

# CHECK-UP: BIG UGLY CUTS TAKE EFFECT

## REPUBLICANS PRESCRIBE A SECOND DOSE

January 23, 2026

Republicans' Big Ugly Law and their decision to end the enhanced Affordable Care Act (ACA) tax credits are [kicking Americans off their health care and sending health care costs soaring](#). While House Democrats forced a bipartisan vote [to pass](#) a three-year extension of the ACA tax credits to lower Americans' health insurance costs, President Trump and Senate Republicans are standing in the way. Instead of extending the ACA tax credits to lower costs, Republicans are doubling down on their Big Ugly Law and calling for a second round of cuts.

### Americans are facing a Republican health care crisis.

- Republicans' policies kick [15 million](#) off their insurance to pay for tax cuts that overwhelmingly benefit the ultra-rich.
- Their Big Ugly Law guts Medicaid and the ACA by [more than \\$1 trillion](#), destabilizing the health care system and making care more expensive for all Americans.
- Republicans' refusal to extend the enhanced ACA tax credits increases Americans' health care costs by [an average of 114 percent or \\$1,016 in annual payments](#).
- The Centers for Medicare and Medicaid Services (CMS) reported on January 12<sup>th</sup> that [22.8 million](#) people have signed up for 2026 ACA health coverage so far. While [the extent of enrollment changes likely won't be known until this summer](#), this is [down by about 830,000](#) from 23.6 million people around the same time last year and [down by about 1.5 million](#) from the end of Open Enrollment last year.

### President Trump and Republicans intend to make things worse.

- President Trump's vague, one-page [health care "plan"](#) diverts money away from the ACA to health savings accounts (HSAs), which are woefully inadequate to pay for high and rising costs of medical care. Under leading Republican proposals, [HSAs can only be used with bronze or catastrophic plans](#), which carry the highest deductibles and the least generous coverage – in 2026, the average bronze plan deductible is nearly [\\$7,500](#), five to seven times larger than the proposed HSA deposit amount.
- President Trump [promoted](#) making short-term, limited duration insurance plans (ACA-exempt junk plans) available for longer to address premium cost hikes. These junk plans [exclude](#) pre-existing conditions (denying people with cancer, obesity, or are pregnant), have exorbitant deductibles ranging from \$500 to \$25,000, and mostly have no out-of-pocket cost maximums.
- [The Republican Study Committee's \(RSC\) reconciliation 2.0 proposals](#) lack detail and have incomplete estimates, but the health care cuts they do include total \$1.3 trillion over ten years. The proposals further sabotage the ACA, increase health care costs, expose Americans to medical debt, and take benefits away from lawfully present immigrants.
- President Trump and the RSC's proposal to fund cost-sharing reductions (CSRs) [increases out-of-pocket premium costs](#) for people who have bronze and gold ACA plans and lead to [more people becoming uninsured](#).



*This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.*