



News Release

Media line: (916) 206-7777

@CoveredCANews

media@covered.ca.gov

FOR IMMEDIATE RELEASE

Nov. 5, 2025

Despite Uncertainty Around Federal Tax Credits, Covered California Kicks Off Open Enrollment With Three Events in Los Angeles

LOS ANGELES, Calif. — Covered California kicked off its 2026 open-enrollment campaign “Connectors for Coverage” with three community events in Southern California, amid uncertainty surrounding the enhanced premium tax credits that have delivered greater affordability and record enrollment across the nation.

To begin the 13th open-enrollment period under the Patient Protection and Affordable Care Act, Covered California visited with business owners, enrollees and local officials at ORA Urban Café, the Chinese American Museum and the El Paseo Inn Restaurant to highlight the importance of health coverage.

Since its inception in 2014, the Affordable Care Act has helped tens of millions of Americans access health insurance, including a record nearly 2 million Californians heading into 2026. Today, more than 24 million Americans are insured through a marketplace plan.

Open enrollment, which runs through Jan. 31, 2026, is when Californians can sign up for, renew or shop for a new health insurance plan. Covered California will also visit the Bay Area and Sacramento later this week and San Diego and Fresno next week as this year’s campaign, “Connectors to Coverage,” emphasizes the broad network of experts, enrollers and other guidance the marketplace offers to help consumers navigate the path to affordable, high-quality health insurance.

“Since 2014, Covered California has helped more than 6 million Californians connect to quality health insurance at an affordable price,” said Covered California Executive Director Jessica Altman. “Despite uncertainty in Washington, our mission remains the same. We are here to help Californians get comprehensive health insurance, including free preventive care, to keep themselves and their families healthy in 2026.”

(more)

Since 2021, the federal government has helped millions of Americans afford health insurance through enhanced premium tax credits that reduce the cost of monthly premiums. The federal government made premium tax credits for lower-income enrollees more generous and provided tax credits to middle income consumers for the first time, putting money directly back in the pockets of consumers. Those enhanced tax credits are set to expire at the end of this year without Congressional action and have been the key point of debate in the ongoing federal government shutdown.

Without an extension of the enhanced premium tax credits, monthly premiums are projected to rise by 97 percent on average for more than 1.7 million Californians enrolled and receiving financial help through Covered California. This includes more than 160,000 middle-income consumers who currently receive the federal enhanced premium tax credits but would lose eligibility in 2026. Faced with the full premium cost of coverage without financial help, they would be at risk of dropping health insurance.

“While President Trump and Republicans work to strip away health coverage for millions of Americans, California continues to lead the nation in expanding access to affordable health care,” said Gov. Gavin Newsom. “Our health insurance marketplace, Covered California, is open and here to help every Californian get connected to the quality health insurance they deserve for themselves and their families. We will continue to fight to make sure health insurance is affordable and attainable for every single family in California.”

Despite market uncertainties surrounding federal tax subsidies, Covered California maintains a strong marketplace and engages in active negotiations with health insurance companies to ensure consumers are receiving the best value possible. Through Covered California, Californians have access to brand-name health plans offered by 11 health insurance companies. Every plan provides access to leading doctors, hospitals and specialists across California and includes essential health benefits — from preventive care and maternity care to mental health services and emergency coverage.

Connecting With the Remaining 1.2 Million Uninsured Californians

As open enrollment for 2026 begins, Californians continue to enroll in health insurance at a historic rate. Across Southern California, enrollment has increased nearly 24 percent over the past four years, following the introduction of enhanced premium tax credits.

