



HEALTH INSURANCE 2027

WHAT CHANGED & WHO QUALIFIES

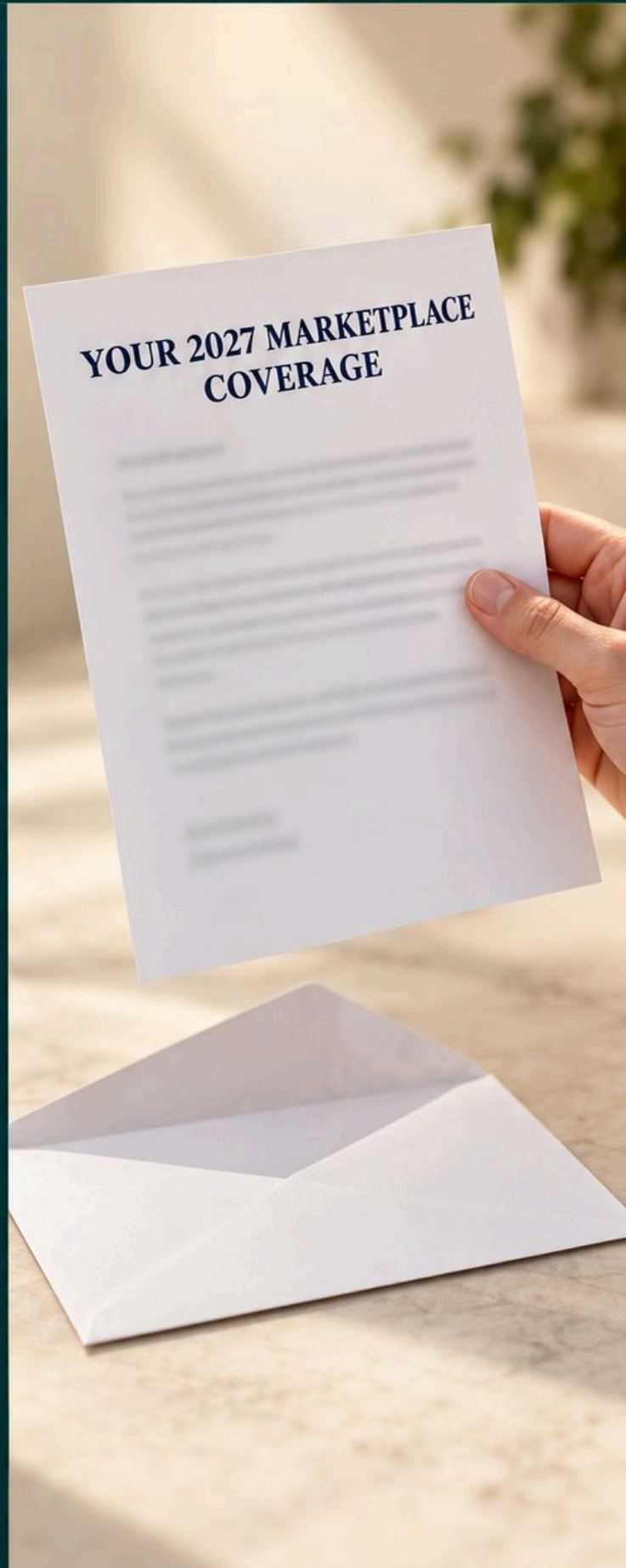
**The subsidy cliff is back.
Mark December 15.**

What's Inside:

- Income limits for 2027 coverage, by household size
- Where the 400% subsidy cliff hits
- Why there's no longer a cap on what you repay
- The real deadlines: December 15 and January 15
- Filing status, job offers and 2027 eligibility rules
- Legal ways to stay under the cliff

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What Changed, in One Page

Three things are different about the money for Marketplace coverage in 2027. And one date is widely misreported, so the calendar is on this page too.

1

The income ceiling is back.

The premium tax credit runs from 100 percent to 400 percent of the federal poverty level. One dollar over the top of that range and the federal credit generally stops. It does not shrink gradually. It stops.

2

The help shrank below the line too.

For 2027, a household between 300 and 400 percent of poverty is expected to pay 10.22 percent of its income toward a benchmark plan before any credit applies. Plenty of people who still qualify will pay more than they paid last year.

3

There is no longer a cap on what you repay.

If the Marketplace pays more credit to your insurer during the year than your final income entitled you to, you pay back all of it at tax time. The old repayment limits were repealed for tax years beginning after December 31, 2025.

4

The calendar did not shrink.

