

Having health insurance that is affordable and covers various health services is essential for people with cancer. [Research](#) from the American Cancer Society shows that people without insurance are less likely to get regular cancer screenings. This means they are often diagnosed later when the cancer is harder to treat and more expensive to treat. Policies that make insurance more affordable help more people get the coverage they need to stay healthy.

What Are ACA Tax Credits?

The Affordable Care Act (ACA) helps people buy health insurance through the Marketplace by offering tax credits that lower the cost of monthly premiums. Here is how it works:

- **Eligibility:** A family of one who earns between \$15,060 and \$60,240 a year, qualify for these credits. A person making more than \$60,240 may qualify for limited credits, which are phased out based on income.
- **Sliding Scale:** The less a person earns, the more help they will get with their premiums. The Marketplace determines how much one is expected to pay for a mid-range (silver) plan based on an individual's income.

American Rescue Plan Act & Inflation Reduction Act

Recent legislation temporarily increased the benefits of these tax credits, making them even more impactful.

- **American Rescue Plan Act (ARPA):** Passed in March 2021, ARPA improved the generosity of the ACA tax credits:
 - Increased the amount of tax credits for those earning between 133% and 400% Federal Poverty Level (FPL) (\$20,029 - \$60,240 for a single person).
 - Extended eligibility for tax credits to those earning above 400% FPL (\$60,240 for a single person).
- **Inflation Reduction Act (IRA):** In August 2022, the IRA further extended these enhanced tax credits through the end of 2025.

The enhanced tax credits significantly reduce the cost of health insurance premiums for many individuals and families. For example, under the original ACA tax credits, an individual with an income of \$22,590 (150% FPL) would pay about 4% of their income (about \$900 a year) in premiums. With the enhanced tax credits, they would not pay any premiums.

Benefits of Enhanced Tax credits

- **Comprehensive coverage:** Enhanced tax credits enable more people to purchase health insurance that covers Essential Health Benefits, caps out-of-pocket costs, and prohibits discrimination based on pre-existing conditions. This is crucial for cancer patients and those unaware they have cancer, ensuring access to necessary treatments and screenings.
- **Record enrollment:** In 2024, [over 21 million Americans enrolled in Marketplace coverage](#) due to enhanced tax credits, with 80% paying \$10 or less per month. Affordable coverage is vital for early cancer detection and treatment, allowing timely medical intervention for those who might otherwise be uninsured.

ACS CAN Position

ACS CAN urges Congress to make permanent the enhanced ACA tax credits at their current levels before they expire at the end of 2025. If these enhancements are not extended, many people will face higher insurance costs, and some may lose their insurance altogether. The [Congressional Budget Office](#) estimates that the number of uninsured people could rise significantly, undoing much of the progress made in recent years. If the enhanced tax credits are not made permanent, affordability could become a barrier to lifesaving cancer screening, early detection, treatment and follow up care.

More information is available at <https://www.fightcancer.org/what-we-do/health-insurance-affordability>

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