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How the Trump Administration and Congress Are Reshaping the Affordable Care Act's Marketplaces: Views from the States

Larry Levitt: Hello. I'm Larry Levitt, executive vice president at KFF. Thanks for joining us in this conversation about potentially big changes coming in the Affordable Care Act marketplaces. A budget reconciliation bill that decreases taxes and cuts spending has passed the house and is now being taken up by the Senate. The so-called one big beautiful bill would cut Medicaid spending by an estimated $793 billion over a decade, an issue that's received a fair amount of attention. What's gotten less attention are the substantial cuts to the ACA as federal spending on the ACA for premium assistance would be cut by $268 billion over 10 years. All told the Congressional Budget Office estimates that 10.9 million more people would be uninsured as a result of the Medicaid and ACA changes. At a trillion dollars in cuts in total, this would be the biggest rollback in federal support for health coverage ever.

At the same time, premium tax credits are due to expire at the end of this year unless Congress extends them. That would lead to big increases in out-of-pocket premiums and millions more people uninsured. And the Trump administration is taking executive actions that would further limit ACA coverage. Our aim today is to explain these potential changes to the ACA and in particular provide a view from the states of what it would mean on the ground in health insurance marketplaces.

We're joined by Cynthia Cox, who heads up policy research on the ACA for KFF and by two leaders of state-based ACA marketplaces. Pat Kelly from Your Health Idaho, and Michele Eberle from the Maryland Health Benefits Exchange. A little bit of housekeeping before we jump in. If you have questions, submit them at any time through the Q&A button in Zoom. We'll get to as many of them as we can. Also note that the session is being recorded and an archived version should be available later today. So we're going to begin with a brief explanation from Cynthia of recent ACA marketplace trends and what changes might be in store.

Cynthia Cox: Thanks, Larry. So I'm going to start by just talking about some of the big changes that we're expecting in the ACA marketplaces. The first of course is as Larry mentioned, the big beautiful bill act passed by the house, which the CBO estimates would lead to about three million more people being uninsured. And that's just from the ACA marketplace changes. There's additional people, almost eight million more people who have become uninsured due to changes in

Medicaid. The second big change to the ACA marketplace is a Trump administration proposed rule on program integrity. The CBO actually says that this rule would lead to about 1.8 million more people being uninsured. But because the one big beautiful bill act includes many of the same provisions, the CBO basically splits that effect in half and says about half of that goes into the bill and the other half goes into the proposed rule itself.

And last but not least, as Larry mentioned, there's an expectation that enhanced premium tax credits will expire at the end of this year. So this is additional financial help to lower premiums for people buying coverage on the ACA marketplaces. If Congress does nothing, then these enhanced tax credits expire. CBO says that about four million more people would be uninsured with the expiration of those tax credits. So putting this all together brings us to eight million more people being uninsured just due to changes in the ACA marketplaces. As I mentioned on top of this, there's another nearly eight million people who would become uninsured due to changes in Medicaid so that brings the total to about 16 million more people being uninsured from the combination of these three changes.

The next slide. So as I mentioned, the budget reconciliation package includes a number of provisions that would put into law a Trump administration proposed rule on program integrity. So some examples of those provisions include a shorter open enrollment period, tightening up special enrollment opportunities, and also creating a new $5 monthly charge for people who would otherwise be auto-re-enrolled into a $0 premium plan. And it also requires some new documentation requirements, including for people who are near the poverty level. On top of those changes, the bill would also appropriate cost sharing reduction payments. It would require verification of eligibility before enrolling in coverage, which would essentially do away with auto-re-enrollment. And it would remove repayment caps on tax credits, meaning that low income people, many of whom experienced a great deal of income volatility, could potentially have to repay thousands of dollars if they aren't able to accurately predict their income in the coming year.

