower-health-care-costs/>

³ <https://www.cms.gov/files/document/state-anniversary.pdf>

⁴ <https://www.hhs.gov/about/news/2022/03/23/12-year-anniversary-affordable-care-act-new-hhs-report-shows-ways-biden-harris-administrations-american-rescue-plan-investments-lowering-health-care-costs-expanding-coverage.html>



Governor Jared Polis
State of Colorado



Governor Ned Lamont
State of Connecticut



Governor Gretchen Whitmer
State of Michigan



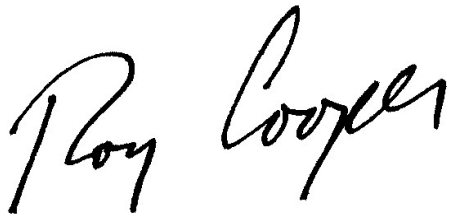
Governor Steve Sisolak
State of Nevada



Governor Phil Murphy
State of New Jersey



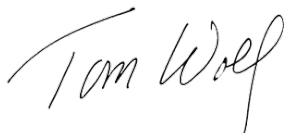
Governor Kathy Hochul
State of New York



Governor Roy Cooper
State of North Carolina



Governor Kate Brown
State of Oregon



Governor Tom Wolf
State of Pennsylvania



Governor Dan McKee
State of Rhode Island



Governor Albert Bryan
Territory of the U.S. Virgin Islands



Governor Jay Inslee
State of Washington