

What's Happening to ACA Health Insurance in Michigan for 2026



Big Picture: A Double Whammy in 2026

Two big changes are driving 2026 prices:

- Base premiums are going up.
 - Michigan's individual market premiums are increasing by 20% on average for 2026 (Before any subsidies are applied)
- Enhanced Subsidies are scheduled to end December 31, 2025, unless Congress extends it.
 - During COVID, subsidies were increased and extended to those over 400% of poverty



Quick Refresher: How ACA Coverage Works

- The ACA Marketplace ([HealthCare.gov](https://www.healthcare.gov)) lets you:
 - Compare plans from different insurance companies
 - See if you qualify for premium tax credits (subsidies that lower your monthly bill)
- Financial help is based on:
 - Household income
 - Household size
 - County / ZIP code and age

What Changed in 2021–2025 (Why It Felt “Cheaper”)

- From 2021 through 2025, Congress temporarily boosted ACA financial help:
 - Bigger subsidies for people already getting help
 - New help for people with incomes above 400% of the federal poverty level (FPL) – no more “subsidy cliff”
 - Many people could get:
 - \$0 or very low-cost bronze plans
 - Silver plans with very low premiums and extra help with deductibles and copays
- These extra savings are called “enhanced premium tax credits.”



What's Scheduled to Happen in 2026

Unless Congress passes a new law, on January 1, 2026:

- The extra federal funding ends.
- We go back to pre-2021 rules, which means:
 - People above 400% FPL (roughly upper middle income) lose eligibility for subsidies altogether.
 - Many people under 400% FPL will be required to spend a larger share of their income on the benchmark silver plan.
- National researchers estimate that, if nothing changes:
 - Marketplace premium payments could more than double on average for many enrollees in 2026.

Michigan's 2026 Rate Increases

- Michigan's insurance department (DIFS) has approved 2026 rates:
 - Average approved increase for individual ACA plans: 20.2%
 - The state approved 191 individual plans for 2026, down from last year, and several insurers are leaving the market or shrinking their footprint
 - Caresource, UofM Health Plan, and Molina pulled out of the state. Ambetter exited 90% of state
- Bottom line: Even before we talk about subsidies, the sticker price of plans is higher.





Who in Michigan is Likely to Feel this the Most?

- People in their 50's and early 60's (before Medicare) – premiums are already higher by age.
- Households between roughly 200% and 400% of FPL (many working families and small-business owners).
- Anyone just over 400% FPL who currently gets help because the cliff was removed – they could lose all subsidy.
- People in areas where local premiums are high and there are fewer plan choices

Example: 45-Year-Old in Genesee County

Example of two 45-year-old males in Genesee County :

- John earns \$30k a year or 190% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$94 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$216.76 a month.
- Mark earns \$55k a year or 350% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$395 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$500.76 a month.

Key message:

- Same person. Same county. Same year.
- The largest difference is whether the **extra federal help** stays or ends.

Example: 55-Year-Old in Wayne County

Example of two 55-year-old males in Wayne County :

- John earns \$55k a year or 190% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$400 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$401 a month.
- Mark earns \$85k a year or 540% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$605 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$724 a month.

Key message:

- Same person. Same county. Same year.
- The largest difference is whether the **extra federal help** stays or ends.

Example: 45-Year-Old in Kent County

Example of two 45-year-old males in Genesee County :

- John earns \$30k a year or 190% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$72 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$86
- Mark earns \$55k a year or 350% of the FPL (Federal Poverty Level)
 - For a 2025 low-cost Bronze plan after subsidies, they will pay \$381 a month.
 - For the same plan in 2026, assuming “Enhanced Subsidies” are not extended, premium will be \$419 a month.

Key message:

- Same person. Same county. Same year.
- The largest difference is whether the **extra federal help** stays or ends.

What's NOT Changing

Some important protections stay in place no matter what happens with subsidies:

- Plans must still cover essential health benefits (hospital, doctor visits, maternity, mental health, prescriptions, etc.).
- Pre-existing conditions are still covered.
- Preventive care (like annual checkups, many vaccines, screenings) stays free in-network.
- Cost-sharing reductions (extra help lowering deductibles and copays) still exist for people up to 250% FPL — but your premium to access those plans could rise when subsidies shrink.



New Option: Catastrophic Plans (But Read the Fine Print)

Starting in 2026, people who lose eligibility for premium tax credits may be allowed to enroll in catastrophic coverage.

However, Michigan data shows:

- In many counties, bronze plans are actually cheaper than catastrophic plans for a 40-year-old in 2026.
- Catastrophic plans have very high deductibles and are mainly meant for worst-case situations.

Takeaway: Don't assume "catastrophic = cheaper."
Always compare bronze vs catastrophic vs silver before deciding.

Michigan Enrollment Dates & What You Must Do

Open Enrollment for 2026:

- November 1 – December 15 for January 1st start date
- December 16 – January 15, 2026

What you should do this year:

1. Open every letter and email from your insurance company and from HealthCare.gov.
2. If your plan is ending or your insurer is leaving Michigan, you'll need to pick a new plan. If you don't, you may be automatically moved into something that doesn't fit your needs.
3. Update your income and household information on HealthCare.gov – even a small change can affect your subsidy.
4. Shop around – don't just auto-renew. Plans and networks are changing.



ACA Eligibility Chart

Types of Cost Assistance For 2025	Individual Annual Income	Family of Four Annual Income
Medicaid health coverage (if your state decides to offer it)	Up to \$21,597 Michigan	Up to \$44,367 Michigan
Help to pay your premium (if you buy in the Federal or your state’s online marketplace)	Between \$21,597-\$62,600	Between \$44,367-\$128,600
Subsidies for out-of-pocket costs (if you buy a silver plan)	Between \$23,475-\$39,125	Between \$48,225-\$80,375

2025 Poverty Level Used for 2026 Subsidies

2025 Poverty Guidelines For 48 Contiguous States and the District of Columbia. Used for 2026 Subsidies

Family Size	100% FPL: Minimum to Qualify for ACA Assistance	138% FPL: Medicaid C ap (in States that Expanded)	139% - 150% Silver 94 CSR	151% - 200% Silver 87 CSR	201% - 250% Silver 73 CSR		400% FPL: Previous Tax Credit Cap
1	\$15,650	\$21,597	\$23,475	\$31,300	\$31,457	\$39,125	\$62,600
2	\$21,150	\$29,187	\$31,725	\$42,300	\$42,512	\$52,875	\$84,600
3	\$26,650	\$36,777	\$39,975	\$53,300	\$53,567	\$66,625	\$106,600
4	\$32,150	\$44,367	\$48,225	\$64,300	\$64,622	\$80,375	\$128,600
5	\$37,650	\$51,957	\$56,475	\$75,300	\$75,677	\$94,125	\$150,600
6	\$43,150	\$59,547	\$64,725	\$86,300	\$86,732	\$107,875	\$172,600
7	\$48,650	\$67,137	\$72,975	\$97,300	\$97,787	\$121,625	\$194,600
8	\$54,150	\$74,727	\$81,225	\$108,300	\$108,842	\$135,375	\$216,600

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For families/households with more than 8 people, add \$5,500 for each additional person.

Disclaimers

This presentation is for general information only.

It is not tax, legal, or financial advice.

Actual costs will depend on your exact income, household size, age, and county, as well as any changes Congress may make.

Always confirm details on HealthCare.gov, with Michigan DIFS, or with a licensed insurance professional.

