

Press Release



Cost and Coverage Implications of Build Back Better's Health Insurance Provisions

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As part of the Build Back Better legislative agenda, congressional Democrats and the Biden Administration are seeking to permanently extend the American Rescue Plan Act of 2021's enhanced premium tax credits for individual market coverage under the Affordable Care Act while also closing the Medicaid coverage gap in non-expansion states. The American Action Forum's Center for Health and Economy modeled the health insurance provisions included in the legislative text marked up by the House Energy and Commerce and Ways and Means Committees to ascertain their likely impact on health insurance coverage and federal spending.

Key findings:

- The proposal to make permanent the enhanced premium tax credits and related individual market policies would result in an increase in the number of people insured in the individual market in 2031 of 3.1 million relative to current law, and would have a net cost of \$209 billion for the taxpayer between 2022 and 2031.
- The Build Back Better's provisions aimed at closing the Medicaid coverage gap in non-expansion states would increase the number of people insured through Medicaid in 2031 by 3.9 million relative to current law and would have a net cost of \$622 billion for the taxpayer between 2022 and 2031.
- In total, these provisions would reduce the uninsured population by 7 million in 2031 relative to current law, but would have a net cost to the taxpayer of \$831 billion between 2022 and 2031.

[Read the analysis](#)