Next slide. So one important thing that the reconciliation package does not do is that it does not extend these enhanced premium tax credits that have been on the marketplace for about five years. What that would mean is that on average, after taking into account the tax credit, marketplace enrollees would pay about 75% more for their monthly premium payment. Lower-income people could see triple-digit increases in what they pay each month and middle and higher-income people could also see double-digit increases in their monthly payments. Next slide. So these enhanced tax credits have led to the marketplace doubling

in size from about 12 million people to 24 million people in the last few years. Next slide. And a lot of that growth is concentrated in states won by President Trump, in particular, some southern red states that had had high uninsurance rates and also had not expanded Medicaid.

Next slide. So putting this all together, as I said at the beginning, just the changes to the ACA, which includes the passing of the one big beautiful bill act, the enactment of the Trump administration proposed rule and the expiration of enhanced premium tax brings nationally the total number of uninsured people just from changes to the ACA to 8.2 million people. But half of this is concentrated in just three states. Florida, where more than two million people would be uninsured, Texas, where almost two million people would be uninsured and Georgia, where about 700,000 people would be uninsured just to changes in the ACA markets. In Florida in particular, these changes could lead to an additional 9% of the state's population being uninsured. Florida has the most ACA marketplace enrollees of any state, and it comprises about one-fifth of the national total. Other states with high shares of their population becoming uninsured just due to changes in the ACA markets include Mississippi and South Carolina where about four to 5% of their populations would be uninsured. Now again, this is just due to changes in the ACA marketplace. There would be other people who become uninsured due to Medicaid changes, bringing the total up to 16 million. Thanks.

Larry Levitt: Thanks Cynthia. So Pat, Cynthia was talking about Florida. Idaho is a somewhat smaller state than Florida. From your vantage point in Idaho, how big a deal would the expiration of these enhanced premium tax credits be in terms of what people have to pay in premiums and how many people would end up being enrolled in coverage?

Pat Kelly: Well, Larry, yes, Idaho is a little bit different geographically than Idaho but the impact is still significant. We've been looking at this for a long time and we think that on average premiums will almost double for those that currently receive an enhanced premium tax credit. And we could see as many as 25,000 Idahoans drop coverage due to affordability changes if those are allowed to expire.

Larry Levitt: And paint a picture. Who are these people who are benefiting from these enhanced tax credits?

Pat Kelly: Well, Idaho is a mixture of population centers like the Treasure Valley here in Boise, but also we have lots of rural areas across the state. Like most states, our enrollment on the exchange does follow the distribution of population. So it means that a young family, a family of four here in the Treasure Valley, they

may have to choose between having health insurance or a soccer or travel team for their kids. Or we could have people in agriculture in the southeastern part of the state or up north where their income is more unpredictable. They could also have to make some really hard choices about investing in their agriculture business or choosing health insurance. And I don't think for either of those situations, those are really good options. So we want to make sure that we're educating people as we go into open enrollment about how to their coverage and make sure that they can still find a way to afford things, but yet we're still concerned. And as I mentioned earlier, we expect about 25,000 enrollments to drop due to affordability changes.

Larry Levitt: So Michele, Pat mentioned open enrollment, which begins November 1st. There has not been a lot of debate in Congress yet about these enhanced premium tax credits which do expire at the end of this year if Congress doesn't act. If they are extended, and that's a big if it'll probably happen later in the year. How does this play out? With insurers setting premiums, you having to prepare the website to show consumers their choices, how does the timing of all this work? Michele, you're on mute.

Michele Eberle: Sorry about that.

Larry Levitt: No problem.

Michele Eberle: In Maryland, we had our issuers submit two sets of rates. So considering that one expanded tax credits would be continued and one that they would not. The proposed rates in Maryland were just released. And in Maryland, on average, it's a 17.1% increase considering they took into consideration or that's if the expanded tax credits were not continued. So that does not even take into consideration anything that's existing in the one big beautiful bill that will also put pressure on those rates. Now the challenge is we are obligated to get notices out to our consumers in October. We usually send them out the end of September. And without any action from Congress, there's going to be a lot of confusion. That means do we send one notice out and then subsequently send another notice out? How do we start communicating with our consumers that they're likely to see ... In Maryland, we're anticipating it's a 68% increase overall due to the loss of EPTCs. And so how do we message that? How do we communicate? Because we know that our consumers who are used to auto enrollment will get that notice and be quite confused.

