



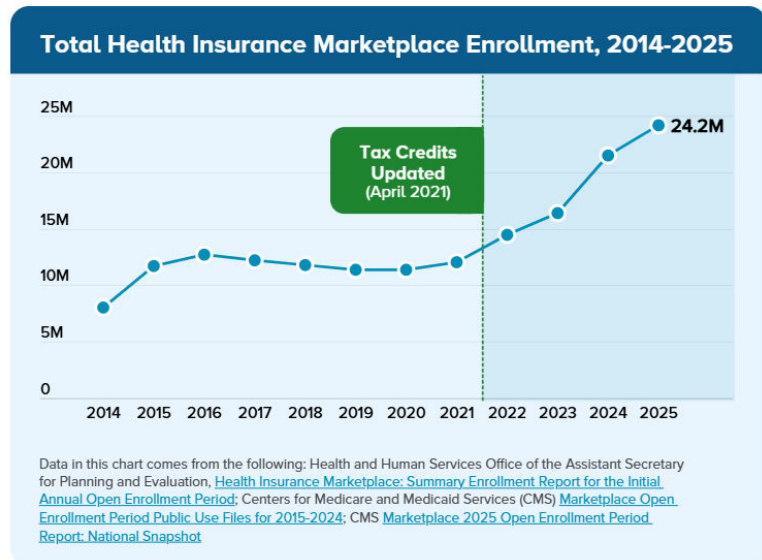
NATIONAL ACADEMY
FOR STATE HEALTH POLICY

FOR IMMEDIATE RELEASE
MAY 8, 2025

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Historic Numbers Enroll in Health Insurance through State-Based Marketplaces *Expiring Federal Tax Credits Made Health Insurance More Affordable for Millions of Americans*

Washington D.C. — In 2025, more than 24 million Americans signed up for health insurance through the health insurance marketplaces, and [new data collected from 20 state-based marketplaces \(SBMs\) show high enrollment](#). In 2025, more than 7 million individuals enrolled in health coverage through SBMs, including more than 1.2 million new enrollees. One key driver of this growth has been an increase to federal tax credits that significantly lowered health insurance premiums for consumers. Since the federal tax credits were updated in 2021, [over 3.2 million more Americans have enrolled in marketplace coverage](#).



This week, directors from 20 state-based marketplaces convened in Washington, DC, to exchange best practices and discuss future opportunities for continuing to ensure marketplace coverage is affordable and accessible for millions of consumers across the country.

“This record-breaking enrollment is the latest indication of the expanding role marketplaces play in helping Americans access coverage across states,” said Hemi Tewarson, Executive Director, National Academy for State Health Policy (NASHP). “Added affordability from enhanced federal tax credits benefited millions of marketplace consumers, including many who newly gained coverage this year.”

“Each state-based marketplace cares about how we serve our local communities – serving small towns to large cities, all while ensuring we maintain program integrity. In Idaho, we have seen an 84 percent increase in enrollment since 2022, while mitigating fraud. This is coverage delivered the right way,” said Pat Kelly, Executive Director, Your Health Idaho.

“We have seen record enrollment, but this all comes down to affordability,” said Devon Trolley, Executive Director of Pennie, Pennsylvania’s marketplace. “Sixty percent of our consumers note that they already find coverage barely affordable. With the cost-of-living continuing to rise, people will make trade-offs if coverage becomes unaffordable, eroding years of progress toward bringing greater stability to our markets and health systems, especially in our rural communities.”

“Our marketplace is a bridge to Medicare for pre-retirees, provides a soft landing for those transitioning off Medicaid, supports young adults aging out of their parents’ plans, and helps entrepreneurs maintain coverage while starting their dream small businesses,” said Ingrid Ulrey, CEO of the Washington Health Benefit Exchange. “Thanks in part to our marketplace, Washington’s uninsured rate is under 5 percent. However, we’re concerned that federal policies targeting coverage, including the tax credit expiration, could push the uninsured rate back to double digits. We estimate nearly one-in-four marketplace enrollees will disenroll without the updated tax credits.”

“The next open enrollment season is less than six months away, and preparation for 2026 is happening now. This summer, we will likely see higher premium rates set for coverage if the updated tax credits are not extended, and this fall, millions of consumers will face sticker shock when they receive notices from marketplaces with these rates,” said Jessica Altman, Executive Director of Covered California. “Nearly 1.8 million Covered California enrollees could see their average premium increase by 66 percent, while middle-income enrollees could see an almost \$400 a month average increase in their premium.”

Significantly Higher Costs for Consumers Expected if Tax Credits Expire

Consumers who enroll in health insurance through marketplaces pay a monthly premium, with federal tax credits available to qualifying consumers to reduce their costs. Original tax credits were only available to households with income from 100-400% of the federal poverty level (FPL); in 2025, this included individuals making \$15,060-\$60,240, or a family of four making \$46,800-\$124,800.

In 2021, Congress increased the amount of tax credits available for those households and capped premiums at 8.5% of income for all enrollees. These additional federal tax credits expire at the end of 2025.

About Health Insurance Marketplaces

Health Insurance Marketplaces provide public, transparent platforms for individuals to shop for private health insurance while also determining eligibility for federal tax credits to reduce the cost of that insurance. States may opt to operate their own state-based marketplace (SBM) or defer to the federally facilitated marketplace (FFM). Currently, [20 states operate SBMs](#), with two additional states actively transitioning to the SBM model.

Without federal action to extend these consumer cost-saving measures, [SBMs say they anticipate](#) premium increases, coverage losses, and additional strain on providers and health systems resulting from increased uncompensated care.

Read more about the historic health insurance marketplace enrollment numbers and how the updated tax credits impact consumer savings [here](#). Learn more about the state-based marketplaces at <https://statemarketplacenet.org/>

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Founded in 1987, NASHP is a nonprofit organization whose mission is to be of, by, and for all states by providing nonpartisan support for the development of policies that promote and sustain healthy people and communities and advance high quality, affordable health care. Our vision is to improve the health and well-being of all people across every state.