



California Association of
Health Plans

**AMERICA'S
PHYSICIAN
GROUPS**



September 02, 2025

California Congressional Delegation
U.S. House of Representatives
Washington, D.C. 20515

Dear Members of the California Congressional Delegation:

As leading health care organizations across California, we share a commitment to maintaining affordable access to health coverage. Unfortunately, without congressional action, expiration of the Affordable Care Act's (ACA) enhanced premium tax credits at the end of 2025 threatens to significantly raise premiums for working class California families and small businesses. We therefore are calling upon federal lawmakers to act swiftly to extend these tax credits and preserve access to affordable coverage for millions of Californians.

Since 2021, expanded tax credits have helped fuel our state's steady progress towards access to health coverage for all Californians. In 2022, California achieved a record-low uninsured rate of 6.5 percent, down from 17.2 percent just a decade earlier. Nearly 2 million Californians - a record-high - currently receive their coverage through Covered California. Covered California estimates that up to 183,000 Californians could lose coverage if the expanded tax credits are not extended. A drastic increase in the number of uninsured individuals will lead to more uncompensated care in hospitals and provider offices, placing further strain on the health care delivery system.

The expanded tax credits help take meaningful pressure off family budgets. Covered California estimates that next year net premiums will increase by 97 percent - an average of nearly \$1,500 per year - without an extension. Significantly, the expanded tax credits afforded financial assistance to 173,000 California middle-class families and small business owners who do not qualify for group coverage, who had been previously unable to receive them. They will lose this assistance without an extension.

Lawmakers can still ensure working and middle-class Californians retain access to affordable, comprehensive coverage. We urge members of Congress to work on a bipartisan basis to extend the current health care tax credits before consumers and families face the financial strain that would result from Congressional inaction.

Sincerely,

America's Physician Groups
Association of California Life and Health Insurance Companies
California Agents and Health Insurance Professionals
California Association of Health Plans
California Medical Association
Local Health Plans of California