Larry Levitt: So you mentioned a 17% increase, assuming the enhanced tax credits expire. Do you have a sense of how much higher that is than what it would be if they continue?

Michele Eberle: The proposed rates that were filed looked to be pretty much on trend, and I believe that was about six or 7% proposed if the tax credits were extended. And again, these are just proposed rates, so anything is likely to change.

Larry Levitt: Got it. So that's a big difference. Cynthia, is that consistent with what you've been seeing in other states and the expiration of the tax credits increased what people pay. Why would that cause the underlying gross premiums to increase more?

Cynthia Cox: Yeah. So we've looked at premium rate filings in a handful of states. There are only a few states that have this information out publicly so far. We'll get more information later in the summer. But first I want to just distinguish between the gross premium, which is what the insurance company charges. Part of that is paid by the enrollee, and part of that is paid by the federal government and a tax credit. And then there's what we call the net premium, which is really just how much the enrollee pays. So the enhanced premium tax credits expiring would change the net premium, meaning that people get less financial help, so they pay a larger share of the total premium. We would expect that people who are sicker or higher risk would be more likely to keep their coverage. They'd be willing to pay more to keep their coverage and healthier. People might not see as much value in their health coverage and see a big premium increase like 75% and just decide to drop their coverage. So what that means is that on average, the people left in the market are sicker so that has the effect that insurance companies charge more for the premium. We're seeing that across a handful of states so far, about four percentage points of the premium increase for next year is due just the enhanced premium tax credits expiring. So that's a reflection of the risk pool getting sicker essentially.

Larry Levitt: And Pat, you mentioned people with volatile incomes and how this all affects them. So stepping back a little bit, we've been calling these this premium assistance tax credits because they are tax credits, they're credits on the taxes that people pay. Obviously people file their taxes usually in April. We all wait until the last minute. So the tax credits are available in an advanced way when people sign up for coverage to help them pay their premiums. And then they're reconciled after the fact based on actual income. And you may owe more or you may get money back. One of the proposals, one of the provisions in the reconciliation bill passed by the house is to remove any caps on how much people have to pay. How do you see that playing out in practice in terms of these folks with volatile incomes that you mentioned?

Pat Kelly: It's a really good question, Larry, and I think a lot of what's in either the reconciliation bill or the program integrity role, some of it depends on how

those items are actually operationalized. But specifically to the removal of the limits to advanced premium tax credit recapture. We think it's more important than ever than folks in Idaho work with an agent or broker. And the criticality there is so that they constantly update that income for those individuals who have more volatility in their earnings.

We have about 70% of our enrollments that work with an agent or broker so we'll really have a two-fold approach to that one. We'll educate our agents and brokers that you need to set regular check-ins with your consumers and make sure they're updating their income. And then for those that don't work with an agent or broker, we would encourage them to find an agent and we'll help them with those resources. But also find a way to communicate and make sure they are updating their income. That would be the best way that we can mitigate the impact to that change in the rule. But ultimately it would be, I would guess a rather unpleasant surprise for folks when they come around to doing their taxes. Recovering CFO like me, I love the word reconciliation. It's pretty exciting. But in this case, I don't think it's going to really deliver that excitement. More of surprises that are not going to be overly positive for folks.

Larry Levitt: An understatement, I imagine. Yeah. So Michele, so a lot of these changes, and Cynthia talked about, some of them are very technical. Some of them sound reasonable on the face. So for example, one would when people apply for coverage, apply for these advanced premium tax credits that help them pay their premiums during the year, they would have to go through more of an income verification process. Again, that sounds reasonable. How does this all work in practice? How does it work now? How do you envision it working if this provision in the house bill actually becomes law?

