October 2, 2025

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury

The Honorable Robert Kennedy Jr.
Secretary
U.S. Department of Health and Human Services

The Honorable Lori Chavez-DeRemer
Secretary
U.S. Department of Labor

Cc: Kenneth Kies, Assistant Secretary for Tax Policy; Dr. Mehmet Oz, Administrator, Centers for Medicare and Medicaid Services, Department of Health and Human Services; Daniel Aronowitz, Assistant Secretary, Employee Benefits Security Administration, Department of Labor

Dear Secretary Bessent, Secretary Kennedy, and Secretary Chavez-DeRemer:

The undersigned 30 organizations are deeply concerned about your recent decisions to deprioritize enforcement of an important rule to protect patients from junk insurance and to expand access to non-comprehensive coverage, and urge you to maintain the integrity of the Affordable Care Act (ACA) insurance marketplace (Marketplace), especially as we approach open enrollment.

Our organizations represent millions of patients and consumers who face serious, acute, and chronic health conditions. Together, our organizations offer unique and important perspectives on what individuals and families need to prevent disease, cure illness, and manage their health. The diversity of our organizations and the populations we serve enables us to draw upon extensive knowledge and expertise that can be an invaluable resource to the Administration as we enter the upcoming open enrollment period.

In March of 2017, our organizations came together to form the Partnership to Protect Coverage (PPC). Together, we agreed upon three overarching principles to guide any work to reform and improve the nation's healthcare system. These principles state that: (1) health care should be accessible, meaning that coverage should be easy to understand and not pose a barrier to care; (2) health care should be affordable, enabling patients to access the treatments they need to live healthy and productive lives; and (3) health care must be adequate, meaning healthcare coverage should cover treatments patients need.

Patients are facing an uncertain market due to the changes that this Administration and Congress have made to the Marketplace. As we pointed out in our comments on the Program Integrity rule[1] and in our letter on H.R. 1,[2] we believe the changes made put consumers at risk. The additional changes made recently only heighten the risks facing consumers this open enrollment.

Taken together, H.R. 1 and the Marketplace Integrity and Affordability Rule create new barriers to consumers' ability to enroll in Marketplace coverage, imposing complex eligibility verification requirements, limiting opportunities to enroll, increasing out-of-pocket costs, and ending auto-reenrollment procedures that are essential to maintaining coverage for the vast majority of

[1] Partnership to Protect Coverage, Letter Re: Patient Protection and Affordable Care Act; Marketplace Integrity and Affordability (CMS-9884-P) (April 11, 2025). https://www.protectcoverage.org/siteFiles/50693/04%2011%2025%20PPC%20Program%20Integrity%20Comments.pdf.

[2] Partnership to Protect Coverage, Letter Re: One Big Beautiful Bill Act's Impact on Patients (June 28, 2025). https://www.protectcoverage.org/siteFiles/51218/06%2028%202025%20PPC%20Letter%20Re%20Senate%20Reconcilation.pdf.

marketplace enrollees. H.R. 1 is projected to cause 10 million people to lose insurance coverage, 2.4 million of which is attributable to the law's Marketplace provisions.[3] The Marketplace Integrity and Affordability regulation, by the Centers for Medicare and Medicaid Services' own projections, is expected to result in up to 1.8 million people losing Marketplace coverage.[4]

These changes, compounded by Congress's failure to extend the enhanced premium tax credits that have contributed to historic enrollment, will discourage healthier individuals from enrolling in coverage and result in a smaller and sicker risk pool. The expected result is a 57% reduction in Marketplace enrollment nationwide once all changes have taken effect.[5] Premiums are expected to increase, on average, 18% nationwide.[6]

Against this backdrop of policy changes that render ACA plans harder to access and more costly to obtain, the Departments have announced further actions that could harm consumers. Namely, they are deprioritizing oversight of plans offering inadequate coverage and intend to weaken consumer protections applicable to short-term, limited-duration insurance (STLDI)[7] and expanding access to catastrophic coverage.[8] The Notice of Funding Opportunity for the Rural Health Transformation Fund also includes a scoring system that incentivizes states to deregulate STLDI.[9]

In our comments on the 2024 STLDI rule, we applauded the Departments for implementing policies to protect patients from the health and financial risks of these plans.[10] We continue to

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[3] Congressional Budget Office. *CBO's Estimate of Annual Changes in the Number of People Without Health Insurance Under Title VII, Public Law 119-21*. (2025) Retrieved from https://www.cbo.gov/system/files/2025-08/61367-Uninsured-Data.xlsx

[4]Patient Protection and Affordable Care Act; Marketplace Integrity and Affordability, 90 Fed. Reg. 27213 (June 25, 2025) https://www.govinfo.gov/content/pkg/FR-2025-06-25/pdf/2025-11606.pdf

[5] Michelle Anderson, et al. Future of the Individual Market: Impact of the House Reconciliation Bill and Other Changes on the ACA Individual Market. Wakely Consulting Group. https://www.wakely.com/wp-content/uploads/2025/06/Reconcilliation-Bill-Impacts_6_23_25_FINAL.pdf. Published June 24, 2025.

