

Over 600,000 Nonelderly Veterans Would Have Subsidized Marketplace Coverage in 2026 under Enhanced Premium Tax Credits

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Many veterans receive care through the US Department of Veterans Affairs (VA). However, eligibility is limited to certain priority groups, including veterans with low incomes or who have service-connected disabilities, and VA services can be inaccessible for those who do not live near VA facilities. As a result, subsidized coverage through Medicaid and Marketplaces plays an important role in coverage for nonelderly veterans (Banthin, Haley, and Simpson 2025). The American Rescue Plan Act of 2021 enhanced premium tax credits (PTCs), making Marketplace plans more affordable, and Congress is currently considering whether to extend these enhancements after their planned expiration in December 2025. A recent brief found that 4.8 million people would lose coverage if the enhanced PTCs were to expire (Buettgens et al. 2025). In this analysis, we provide new information on the number of nonelderly veterans who would receive Marketplace PTCs in 2026 with and without the enhancements, using data from the Health Insurance Policy Simulation Model.¹

We found that the expiration of enhanced PTCs would lead to lower enrollment in subsidized Marketplace coverage among veterans. Under enhanced subsidies, an estimated 623,000 veterans would have Marketplace coverage with PTCs in 2026. If enhanced subsidies expire, this number would fall to 356,000—reducing the number of veterans with subsidized Marketplace coverage by 267,000 or 43 percent. Many of those losing coverage would become uninsured, while others would enroll in more expensive employer coverage or nongroup coverage without PTCs, which would have higher premiums. Moreover, premiums would be higher for those who do maintain subsidized Marketplace coverage.

TABLE 1

Subsidized Marketplace Coverage among Nonelderly Veterans under Enhanced and Standard Marketplace PTCs, 2026

	Enhanced PTCs		Standard PTCs		Difference	
	Number (thousands)	%	Number (thousands)	%	Number (thousands)	%
Number and share of nonelderly veterans with Marketplace coverage with PTCs	623	7.3%	356	4.4%	-267	-43%

Source: The Urban Institute, Health Insurance Policy Simulation Model (HIPSM).

Notes: PTC = premium tax credit.

¹ We used the Health Insurance Policy Simulation Model to estimate the share of nonelderly veterans who would be enrolled in Marketplace coverage with PTCs or uninsured in 2026 with and without enhanced PTCs, as described in Buettgens et al. (2025). To obtain the numbers of nonelderly veterans corresponding to these shares, we used the latest available total number of nonelderly veterans (younger than age 65) from the 2024 American Community Survey, see “B21001: Sex by Age by Veteran Status for the Civilian Population 18 Years and Over,” US Census Bureau, accessed September 29, 2025, <https://data.census.gov/table/ACSDT1Y2024.B21001?q=veterans+in+2024+by+age>.

References

Banthin, Jessica, Jennifer M. Haley, and Michael Simpson. 2023. “[Uninsured Veterans in the US: Greater Expansion and Take-Up of Medicaid and Marketplace Coverage Has the Potential for Coverage Gains.](#)” Washington, DC: Urban Institute.

Buettgens, Matthew, Michael Simpson, Jason Levitis, Fernando Hernandez-Lepe, and Jessica Banthin. 2025. “[4.8 Million People Will Lose Coverage in 2026 If Enhanced Premium Tax Credits Expire.](#)” Washington, DC: Urban Institute.

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