On [healthcare.gov](https://www.healthcare.gov), open enrollment runs November 1, 2026 to January 15, 2027. December 15 is the last day to choose a plan that starts January 1.

None of this came from your insurance company. The enhanced credits Congress passed for 2021 through 2025 expired on December 31, 2025, and the older, tighter rules came back.

The 400 Percent Line, by Household Size

Eligibility for 2027 coverage is measured against the federal poverty guidelines published for 2026. That is not a typo. The Marketplace uses the guidelines in effect when open enrollment opens, so next year's figures do not apply to next year's coverage.

These are the 2026 guidelines for the 48 contiguous states and the District of Columbia.

Household size	100% of poverty	400% of poverty
1	\$15,960	\$63,840
2	\$21,640	\$86,560
3	\$27,320	\$109,280
4	\$33,000	\$132,000
5	\$38,680	\$154,720
6	\$44,360	\$177,440
7	\$50,040	\$200,160
8	\$55,720	\$222,880

Each additional person adds \$5,680 to the 100 percent figure.

**Alaska and Hawaii use higher guidelines.** If you live in either state, use your own state's table. The numbers above will tell you the wrong story.

Write your own ceiling here, so you are checking against one number instead of a table:

Household size: _____ Your 400 percent ceiling: \$_____



What Counts as Your Income

The figure the Marketplace uses is not your salary and it is not the number on your pay stub. It is modified adjusted gross income, and it covers the whole household.

Start with the adjusted gross income from your federal tax return. Then add back:

- Tax exempt interest
- The untaxed portion of Social Security benefits
- Foreign earned income you excluded

The trap is the money that never touches a paycheck.

Selling stock. Cashing out cryptocurrency. A taxable withdrawal from a retirement account. Selling a second property. Any one of those can push a year over the line while monthly pay never changes.

Household is a tax question, not a housing question.

It is you, your spouse if you file jointly, and everyone you claim as a dependent. A roommate is not in your household no matter how the bills are split. An adult child you still claim is in it, even if they live somewhere else.

A dependent's income can count.

If someone you claim earns enough that they are required to file their own federal return, their modified adjusted gross income goes into the household total. A teenager with a serious part time job can move a family closer to the ceiling than the parents expect.

You are estimating 2027, not reporting 2026. Use what you expect to earn.



Three Ways to Be Disqualified Regardless of Income

Income is the test people know about. These three sit underneath it, and any one of them can end eligibility on its own.

Married filing separately.

If you are married, you generally have to file a joint return to claim the premium tax credit at all. File separately and you are usually barred, whatever your income is. There are narrow exceptions for people who are living apart from a spouse because of domestic abuse or spousal abandonment. Outside those, a couple well under the ceiling can end up with nothing because of a filing decision made for another reason entirely.

An affordable offer of job based coverage.

If you or your spouse can get coverage through an employer that the rules count as affordable and adequate, you generally cannot take a premium tax credit for a Marketplace plan instead. For 2027, an employer offer counts as affordable if the employee's share of self only coverage is no more than 10.22 percent of household income. Ask your employer, or your spouse's employer, for that number in writing before you shop.

Immigration status, changing January 1, 2027.

From that date the federal premium tax credit and income based help with deductibles are limited to lawful permanent residents, Cuban and Haitian entrants, and people lawfully present under a Compact of Free Association. Some lawfully present people who received this help before will not qualify from that date. They can still buy a Marketplace plan at full price.



Extra Help With Deductibles, and Why It Only Lives on Silver

The premium tax credit lowers your monthly premium. A separate kind of help, called a cost sharing reduction, lowers what you pay when you actually use the plan: the deductible, the copays, the out of pocket maximum.

Two things about it surprise people every year.

It generally attaches only to silver plans.

If you qualify for it and you buy bronze or gold, you keep the premium credit and lose the cost sharing help entirely. That is why a silver plan can end up cheaper in practice than a bronze plan with a lower monthly premium.

It scales with income.

The lower your household income sits within the eligible range, the more of your cost sharing the plan picks up. At the bottom of the range the silver plan behaves more like a platinum plan for out of pocket costs, while the premium stays a silver premium.

When the Marketplace tells you that you qualify for extra savings, that is what it is talking about. Do not click past it.

- **The comparison to run:** take the silver plan with cost sharing applied, and the cheapest bronze plan, and add each one's yearly premium to its deductible. The bronze plan often loses that comparison for anyone who sees a doctor more than once or twice a year.