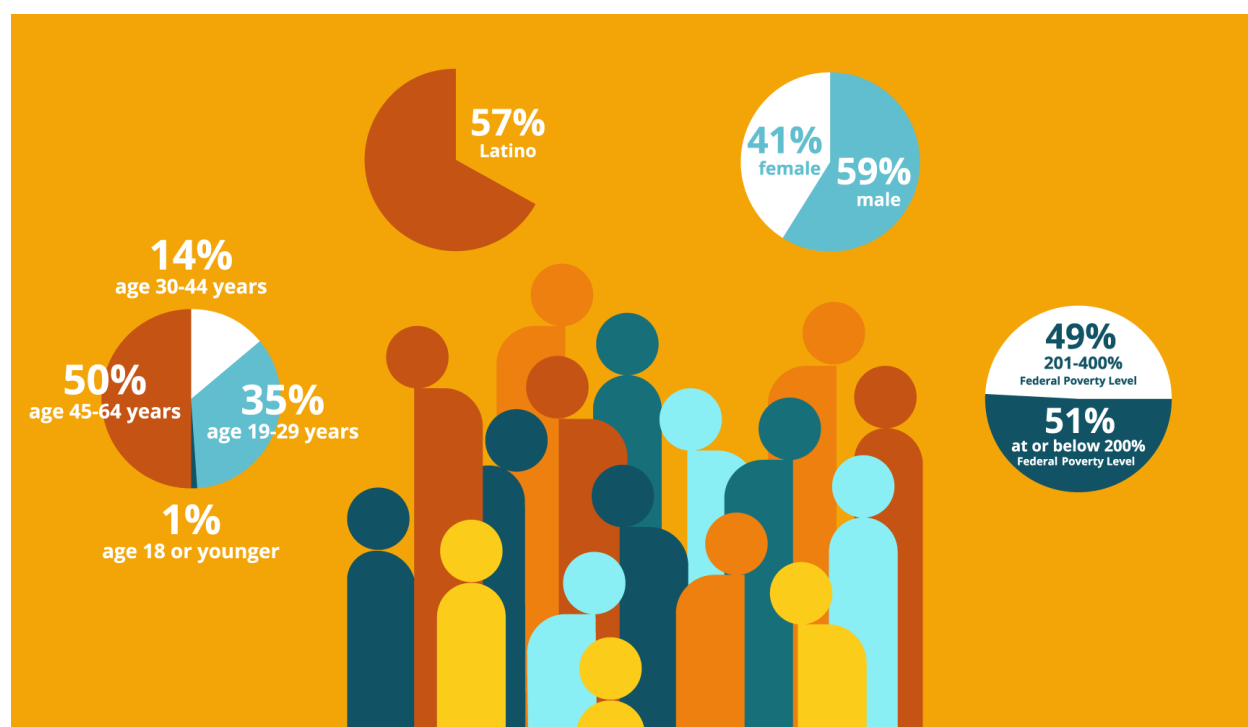
Despite this record enrollment, there remains federal uncertainty around enhanced premium tax credits. Covered California is committed to our mission of supporting our current enrollees in understanding their options and staying covered, while connecting the remaining uninsured to health insurance.

(more)

New data from the California Simulation of Insurance Markets (CalSIM) model, developed by the University of California, Los Angeles's Center for Health Policy Research, estimates that nearly 1.2 million Californians who either qualify for subsidies through Covered California (508,000) or low-cost or no-cost Medi-Cal (682,000) remain uninsured and eligible for coverage in 2026.

Further, this data from CalSIM shows that certain groups are disproportionately represented among the uninsured. Among the 508,000 uninsured Californians eligible for Covered California coverage, 57 percent are Latino and 50 percent are between 45-64 years old and they reside all over the state.

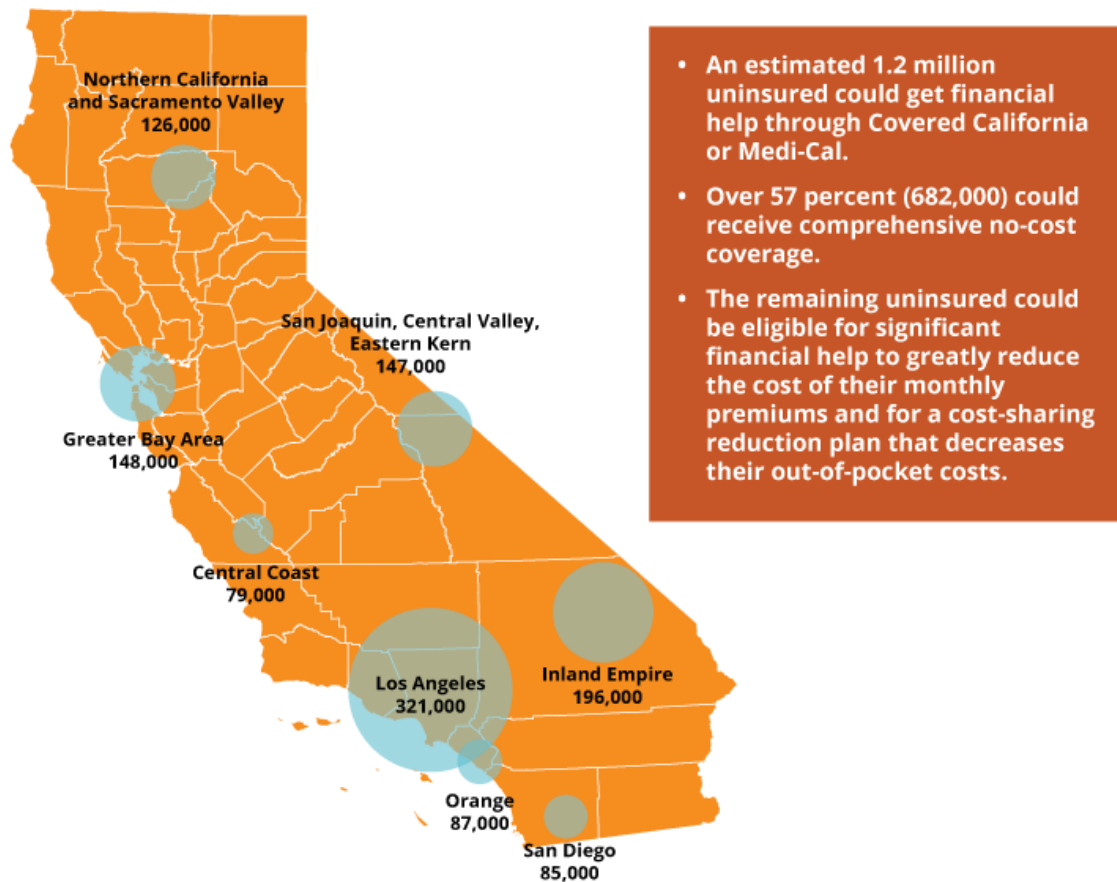
Figure 1: Uninsured Californians Make Up Diverse Population