Michele Eberle: As Pat said, Larry, this is really going to be determined based on what the regulations are, how we implement, how we're required to implement it. Today, we use electronic data sources, verified data sources in Maryland in addition to the IRS system. We also use our Department of Labor, which has state income records, works very well, electronic verification, real time, so we can get people enrolled.

If we're required to do things that are more manual-based, obviously that's going to increase the amount out of work required for us, for staff, for verification, for costs, for if it requires any sending of any printed documents. It's all a lot of costs around there. But I think the biggest issue will be if there's any additional barriers created for consumers who have for 12 years been auto-renewed in the process we've been using. And now if that process changes and we're not able to communicate that effectively or they just don't expect it, then

the outcome might be someone loses that opportunity to enroll during the open enrollment period and may be locked out a coverage for another year. So again, it's going to be in the details of how things come out, but the process we've had for 12 years really has been working great, and we hope that it will continue to allow us to have some electronic means of doing what we're doing today.

Larry Levitt: Pat, Michele mentioned this auto-renewal. This idea that many people go on the Exchange Marketplace website, look at their options, may change their options from year to year, but if they don't, they're auto-renewed and coverage. Like it works for those of us who have employer-based coverage. We don't have to affirmatively renew that coverage every year. In Idaho how many people end up getting auto-renewed, and what disruptions could this change mean for those folks?

Pat Kelly: Well, I would just start off with reiterating what my good friend Michele mentioned, and that is we are not really sure how this policy will be operationalized. We're hopeful that we can continue to leverage some of those electronic data sources that are trusted and help with that. The most recent open enrollment, just last fall, we auto-renewed 96,000 people, 24,000 switched plans, updated their income, did some sort of manual activity with their application. So that means that 72,000 of our auto-renewals were passively renewed. I think it's important for people to understand that it's not simply a passive renewal. We actually verify every piece of information in the application, make sure that if you, Larry are being renewed in Idaho, that you're still Larry, you still live where you live, you still make the income that you make, you're still a citizen. All of those eligibility requirements, we want to make sure that nothing's changed and we're hopeful again that we can continue to rely on those electronic sources. But in short, 75% of our auto-renewals will need to be reminded that they need to do something, whatever that something may be.

Larry Levitt: And as you said, brokers may be a really important part of that process.

Pat Kelly: Yeah .and like I mentioned, 70% of the enrollments work with those agents. They're probably going to want a pay raise with all this extra work that they're faced with, but they understand and they know that helping their clients is incredibly important to their overall success and most importantly for their clients to have health insurance.

Larry Levitt: So a lot of these changes have been framed around eliminating fraud, waste and abuse. Both in Medicaid and in the ACA marketplaces. Michele, from your perspective is fraud. We only know the fraud we see, obviously, or we find. Do

you think there is a big problem with fraud and abuse in the marketplaces? And is this the way to go at it?

Michele Eberle: Our fellow colleagues and state marketplace network, we've had lots of discussions about this. For the state-based marketplaces, I can say that most of us, in effect, all of us have really tight controls around the consumer, how they engage with brokers. We know that at the federal level, the FFM, there was some challenge with their brokers. In Maryland, we really utilize our brokers significantly. They're our partner. We've set up special mechanisms for them. Warm handoffs. Special portals. Special call lines. But the most important piece of that is that the consumer has initiate that arrangement with the broker. So our brokers, we're educating them, we're testing them, we're making sure that their licenses are current. But in addition to that, we do a lot of support for our brokers. And then the other side of that is they work very closely with our connector entities, our navigators out in the field and with our consumers. But the most important thing is that consumer has to initiate or change that tango. What we call tango. So it's not like our brokers couldn't go in and do anything on behalf of the consumer without the consumer knowing that. So with that and other things, we do like data matching ... Again, as Pat said, verification on addresses our annual verifications. We're very confident that we don't have that significant fraud problem.

