

Phased-Out Extension, Suspects Schumer Shut Down Dem Negotiations

Jan 29, 2026, 6:12 PM EST

(Inside Health Policy)

Sen. Bernie Moreno (R-OH) said his proposal to extend the enhanced Affordable Care Act premium tax credits amounts to a three-year extension and phaseout of the subsidies. The senator said Thursday (Jan. 29) he has not heard from Democrats involved with negotiations on whether they support his plan, and he blames this lack of communication on Democratic leadership.

Moreno confirmed the document obtained by *Semafor* Wednesday (Jan. 28) is his proposal. He told *Inside Health Policy* Wednesday he had sent his proposal to four Democrats involved with ACA subsidy negotiations and was waiting to hear their thoughts.

Moreno told *IHP* Thursday he has not heard back from any of the four Democrats he sent his proposal to, and said he believes this is because Senate Minority Leader Chuck Schumer (D-NY) disapproves of the plan. Moreno would not say which Democratic senators he sent his proposal to.

“I suspect that basically, Schumer shut it down...I think he shut down the conversation because he wants the political issue, he doesn’t want to solve the issue of health care,” Moreno said. “That’s crystal clear to me.”

“I suspect Schumer has basically told them to cease all conversations,” Moreno added.

However, Sen. Jeanne Shaheen (D-NH), who has been heavily involved in negotiations on extending the subsidies, told *IHP* Thursday she has not heard Schumer say anything about the proposal. Shaheen also told reporters she has not yet reviewed Moreno’s proposal but has serious concerns about it.

Sen. Peter Welch (D-VT), who is also involved with negotiations, told *IHP* Moreno’s work has been “constructive.” When asked whether he would supply a counteroffer to Moreno’s plan, Welch shut the idea down, arguing the negotiations have been collaborative.

“I think all of us are trying to figure out a place where we can achieve the goal of extending the tax credits that will get significant support for both of our caucuses,” Welch said.

Meanwhile, Sen. Lisa Murkowski (R-AK) spoke in support of Moreno’s proposal, telling reporters Thursday she hopes the proposal advances.

Moreno also clarified that his plan is to offer a three-year extension of the subsidies, with the subsidies extended without significant reforms in the first year, an HSA option implemented in the second year and a phase-out of the subsidies in the third year. Moreno said the income caps and minimum premium policies would be implemented “as soon as possible,” but not immediately, noting “CMS cannot snap their fingers and make this happen.”

“Year one, the status quo will exist, meaning the credits as they are, flowing the way they are, but directing CMS to put in place income caps and a minimum premium as soon as humanly possible,” Moreno told reporters.

Moreno also said he is still unsure whether his plan will gain support from the majority of Senate Republicans as he is still focused on getting Democrat support first.

“I don’t know if what we proposed would have majority support, but I can’t go to my conference and ask them to vote for something that ultimately is going to be dead on arrival,” Moreno told reporters. -- *Sigi Ris*(sris@iwppnews.com)