The Repayment Change, and What It Costs to Guess Wrong

Most people take the credit in advance. The Marketplace estimates your income, sends the money straight to the insurer every month, and you settle up when you file.

Until now there was a safety net under that. If you underestimated your income, the amount you had to pay back was capped, and the cap was low for lower income households.

⊗ **That cap was repealed for tax years beginning after December 31, 2025.** There is no limit now, at any income level. Every dollar of excess credit comes back at tax time.

Here is what that looks like in practice. Imagine a household of two that estimated \$80,000 and took the credit all year. In November a bonus and some stock sales land, and the year finishes at \$88,000. That is above \$86,560, so the ceiling applies, and the entire year of advance credit is repaid with the tax return. Nothing is prorated. There is no partial credit for the months the income was lower.

Two ways to protect yourself:

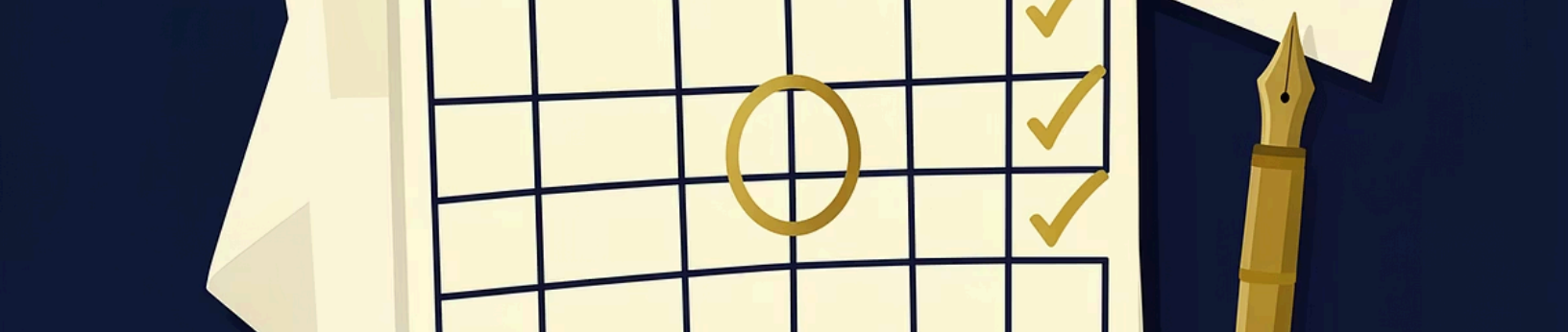
Take less credit in advance

Take less credit in advance than you qualify for, and claim the rest as a refund when you file. You do not lose anything. You change when you receive it.

Report income changes during the year

Report income changes to the Marketplace during the year, as they happen. It adjusts the credit going forward, which is far cheaper than settling the whole thing in April.

If your income is hard to predict, the first option is real protection.



The Calendar for 2027 Coverage

📌 On healthcare.gov, open enrollment runs **November 1, 2026 to January 15, 2027**.

You may have read that it now ends on December 15. A 2025 federal rule was set to do that for the 2027 plan year. After a court case over that rule, the Centers for Medicare and Medicaid Services confirmed in July 2026 that the federal dates are unchanged.

December 15 is still the date that matters most. It is the last day to choose a plan that starts January 1. Choose between December 16 and January 15 and the plan starts February 1. If you have no other coverage, that is a month uninsured.

If you do nothing, you are still renewed. Automatic renewal keeps you covered from January 1. What it cannot do is know what you expect to earn next year, and that number sets your credit. What you lose by doing nothing is not your coverage. It is the chance to fix your income estimate and your plan before the year starts.

State run Marketplaces set their own dates. If your state runs its own, check its dates. Several run later than January 15. Covered California and NY State of Health run to January 31, 2027, and the Massachusetts Health Connector to January 23.

Date	What happens
By late October 2026	Two letters arrive: one from your insurer, one from the Marketplace
November 1, 2026	Open enrollment opens
December 15, 2026	Last day to choose a plan that starts January 1
January 1, 2027	Coverage begins for plans chosen by December 15
January 15, 2027	Federal open enrollment closes
February 1, 2027	Coverage begins for plans chosen December 16 to January 15



After the Deadline: Special Enrollment

Once your Marketplace closes, getting in generally takes a qualifying life event. The common ones:

- Losing other coverage, including a job based plan
- Getting married
- Having a baby, adopting, or placing a child in foster care
- A permanent move that changes the plans available to you
- Certain changes in income or household that affect eligibility



Be ready to prove it. The Marketplace can ask for documents before or after you enroll, and the monthly enrollment opportunity that once existed for very low income households is not available for 2027. Low income on its own will not get you in after open enrollment. Have the documents ready: a termination letter, a marriage certificate, a birth certificate, a lease or utility bill showing the move.