Larry Levitt: And Pat, how about from your perspective in Idaho?

Pat Kelly: Well, I would just start there as Michele mentioned, program integrity is at the top of the list of all of the things that we hold near and dear to our heart. We use many of the same things here in Idaho. Multi-factor authentication for privileged users, consumer initiated broker designations. In other words, brokers can't just log in and pick which consumers they want. We actually invoice on $0 premium. So people are reminded that they have health insurance. And we also do a certification process. I won't bore you with all those details other than to say so much in common with how Michele does things in Maryland, even though we're thousands of miles apart. And I think that's why the state-based marketplaces have been so successful when it comes to program integrity is because we have held this. So program integrity is just so important in how we do things. Really so that the folks in our states can trust the marketplaces and they really know what they're getting is not only quality affordable health insurance, but they're getting it from a trusted source.

Larry Levitt: So we've got a number of questions that I want to turn to, and several of them will take us into very technical and wonky territory of cost-sharing reductions and silver loading of premiums. Cynthia, let me start with you. If you could just

step back, explain briefly cost-sharing reductions, what happened, why they're silver loading, and what the proposal is in the reconciliation bill.

Cynthia Cox: Easy question. Okay. This is actually really complicated to explain, but I will do my best. So the Affordable Care Act requires that insurance companies offer reduced cost sharing plans to low income people. So what that means is basically that a low income person would sign up for a silver plan, which would under normal circumstances have a deductible of like $5,000 or so. But instead, because they're low income, the insurance company lowers that deductible to as low as less than a hundred dollars for a very low income person. Lower cost sharing is available to people who make between 100% of poverty and 250% of poverty, which for a single person is $15,000 a year income to about $40,000 a year income. So this is a requirement of insurance companies. And the Obama administration from the beginning of the ACA implementation interpreted the ACA legislation as authorizing them to make payments to insurers to offset their costs for offering these lower deductible plans.

When the Trump administration came in, there was also a lawsuit that was challenging this saying that Congress had not appropriated those funds and the Trump administration ultimately decided to stop making those cost sharing reduction payments to insurance companies. Insurance companies in most states responded by increasing the premiums that they charge for silver plans because those are the plans that the cost sharing reductions are tied to. Now, this is where it gets really complicated. But when silver premiums go up, that means that the amount that the federal government is paying and premium tax credits also go up because the amount of the premium tax credit is tied to the cost of silver plan. So what that meant is that the federal government actually ended up paying out more than they otherwise would have if they had made the cost sharing subsidy payments. And that's because they made those higher payments for silver plan, not just for people who enrolled in silver plans, but also for people who ended up enrolling in bronze or a gold plan. It meant that some people could get a free bronze or a gold plan, whereas the otherwise wouldn't have too. And so it's a little bit counterintuitive, but actually appropriating money and paying out the cost sharing subsidies saves the federal government money relative to a scenario where insurance companies are "silver loading" or charging a higher premium for silver plans.

Larry Levitt: And that's what this provision in the house bill would appropriate the money to pay insurers to compensate for offering lower deductibles and presumably then end silver loading premiums. So silver premiums would come down, though many people may actually end up paying more out of pocket out. So Pat, is this working okay now with this crazy silver loading in the marketplace? And what

do you see the effects of removing it and particularly removing it potentially quite quickly?

Pat Kelly: I think that was a question for me, Larry. Is that right?

Larry Levitt: Yes. Yes.

