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The average premium after tax credits will be only $50 a month.

The Truth About ObamaCare Costs

Every day come warnings that Americans will be priced out of ObamaCare next year if Republicans in Congress don't renew pandemic subsidies. The media coverage reads like dispatches from an AI chatbot trained on Sen. Chuck Schumer's press releases, and maybe readers would appreciate some nonhallucinations.

The Centers for Medicare and Medicaid Services (CMS) this week released a fact sheet on ObamaCare's pricing next year, and here's the most important line: "The average Marketplace premium after tax credits is projected to be $50 per month for the lowest cost plan in 2026 for eligible enrollees." Nearly 60% of "eligible reenrollees will have access to a plan in their chosen health plan category at or below $50 after tax credits."

You read that right: The majority of enrollees will continue to have a plan at $50 a month or cheaper, even without the extra pandemicera subsidy that is expiring. That's a pittance compared to what many Americans shell out if they're insured through their employer, even accounting for the fact that employer plans tend to be superior in their choices and coverage. Taxpayers on average are "projected to cover 91% of the lowest cost plan premium in 2026 for eligible enrollees" in ObamaCare, CMS reports. The expiring ObamaCare payments were sold to help weather a once-a-century health crisis. Next year's sticker shock is largely concentrated in Americans age 55 and older with incomes above 400% of the poverty line—affluent early retirees who represent a fraction of overall enrollment and aren't a compelling case for an income transfer that could cost some $450 billion over 10 years.

Credit to the Trump Administration for elevating these facts and showing that the GOP can do better than merely negotiate the price of an eventual ObamaCare surrender. Even moderate Republicans in Congress who fear the politics of expiring subsidies said recently in a letter that "significant reforms are needed" and that the party shouldn't deal on the issue until the government reopens. Democrats might need to find a new shutdown strategy.