REACH healthcare foundation®

The Impact of Expiring ACA Subsidies Across Kansas and Missouri

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Starting at Square One

The Affordable Care Act, Marketplace and Tax Credits

The Affordable Care Act (ACA), also known as 'Obamacare', became law in 2010. It made many changes to health care including the creation of a federally-run health insurance 'marketplace'—Healthcare.gov—where people can shop for private health insurance plans. Some states chose to launch their own marketplace exchanges. To make premiums for these plans more affordable or even available at no cost, tax credits were provided if a person's income fell between the Federal Poverty Level—about $15,000 for an individual in 2024—and up to 4 times that amount. Both Kansas and Missouri opted not to create their own state-run exchanges, so their residents use Healthcare.gov to buy marketplace plans.

Along came a pandemic

In 2021, the 'American Rescue Plan' law was passed to help Americans during the COVID-19 pandemic. As a part of that law, 'enhanced premium tax credits' (EPTCs) were adopted to give additional tax credits to working- and middle-class Americans when purchasing health plans through Healthcare.gov or their state-based exchange. People qualifying for the tax credits were able to use them in advance of filing taxes to make monthly premiums more affordable.

EPTCs allowed a lot of people to get health insurance.

From their original deployment in the American Rescue Plan in 2021 following the COVID-19 pandemic, to their extension through 2025 in the Inflation Reduction Act in 2022, the EPTCs were a key driver in health care access and affordability. In fact, enrollment in ACA Marketplace plans more than doubled from 2020 to 2025, growing from 11.4 million to 24.3 million enrollees.[1] Last year more than 200,000 Kansans and 417,000 Missourians bought their health insurance this way.

And then came a government shutdown.

In the fall of 2025, the longest government shutdown occurred. The reason? Disagreement in Congress over the impending expiration of the EPTCs. Ultimately, the EPTCs expired at the end of 2025, though, with their expiration projected to lead to nearly 4 million more people being uninsured by the end of the decade.[2] The failure to extend the EPTCs in 2025 negatively impacts thousands of Kansans and Missourians – and millions of Americans - as they seek affordable, quality health coverage this year and beyond.

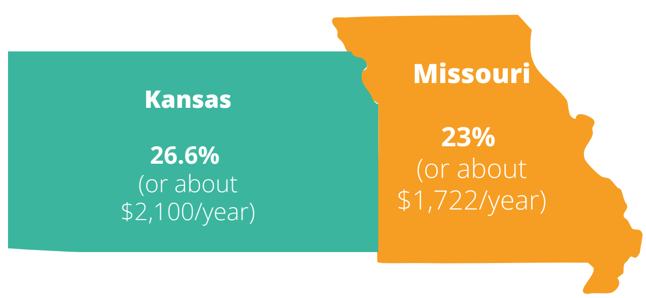
Credits helped people who have a hard time affording health insurance.

Those eligible for the EPTC were primarily those earning 2.5 times the Federal Poverty Level (FPL). That would be equivalent to an individual making $37,650 a year in 2024 and is close to the average individual income in Kansas ($40,978) and Missouri ($39,695) in the same year.[3] In other words, people who qualified for the EPTC typically earned too much to be eligible for Medicaid coverage but not enough to afford reasonable, quality health insurance. They are hard-working but their employer may not have provided health insurance as a benefit, they may be unable to afford their employer's plan, or they may not have qualified due to the number of hours worked.

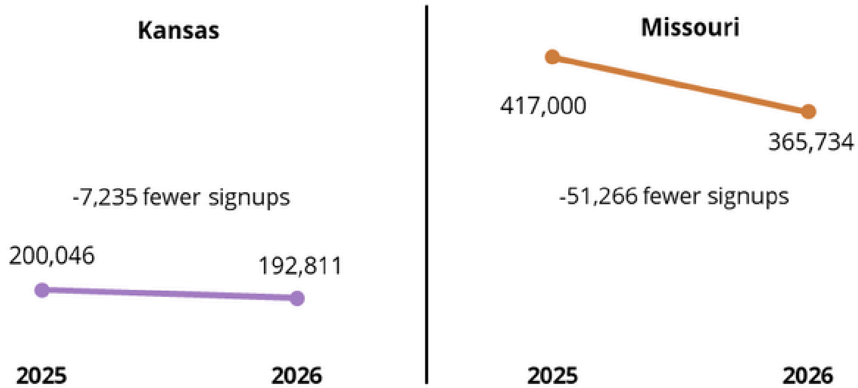
What's the impact on Kansans and Missourians?

The main impacts are that people are now unable to afford health insurance coverage or they have been forced to choose from plans that offer higher out-of-pocket costs and deductibles or offer limited coverage. Put simply – premiums have increased "in every state for all ages and income levels."[4] Insurers requested higher premiums for their products on the marketplace, as shown in the table on the right.[5]

ACA Premium Increases from 2025 to 2026



In the first quarter of 2026, we saw indications that people are not enrolling in the plans offered in the ACA Marketplace. Open enrollment signups for 2026 plans were **down 3.6% in Kansas and 12.3% in Missouri** after the expiration of the enhanced premium tax credits.