Pat Kelly: So as Cynthia mentioned, I think this all boils down to appropriating cost share reductions is likely to cause an increase in what we call net premium or what consumers pay. I think it's a little probably early to put a number on that, but it is an affordability issue for folks. I think in terms of how do we mitigate those risks, again, it's education with the consumer, working with an agent or broker. I think the bigger concern that we have is, as we've talked about, there's a lot going on right now. There's a lot of change and changing the cost share or funding cost share reductions for plan year 2026 is just one more piece of confusion or potentially destabilization in the overall markets. And I think when you look at what causes cost to go up, regardless of what industry you're in, is risk or uncertainty. And so I think you'll see a little bit of a ripple effect from those cost share reduction appropriations in that you may see other premium increases just due to uncertainty or again, affordability. You have people dropping out. First people that drop out are those healthy individuals, and so you see a deterioration in the risk pool. So that's how we see it. I think it's more than just the impact to net premium, but one more block of that Jenga tower being pulled out for 2026.

Larry Levitt: Yeah. That whiteboard behind you may may be very full with a to do list over the coming months. Pat, you mentioned potential instability. At what level does this rise to, if all these changes happen? Tax credits, the enhanced tax credits expire, the one big beautiful bill passes, the Trump administration program integrity rule is finalized. Is this a catastrophic level of uncertainty or how would you characterize it?

Pat Kelly: I'm not sure I would be able to put a label on the level of uncertainty. I think when you look at some of the items in the reconciliation bill or the program integrity rule, there's some in '26, there's some in '27, there's some in '28, I think that helps. But when we look over the span of those three years, this is a lot of uncertainty all at once. And so I think how we educate consumers, how we work with agents and brokers, how we work in our community really at the grassroots level will be more important than ever.

Larry Levitt: And Michele, there is one wrinkle on this appropriation of these cost sharing reduction payments, so-called CSR payments, which is that they would not be

made to plans that cover abortion other than for limited exceptions. I believe Maryland does require insurers to cover abortion services so this feels like a problem.

Michele Eberle: This would be a big problem because it is statutorily required that our issuers in the marketplace have to provide abortion care services. So they're required to do that. They're also required to provide the CSR funding. So without that funding coming from the federal government, and if we were prohibited to do the silver loading, that creates quite a problem I don't know if our carriers would be allowed to do that in just the refilings. Again, the uncertainty, would it be sustainable for carriers? Certainly the state could not cover that cost, I don't believe. So it creates a real problem and we don't know what the outcome will be. We'll still have to wait and see how this plays out.

Hopefully tying it to abortion services, we're hoping that we'll be viewed more of a policy decision and not make it through in the Byrd rules. Otherwise, we may have to again, scramble and go back to our state legislature and see if we need to do something. But as Pat mentioned, all of these changes are coming for 1/1/26. The majority of the marketplace changes. And we are now almost to July, and just the technology that needs to be changed, the communications that need to be changed, state budgets that have already been baked, this really poses significant challenges for our states.

Larry Levitt: And Michele, both you and Pat mentioned, a lot of this could depend on the details, the details of what's in the law, the details of what guidance or further regulations come from CMS, from the Trump administration. I assume that's the case with this abortion restriction, silver loading as well. The bill itself does not specifically mention silver loading, so that could depend on what the Trump administration would ultimately allow.

Michele Eberle: Correct. And again, the sooner that is known, the sooner that the marketplaces can react to it, but with the unknown, it's a challenge.

Larry Levitt: So we've got a number of questions about the overall magnitude of these changes. And Pat, you mentioned a lot of this coming at once, creating uncertainty. Cynthia laid out the Congressional budget office projections of how many more people might be uninsured. Curious from both of you, whether you have done any contingency planning that you can talk about in terms of what this would mean in terms of the share of reduced enrollment, taking all this into account and Pat maybe start with you.

