



October 4, 2024

The Honorable Lauren Underwood
U.S. House of Representatives
Washington, DC 20515

The Honorable Jeanne Shaheen
United States Senate
Washington, DC 20510

The Honorable Tammy Baldwin
United States Senate
Washington, DC 20510

Dear Representative Underwood and Senators Shaheen and Baldwin:

On behalf of the American College of Physicians (ACP), I am writing to express our strong support for the Health Care Affordability Act, legislation that would permanently expand eligibility for enhanced premium tax credits for Health Insurance Marketplace coverage. We applaud your leadership on this important issue as, now more than ever, it is vital that all Americans have access to affordable care and coverage.

ACP is the largest medical specialty organization and the second largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness.

Health Care Affordability Act (HCAA)

The HCAA would make permanent the enhanced premium tax credits for Health Insurance Marketplace coverage that were established in the American Rescue Plan Act and extended in the Inflation Reduction Act (IRA). These credits aim to help low-income individuals who don't qualify for Medicaid afford less expensive health insurance. The enhanced tax credits increased the value of the tax credits available to people with income between 100 and 400 percent of the federal poverty level (FPL) while expanding eligibility for premium tax credits to include individuals with income above 400 percent of FPL. Enhancements to the premium credits enacted under the 2010 health care law expire at the end of 2025. Congress last renewed these tax credits in 2022.

Access to Care

On a daily basis, internal medicine physicians see the [health risks](#) associated with being uninsured and the poorer health that results from lack of insurance. Uninsured Americans are far less likely to have a regular source of care or to have recently seen a physician. They are more likely to delay seeking care, even when ill or injured; more likely to report unmet medical needs; and are more often hospitalized for illness or disease.

According to the [U.S. Census Bureau](#), in 2023, 26.4.0 million people of all ages (8.0 percent) were uninsured. Although the uninsured rate was statistically similar in 2022, there was a slight uptick in the

uninsured rate among children aged 19 or younger between 2022 and 2023. In 2010, when the ACA was enacted, the uninsured rate was at 16 percent. Over time, the number of uninsured has decreased, thanks in part to the premium tax credits that were created through the ACA and subsequently enhanced and extended in the American Rescue Plan Act and most recently in the IRA.

According to the Kaiser Family Foundation ([KFF](#)), an independent, non-profit source for health policy research, 92 percent of the 21.4 million enrolled in the ACA marketplace since 2021, qualify for the premium tax credits. Between 2014 and 2024, the [number](#) of consumers selecting Marketplace plans has grown from 8 million to 21.4 million. If those enhanced credits expire next year, the KFF [report](#) noted that roughly 19 million Americans will face double-digit, or triple-digit increases in their premium payments. KFF also found that the enhanced credits cut consumers' costs by about 44 percent, saving the average enrollee \$700 annually if they remain intact. Allowing enhanced ACA tax credits to expire next year could leave [2 million](#) people with chronic conditions uninsured. Therefore, the need for Congress to make these tax credit enhancements permanent through the HCAA could not be more important.

As outlined in our [position paper](#), *Improving the Patient Protection and Affordability Act's Insurance Coverage Provisions*, ACP believes that the eligibility requirements for premium tax credits and cost sharing should be redesigned to enhance individual market insurance affordability. Specifically, the 400 percent FPL premium tax credit eligibility cap should be eliminated, and the amount of premium tax credits for all income levels should be enhanced. Unsubsidized persons are severely affected by premium spikes because they pay for premiums out of pocket. Removing the 400 percent FPL eligibility "cliff" for the premium tax credit is one way to protect middle-income persons and families from dramatic premium hikes and amplify enrollment.

Conclusion

We appreciate this opportunity to share our comments on the Health Care Affordability Act and look forward to working with you to advance it through the legislative process. Should you have any questions, or if we can be of further assistance, please contact George Lyons at glyons@acponline.org.

Sincerely,



Isaac O. Opole, MD, PHD, MACP

President