

FACT SHEET

House Committee on Education and Workforce

Ranking Member Robert C. "Bobby" Scott

Republican Shutdown Agenda | Tax Breaks for Billionaires, Not Health Care for Working Families

In July 2025, Congressional Republicans passed, and President Trump signed into law, the most significant wealth transfer from the working class to the ultrarich in American history. Republicans' disastrous "Big, Ugly Law" took a chainsaw to Medicaid and health coverage under the Affordable Care Act (ACA), stripping 10 million people of their health care to fund over \$1 trillion in tax breaks for corporations and the rich. As if that was not enough, Republicans have now shut down the federal government to avoid dealing with increasing health care costs confronting millions of Americans.

Republican Inaction Will Raise Health Care Costs for the Working Class

In 2021 and 2022, Congressional Democrats built upon the ACA's progress by increasing premium tax credits and expanding them to more Americans. These tax credits ensure that no one spends more than 8.5 percent of their income on health insurance; the credits specifically benefit small business owners, their workers, and the self-employed.

The enhanced premium tax credits have been a lifeline for millions of working families. Enrollment in ACA Marketplace health coverage skyrocketed from 12 million in 2021 to over 24.3 million in 2025. However, these tax credits for workers and their families will expire at the end of the year. Should Republicans and President Trump allow the enhanced premium tax credits to expire, the consequences will be dire.

Republicans will strip millions more of their health care.

- If Congressional Republicans do not extend the enhanced premium tax credits, <u>approximately four million people</u> will lose their health coverage.
- Working families are already facing coverage losses. Workers without access to health insurance through their employer often turn to Medicaid for health coverage. The "Big, Ugly Law" has already cut \$1 trillion from Medicaid, kicking 7.5 million people off their coverage.

Republicans will saddle workers with higher costs for health insurance.

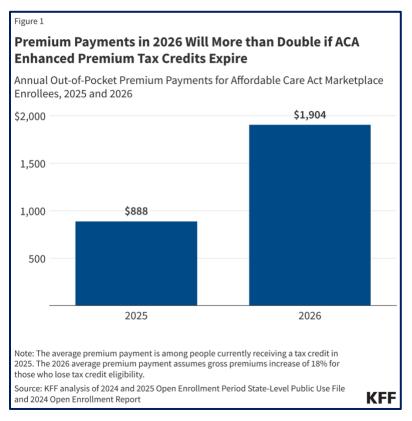
- Enhanced premium tax credits have reduced premiums for millions, yielding \$705 in savings for the average subsidized enrollee last year alone.
- Due to Republican inaction, premiums for working families will more than **DOUBLE** on average.

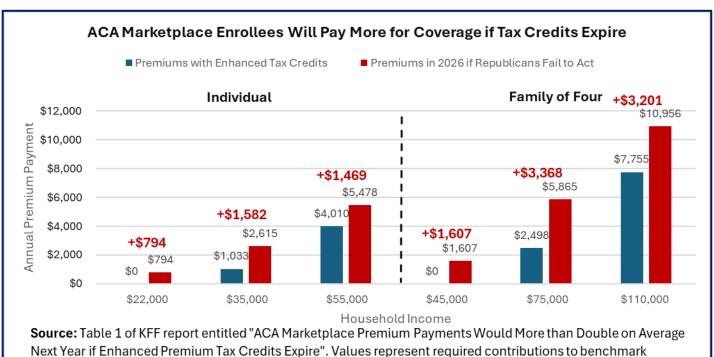
Republicans are ignoring the needs of working families.

- The "Big, Ugly Law" disproportionally helped the wealthy:
 - As a result of the "Big, Ugly Law," the households in the bottom 10 percent of the income ladder will have about \$1,600 less per year— effectively a pay cut of 3.9 percent.
 - o By contrast, the households in the top 10 percent will have about \$12,000 more annually.

Republicans' health care cuts will make health care more expensive for everyone.

- Republican cuts to Medicaid and ACA coverage will burden states with increased costs, forcing states to make budget cuts elsewhere.
- If Republicans allow the enhanced premium tax credits to expire, hospitals, physicians, and other providers will face more than \$32.1 billion in lost revenue and a \$7.7 billion spike in uncompensated care in 2026.





coverage.