Pat Kelly: Thanks, Larry. I think probably put it in overdrive in terms of scenario planning and the amount of time and space that this has taken up. It certainly in my head and that of the rest of the team here at Your Health Idaho, I still am a recovering CFO, as I mentioned earlier. So that scenario planning and what ifs are really near and dear to how we operate Your Health Idaho, I think the challenge is that we can look at each of these elements individually. We can size the expiration of the enhanced tax credits, which we talked about earlier. Then we can estimate premium changes for cost share funding and all these other elements. And as we go from '26 to '27 to '28, sizing them individually is not overly complicated but the compounding impact is where we will struggle to really understand how do these provisions all interact?

We think in addition to the loss associated with the expiration of the enhanced tax credits, we're talking about tens of thousands of more enrollees that will become uninsured. And I think it's important for people to understand ... And this is at the risk of stating the obvious, when you're uninsured, you don't magically stay healthy. And so that cost goes somewhere in the healthcare ecosystem. So we're concerned about our enrollment, but we're also making sure that outside of Your Health Idaho people understand that these folks will still need care, and those costs need to be accounted for somewhere within that ecosystem.

Larry Levitt: And Pat, we, states obviously vary in size. These state marketplaces vary in size. There are certain fixed costs that any marketplace has, no matter how big it is. As a recovering CFO, is that a potential risk that if the marketplace shrinks, you just would have more trouble covering the cost of running Your Health Idaho.

Pat Kelly: Yeah. I think you're exactly right, Larry. When you talk about the cost structure, and I don't want to get too wonky in this. But exchanges as a general rule are more fixed than variable cost structures. You need a minimum number of functions and people to run an exchange. We are very fiscally conservative in Idaho. I don't think that would strike anyone as out of line here. So we've really planned for uncertainties over the years. We have strong cash reserves. We do five and 10 year financial forecasting. So yes, we do expect enrollment to drop, but we've planned for those things and we'll continue to do so.

Larry Levitt: Michele, how about in Maryland? Have you done scenario planning? Do you have numbers you're planning for in terms of what this might mean in terms of enrollment drops and the effect on the marketplace?

Michele Eberle: Obviously we have, yes. We had record enrollment growth this year. Up to 247,000. But we're looking at 77% of those folks being affected in one way or

another. That's a lot. That's huge numbers now in Maryland, what we've done over the years ... And remember we've been doing this 12 years now. And we've done a lot of proactive things to get people health coverage, to make it affordable with a reinsurance program, codifying ACS, codifying core ACS protections, our easy enrollment programs, our young adult subsidy. And what we did this session is in preparation, look to use some of our reinsurance funding for an expanded state subsidy program. That did get passed. We don't know if we'll need to use it or not. It certainly would not cover all of any reductions or impacts to the net premium, but we're hoping that it could have a little bit of impact. That's just a little thing we can do in our sphere. But as Pat was saying, this is the whole ecosystem. It's the person who during COVID lost her job and so decide, Hey, I can start my own business because I can get affordable health insurance.

All our communities, our farmers, our gig workers, everybody relies on ... People that are working, but their employers don't provide health coverage. It's our hospital systems, our providers, the economy. It's everything. The ripple effect is just enormous by taking health coverage away from people that want to purchase it. And remember, the Affordable Care Act is I'm purchasing my own health insurance. I'm going to use my tax credits to help me do that. And if there's any discrepancy, I'll reconcile it when I pay my taxes. So it's going to have a huge ripple effect in our state for sure.

Larry Levitt: And it is. Pat talked earlier about who these folks are, who these enrollees are, and you added some color to that as well. You have to have income of at least the poverty level to qualify for the premium tax credits. The enhanced tax credits extended the subsidies, people above four times the poverty level capping their premiums at eight and a half percent of their income. These are all, by definition working people. They have to have incomes in order to qualify for these tax credits to begin with.

So we had a number of questions about what effect this would have on employers. And one thing I want to clarify, when we're talking about premiums going up, out-of-pocket premiums going up, we're not talking about people with employer coverage there. These are people who, as you said, Michele purchased their own health insurance. These are people who don't have access to employer coverage. But Michele, you talked about the ripple effects in the system. Pat, you talked about that as well. Give some sense of the scale here. You talked about tens of thousands of people losing coverage. In the context of Idaho ,how meaningful is that?