Most special enrollment periods run 60 days from the event. Some allow a window before it as well, which is worth using when you know a job is ending.

Medicaid and the Children's Health Insurance Program take applications all year. There is no enrollment window for either one. If your income drops, or if you are turned down at the Marketplace because your income is too low for a credit in a state that did not expand Medicaid, apply anyway and let the state make the determination. Applying is not the same as qualifying, and the rules vary by state.



Your Step by Step

1 Open both letters.

One from your insurer, one from the Marketplace. Between them you learn what your plan costs next year, whether it still exists, and whether you are being moved into something else.

2 Estimate your 2027 household income.

Not last year's. Next year's, including anything you expect to sell or withdraw.

3 Compare it to your ceiling.

Use the table earlier in this guide, or your own state's table for Alaska and Hawaii.

4 Log in and run your own application, even if you are keeping the same plan.

This is the step people skip. The Marketplace calculates your help from what you tell it. Tell it nothing and it works from last year's information.

5 Check the plan, not just the premium.

Are your doctors in network for 2027? Are your prescriptions on the formulary, and at what tier? Networks and drug lists change every year, quietly.

6 If you qualify for extra savings, price the silver plans properly.

Premium plus deductible, not premium alone.

7 Decide how much credit to take in advance.

All of it, or less than all of it if your income is unpredictable.

8 Enroll by December 15 for coverage from January 1.

Put it in your calendar now, with a reminder a week earlier. January 15 is the last day to enroll at all.

9 Pay the first premium.

Coverage is not active until the first payment is made. Every year people complete an enrollment, skip the payment, and find out at a pharmacy counter in January.



Lawful Ways to Bring Your Income Down

Being just over the ceiling is not always the end of it. Eligibility runs on modified adjusted gross income, and that figure can be reduced by things you may already be planning to do.

A deductible contribution to a traditional IRA.

It lowers adjusted gross income directly. Whether your contribution is deductible depends on your income and on whether you or your spouse are covered by a retirement plan at work.

A health savings account contribution.

If you are enrolled in a qualifying high deductible health plan. There is a useful wrinkle here for 2027 shoppers: bronze and catastrophic Marketplace plans are now treated as HSA qualifying, which opens the account to people whose plan choice previously ruled it out.

✅ **Both of these can generally be made up to the April tax filing deadline and still count for the prior year.** That is unusual, and it matters. Someone who realizes in March that they landed just over the line may still have room to move.

What does not work after December 31: anything that comes out of your paycheck. A 401(k), a 403(b), a 457(b), a workplace HSA payroll deduction. Those close with the calendar year.

Whether any of this applies to you is a conversation with a tax professional. The point of this page is that the door is not necessarily shut in January.



File and Reconcile Every Year

If you take the premium tax credit in advance, you have to file a federal tax return for that year and attach **Form 8962**, even if you would not otherwise be required to file. That is how the advance payments get matched against what you actually earned.

This is a legal requirement. For the 2026 and 2027 plan years, a court ruling stopped Marketplaces from cutting off advance payments because of a missed reconciliation. That does not remove the requirement itself, and skipping it still leaves you with a tax problem.

Form 1095-A

The Health Insurance Marketplace Statement. The Marketplace sends it by early in the year and also posts it in your account.

Form 8962

Which you file with your return.



Check the 1095-A against your own records before you file. Errors happen, usually with the second lowest cost silver plan figure in column B, which is the number the whole calculation rests on. If it is blank or looks wrong, the Marketplace can issue a corrected form, and [healthcare.gov](https://www.healthcare.gov) publishes a tool for looking up the correct benchmark figure.

If you changed plans mid year, or if different family members were on different plans, expect more than one 1095-A. They all go into the calculation.



The Mistakes That Cost the Most

→ **Letting it renew without running the numbers.**

Renewal protects your coverage. It does not protect your price, because it cannot know what you expect to earn.

→ **Guessing income low on purpose.**

This used to be a contained risk. With the repayment cap repealed, it is not. Guessing low does not save money. It moves the bill to April, and the bill is no longer limited.

→ **Assuming the ceiling is unavoidable.**

Sometimes it is. Often there is room to move, and the April deadline on IRA and HSA contributions means the chance is not always gone by January.

