July 6, 2022

Dear Members of the California Congressional Delegation:

The American Rescue Plan Act of 2021 (ARP) is a lifeline to millions of Americans through the financial help it provides to keep health insurance coverage more affordable and within financial reach. As a result, the ARP has led to record breaking marketplace enrollment throughout the country. However, the ARP’s enhanced subsidies are set to expire at the end of 2022, meaning millions of Americans will lose some or all financial help and risk becoming uninsured. In California alone, the impacts of the expiration of ARP subsidies in 2023 are stark:

- An estimated 220,000 Covered California enrollees will drop coverage.
- About one million low-income enrollees will see their premium costs more than double.
- The return of the “subsidy cliff” would render middle-income consumers ineligible for financial help, and an estimated 150,000 middle-income Californians will see an average spike in premium costs of $272 per month.
- Older Californians will be disproportionately impacted with the return of the cliff pushing premium costs upwards of 20 percent of income for many.

As Congress deliberates an extension of ARP subsidies, we aim to help inform the dialogue. We have created a fact sheet highlighting the points outlined above that includes a selection of real stories of Covered California consumers to illustrate the impact of ARP subsidy loss. We are also providing you with data outlining the impact of ARP expiration by Congressional district with the goal of helping to inform you of the average increases in monthly premium costs that some of your constituents may face in 2023.

We know that Californians and Americans are facing tough financial times. ARP subsidies are crucial and could be the deciding factor for millions of individual and families struggling to keep coverage or go uninsured putting their health and financial wellbeing at greater risk. We hope you find the information we are sharing helpful as ARP extension is decided upon, and we appreciate your ongoing leadership to keep coverage affordable and accessible. Please know that we stand ready to provide any additional information you need.

Sincerely,

Jessica Altman
Executive Director

Attachments:
- “Americans Brace for Higher Health Insurance Costs if the American Rescue Plan is Allowed to Expire,” July 2022
- “Estimated 2023 Premium Increases by Congressional District for Covered California Members if American Rescue Plan Primum Subsidies Expire,” July 2022