In Southern California, there are 604,000 uninsured Californians who are eligible for Covered California subsidies (246,000) or no-cost Medi-Cal coverage (358,000). That includes 321,000 uninsured Californians in the Los Angeles area who are eligible for either Covered California subsidies or Medi-Cal.

(more)

Figure 2: Nearly 1.2 Million Uninsured Californians Are Eligible for Financial Help



“Whether you work full-time, part-time, are a gig worker, or are temporarily unemployed, we believe every Californian deserves quality coverage at a price they can afford,” said Altman. “Even in this unpredictable federal environment, we are doing everything possible to ensure Californians can get connected to high-quality health insurance at the lowest price possible. That starts with Congress extending the enhanced premium tax credits.”

(more)

California Is Taking Steps to Protect the Most Vulnerable From Increasing Costs

In 2025, Gov. Newsom and the California Legislature increased state funding available for the enhanced cost-sharing reduction program, appropriating \$165 million to expand eligibility. This allowed Californians with incomes above 200 percent of the federal poverty level to enroll in an Enhanced Silver 73 plan with no deductibles and reduced out-of-pocket costs.

This year — if the enhanced premium tax credits sunset — California is continuing to take proactive steps to protect its lowest-income enrollees from the steepest rate increases and reduce costs for consumers should the enhanced tax credits expire. For 2026, the state has allocated \$190 million to provide state-funded tax credits for individuals earning up to 150 percent of the federal poverty level. This support will help keep monthly premiums consistent with 2025 levels for those with an annual income of up to \$23,475 for an individual or \$48,225 for a family of four. It will extend partial additional assistance to those earning up to \$25,823 for an individual or \$53,048 for a family of four.

While this funding offers a meaningful lifeline for the lowest-income Covered California enrollees, it cannot replace the nearly \$2.5 billion in enhanced premium tax credits that Californians receive from the federal government annually. However, if Congress takes action to extend the federal enhanced premium tax credits, Covered California will be able to maintain the current state enhanced benefit program, which would allow most Covered California enrollees to purchase health plans with lower out-of-pocket costs.

Nearly 92 percent of Covered California's enrollees receive financial help. Nearly half qualify for health insurance costing \$10 or less per month in 2026, and nearly a quarter could get a Silver plan for that same price. In addition, Covered California research shows that about 17 percent of current consumers will pay \$0 in premiums in 2026 if they keep their current plan.

"We remain hopeful that Congress will act to extend the enhanced premium tax credits," Altman said. "Regardless of the outcome, Covered California is ready to help you explore your options and answer any questions as you shop for plans during open enrollment."

Get Help Signing up for Coverage

With uncertainty around 2026 premium costs, Covered California is here to help Californians get connected to the right plan and quality care, with support throughout every step of the way. Enrollment help is always free, confidential, and available in multiple languages through thousands of certified insurance agents and community organizations statewide.

(more)

Consumers can learn more about their options at [CoveredCA.com](https://www.CoveredCA.com), where they can easily check if they qualify for financial help and compare health plans in their area. Californians can also:

- Get free and confidential assistance by phone, in a variety of languages, from more than 14,000 certified agents and community-based organizations throughout the state that provide help in whatever language or dialect consumers prefer.
- Request a call from a certified enroller for personalized help, at no cost.
- Call Covered California directly at (800) 300 -1506.

To ensure coverage for all of 2026, consumers must select a health plan by Dec. 31.

About Covered California

Covered California is the state's health insurance marketplace, where Californians can find affordable, high-quality insurance from top insurance companies. Covered California is the only place where individuals who qualify can get financial assistance on a sliding scale to reduce premium costs. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Depending on their income, some consumers may qualify for the low-cost or no-cost Medi-Cal program.

Covered California is an independent part of the state government whose job is to make the health insurance marketplace work for California's consumers. It is overseen by a five-member board appointed by the governor and the Legislature. For more information about Covered California, please visit www.CoveredCA.com.

###