



Enhanced ACA Subsidies Mean More Coverage for Texans

Description

The News ??

Yesterday, President Biden [signed broad ranging legislation that includes several major health care initiatives](#), including **extending the enhanced subsidies for ACA health plans**.

First part of the American Rescue Plan Act, these enhanced subsidies help make coverage affordable for many Americans, but were set to expire at the end of this year. Under the new legislation, the [enhanced subsidies will go through 2025](#).

Why Does it Matter ??

This is good news for the **13 million Americans** who are currently taking advantage of the subsidies. According to Kaiser Health, millions of Americans would have seen the premiums for their marketplace [plans rise more than 50% if the premiums were allowed to expire](#).

What This Means for Texas ??

- **Texas saw the biggest growth in ACA enrollment [of any state](#)** in the nation, an 80% growth in just two years. As the state with the highest uninsured population, these enhanced subsidies increase coverage options for Texans, many who might not have coverage any other way.
- **The Texas individual health insurance market is stronger than ever** with [14 plans in the market](#) (tied for the most of any state) and 4 more likely to enter soon. Plans will have to compete against each other to offer the best values and Texans have more options to find plans that meet their needs.
- **Enhanced subsidies help close the coverage gap** that exists in states like Texas, where individuals and families made too much for Medicaid but could not affordably obtain coverage on the individual market.
- **ACA plans are a viable coverage option for those who may no longer qualify for Medicaid.** Millions of Texans will need to have their Medicaid eligibility redetermined at the end of the declared public health emergency, which could happen this fall. Many will no longer qualify for Medicaid and will need other coverage. ACA plans are likely their best bet.

Two Takeaways???

- Americans, especially Texans, showed an eagerness to enroll in health insurance when affordable options exist.
- With these enhanced subsidies, ACA plans may be one of the best ways for Texans without health insurance to gain coverage.

Date Created

August 2022

Author

tahp