→ **Thinking you are safe because you are under the ceiling.**

The expected contribution went up below the line as well. Eligible is not the same as affordable.

→ **Buying on premium alone.**

The cheapest monthly price is frequently the most expensive plan by the end of the year.

→ **Waiting to see what Congress does.**

The House passed a three year extension of the enhanced credits in January 2026 and it did not become law. It may still act. December 15 does not move while you wait to find out, and if the rules change, they change at [healthcare.gov](https://www.healthcare.gov).

→ **Missing the first premium payment.**

An enrollment without a payment is not coverage.



If the Credit Is Gone, What Is Left

Losing the federal credit does not leave you with nothing, but the options narrow.

Buy the same plan at full price.

Marketplace plans are still available above the ceiling, without the credit. Compare them against anything offered outside the Marketplace, because off exchange plans do not qualify for a credit at all and are sometimes priced differently.

Check your own state.

Some states put their own money in on top of the federal credit, and a few extend help above 400 percent of poverty. These programs are set state by state and some are temporary, so check what is running for 2027 rather than what was running last year.

Catastrophic coverage.

Normally limited to people under 30, it is also open to people who qualify for a hardship or affordability exemption. Check the current exemption list at [healthcare.gov](https://www.healthcare.gov) before you count on it. A catastrophic plan covers preventive care and protects against a disaster, with a high deductible in between. It now also counts as HSA qualifying.

Medicaid and CHIP, if income falls.

Both take applications year round.

An employer plan you skipped.

If anyone in the household has an offer at work that looked expensive when the credit was available, price it again. Without the credit the math often reverses.



Worksheet: Your Three Numbers

Number one: what you expect to earn in 2027.

Line	Amount
Wages, salary, tips (everyone in the household)	\$_____
Self employment income, after expenses	\$_____
Unemployment compensation	\$_____
Taxable retirement withdrawals and pensions	\$_____
Investment income, including expected stock or crypto sales	\$_____
Rental and other income	\$_____
Tax exempt interest	\$_____
Untaxed Social Security benefits	\$_____
Excluded foreign income	\$_____
A dependent's income, if they must file their own return	\$_____
Estimated 2027 household MAGI	\$_____

Number two: your ceiling.

From the table earlier in this guide.

Household size _____ , ceiling \$_____

Number three: what coverage actually costs.

After the Marketplace reruns your help, for the plan you are actually going to use.

Monthly premium after credit \$_____ , deductible \$_____ , out of pocket maximum \$_____

☐ If number one is close to number two, read the page on lawful ways to bring income down before you enroll.



Official Resources

Go to the source. Everything below is a government office or a government site.

Health Insurance Marketplace

Website: healthcare.gov
Phone: 1-800-318-2596,
open 24 hours a day, 7 days
a week
TTY: 1-855-889-4325

Free local help, in person or by phone

Website:
localhelp.healthcare.gov
Navigators and certified
assisters are free. They
cannot be paid by a
commission, and they
cannot charge you.

If your state runs its own Marketplace

Website:
healthcare.gov/marketplace-in-your-state
This page routes you to
your state's own site and its
own deadlines.

Internal Revenue Service

Individual help: 1-800-829-1040
Premium tax credit
information:
irs.gov/affordable-care-act
Publication 974, Premium
Tax Credit, covers the
calculation in detail.

Free tax help

Volunteer Income Tax
Assistance: 1-800-906-9887
Tax Counseling for the
Elderly, for age 60 and over:
1-888-227-7669

Medicaid and the Children's Health Insurance Program

Website: medicaid.gov
CHIP: 1-877-543-7669

Federal poverty guidelines

Website: aspe.hhs.gov/poverty-guidelines

About This Guide

GovClarity explains government programs in plain language. No jargon, no sales pitch, no email required to download anything we publish.

This guide accompanies our video on Marketplace coverage changes for 2027. Every figure in it comes from a federal source: the Department of Health and Human Services poverty guidelines, the Internal Revenue Service, and the Centers for Medicare and Medicaid Services rules for the 2027 plan year.



What this guide is not. It is not tax advice and it is not insurance advice. Household situations differ in ways a written guide cannot account for, and the decisions here can carry a real cost if they go wrong. For anything involving your own return, talk to a tax professional. For help choosing a plan, the free Marketplace assisters listed on the previous page are the right call.

Rules can change. Congress was still debating the enhanced premium tax credits when this guide was written. If they return, healthcare.gov will say so first.

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Watch the full video on 2027 Marketplace coverage, then use this guide alongside your own application at healthcare.gov.