Pat Kelly: Larry, I just want to reiterate something that, and Michele mentioned. Tax credits are for people that ever earned income. In short, in Idaho, we say tax credits for tax people. It's really simple. These are people that are hardworking individuals just want that health insurance either because they have a condition or because they want to make sure that they're covered in case of an emergency. Overall, Your Health Idaho ended with about 139,000 health and dental enrollments at the end of last open enrollment. Tens of thousands of those would lose coverage. And that is a significant impact here in Idaho, whether it's 10,000 or 20,000 or more, it's a significant impact. And I would liken that to a private business or a publicly held company. If you see your customer base drop by 10 double-digit percentages, 10, 20%, that's significant. And the difference with marketplaces is that's people's lives in many cases. And that's the difference with what we're talking about here.

Larry Levitt: So we're coming to the end of our time. We could talk about these technical and wonky things. At least the four of us could for quite a while. I just want to end with each of you. What's an issue you think is not getting enough attention in this debate in Congress and the media? And Cynthia, maybe I'll start with you.

Cynthia Cox: I would say I think the changes to the enrollment process are probably not getting enough attention. So there's this rule about the pre-enrollment verification of your eligibility. That sounds completely reasonable, but there are circumstances where under current law and under current regulations, it's not clear if someone who is actually completely eligible for their coverage might lose their opportunity to sign up or might get dropped from their coverage because of basically paperwork burdens that come up. And so I think that's something that it sounds reasonable, it sounds maybe also a little technical, but it could have a big effect on people being able to get coverage that they're eligible for.

Larry Levitt: And Michele, if you could walk down to Capitol Hill, what issue do you think people should be paying attention to that they're not?

Michele Eberle: Well, one, thank you, Larry, for hosting this today because just getting a word out about the impact to marketplaces. I think we've been, rightfully so very focused on Medicaid, but not as much focused on the impact to people purchasing their own health insurance from marketplaces. And I might add that the marketplaces are the safety net for folks that are coming off of Medicaid and that can come fine and pay for their own healthcare through marketplaces. So I think that what needs to have more focus is really understanding the impacts to the consumers, to the communities and to the states by what's in the big beautiful bill and the elimination of the expanded tax credits and the

unexpected consequences of these actions. We've worked really hard for 12 years to get healthier communities. We have studies that show how pre ACA and post ACA benefits to healthcare and specific conditions. And so I think not paying attention to the impact and the unintended consequences is a real disservice. I think that's something we should be looking closer at.

Larry Levitt: And Pat, you get the last word. What should we be talking about that we're not?

Pat Kelly: Well, I love that Michele uses unintended consequences. I think of it as like Newton's law. What are all the things that we didn't think would happen that will happen? But I think for me, I want to talk about both the macro level, which I talked about, and that's the destabilization across the healthcare ecosystem. People that are uninsured, and it will increase with these changes, they don't magically stay healthy. They don't avoid accidents. And it can be financially catastrophic to people who are trying to do the right thing. They're trying to earn money, they have a job, they're working hard, taking care of their family, and this is going to create barriers to them really achieving that American dream of providing for their family and making sure their kids have a future to look forward to.

I think at a micro level, it's about that farmer in North Idaho who's going to make really hard choices. And there are ripple effects, or as I mentioned, Newton's law effects of those decisions or that family of four here in Boise. And maybe they have to tell their son that he can't do a travel soccer team. And these are real people that are trying to do the right thing that are going to be negatively impacted by these bills.

Larry Levitt: Well, thanks. I'm going to have to go to a map now and look at North Idaho versus Southern Idaho to make sure I've got it straight. So Pat, Michele, Cynthia, thanks for great discussion. We may bring you back later as this all plays out. And thanks to all of you out there for watching and listening. Thank you.