Source: CMS Marketplace Open Enrollment Period Reports

550% premium increase for a hard-working Missourian.

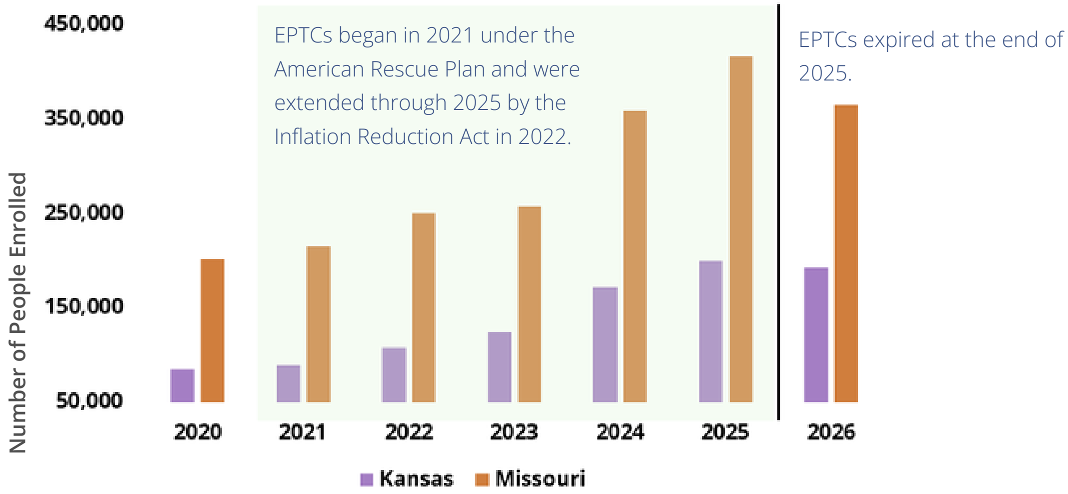
Rachel Nidin, a chef at a local KC metro grocery store, saw her premiums jump 550% from $13 a month to $85 a month due to the expiration of the credits, more than $860 a year out of her pocket. She received help from a local insurance navigator – an increasingly rare support service – at Samuel U. Rodgers Health Center.[7]

“Since the enhanced tax credits expired, I’m afraid that some consumers may choose skimpy short-term plans or even fall victim to scams.”

- Jim Torres, Samuel U. Rodgers Health Center

More than **51,000 Missourians and 7,200 Kansans** opted to forgo purchasing a plan on the marketplace compared to last year.[6] This is after significant growth in enrollment on the Marketplace since 2021.

By contrast, open enrollment signups **more than doubled** in both Kansas and Missouri during the period when enhanced premium tax credits were available.



Source: CMS Marketplace Open Enrollment Period Reports

Small business owners in Kansas face a $1,000 a month hit as tax credits expire.

Jim and Nancy, who run a business to provide in-home care for seniors, have been voluntarily covering an employee's out-of-pocket costs on health insurance they got from the ACA Marketplace. With the expiration of the tax credits, that cost exploded to an additional $1,000 a month on top of what they were paying. It's money they don't have. The EPTC expiration doesn't just hurt workers, it squeezes small businesses, too.

Credit: Alliance for a Healthy Kansas, Kansas Stories. To read more, please visit: https://healthykansas.org/stories

The early fallout in the form of fewer sign-ups is just the beginning. Other measures to watch:

1. **More people dropping enrollment.** Many people were automatically renewed for the plan they had in 2025 and had a 3-month grace period in 2026 to catch up on monthly premium payments. People had until March 31st to catch up on payments before they are ultimately dropped from coverage. **July data** will provide an indication of how many people will keep their coverage after that key date.

2. **People may be "buying down" their plans.** Individuals may choose plans with higher deductibles and more out-of-pocket costs just to have some form of coverage. **Data released in the coming weeks** will show the extent to which this is happening.

3. **The emergence and selection of "junk plans".** These are plans that typically have higher deductibles and premiums but provide very limited coverage. For instance, they may offer "catastrophic coverage" but not cover preventative visits or a trip to urgent care for a broken bone, leaving more consumers underinsured.

4. **Increases in uncompensated care for providers and hospitals and increases in medical debt for individuals and families.** Uninsured people still require care, and when they cannot pay, those expenses are simply shifted to other parts of the system or borne by consumers.

What Can Be Done?

Ultimately, only Congress can revive EPTCs. This is the crux of why the government had the longest shutdown in history in the fall of 2025 – the debate over extending these credits. Now that they have expired, the focus must switch to a broader awareness building effort.

Actions to consider:

1. **Listen to and engage individuals who are directly impacted.** Legislators are more likely to remember personal stories than data when they cast votes on related laws.

2. **Be in regular contact with federal elected officials.** Legislators need to hear from more people who support EPTCs being reinstated. Every Kansan and Missourian has two Senators each, and a member of the House of Representatives who represents their district. These members of Congress do keep track of their calls, and it does make a difference. To find the contact information for your federal legislators, use the Plural Policy website.

3. **Stay up-to-date on new data and developments about this policy issue.** This policy explainer is only an introduction to the impacts of the EPTCs expiring. More data will be available in the spring and summer, and REACH will update this resource to include it.

Sources and Citations

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