[6] Jared Ortaliza, et al. How Much and Why ACA Marketplace Premiums Are Going Up in 2026. KFF https://www.kff.org/affordable-care-act/how-much-and-why-aca-marketplace-premiums-are-going-up-in-2026/. Published August 6, 2025.

[7] Employee Benefits Security Administration. *Statement of U.S. Departments of Labor, Health and Human Services, and the Treasury regarding short-term, limited-duration insurance*. August 7, 2025. https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/short-term-limited-duration-insurance/stldi-statement-08-07-2025

[8] Partnership to Protect Coverage. Comments Re: Patient Protection and Affordability Care Act; Marketplace Integrity and Affordability (CMS-9884-P). https://www.protectcoverage.org/siteFiles/50693/04%2011%2025%20PPC%20Program%20Integrity%20Comments.pdf. Published April 2025.

[9] Centers for Medicare & Medicaid Services, Rural Health Transformation (RHT) Program Grant Opportunity (Sept 15, 2025). https://grants.gov/search-results-detail/360442/.

[10] Partnership to Protect Coverage. Comments Re: Short-Term, Limited-Duration Insurance; Independent, Noncoordinated Excepted Benefits Coverage; Level-Funded Plan Arrangements; and Tax Treatment of Certain Accident and Health Insurance (CMS-9904-P).

believe strongly that the Departments were correct in applying a commonsense and reasonable definition of STLDI that limits the term of these short-term products to three months, and closes loopholes that allowed insurers to stack policies to provide for longer-term coverage. We also believe that the insurance company disclosures required under current regulations — while inadequate, on their own, to prevent consumer confusion — are a necessary part of helping consumers better distinguish between comprehensive coverage and the limits of STLDI.

For patients with pre-existing conditions, confusion between ACA-compliant coverage and STLDI polices, which are exempt from the ACA's comprehensive suite of consumer protections, can result in patients purchasing policies that deny or exclude coverage of crucial services. Just as risky, STLDI insurers may rescind coverage based on claims they deem related to a pre-existing condition. The Departments themselves have acknowledged that, "consumers who purchase short-term, limited-duration insurance policies and then develop chronic conditions could face financial hardship as a result, until they are able to enroll in PPACA-compliant plans that would provide coverage for such conditions."[11]

The effect of the 2018 rules loosening STLDI restrictions was to make it harder for consumers to distinguish between STLDI and full-year ACA-compliant coverage, to the detriment of both those who enroll in STLDI and the consumers and patients who rely on the ACA-compliant individual market.[12] These harms to patients are heightened by evidence of aggressive and misleading sales practices that misrepresent or fail to disclose critical distinctions between comprehensive coverage and non-ACA products.[13] With higher premiums and barriers to enrollment for ACA plans, we expect insurers and brokers will increase efforts to market STLDI as an alternative to comprehensive coverage. Such marketing tactics will put consumers at greater risk of enrolling in a STLDI product that does not work how they expected it to and doesn't provide coverage to suit their needs. To make an informed decision impacting their health and financial well-being, consumers need and deserve transparency about the

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https://www.protectcoverage.org/siteFiles/45070/09%2011%2023%20PPC-STLDI-Letter-FINAL.pdf. Published September 2023.

[11] Short-Term, Limited-Duration Insurance, 83 Fed. Reg. 7437 (Feb. 27, 2018). https://www.federalregister.gov/documents/2018/02/21/2018-03208/short-term-limited-duration-insurance

[12] See, for example, Partnership to Protect Coverage. Under-Covered: How 'Insurance-Like' Products are Leaving Patients Exposed. https://www.lls.org/sites/default/files/National/undercovered_report.pdf. Published March 2021.

[13] Schwab R and Volk J. The Perfect Storm: Misleading Marketing of Limited Benefit Products Continues as Millions Losing Medicaid Search for New Coverage. Georgetown University Center on Health Insurance Reforms. https://georgetown.app.box.com/v/the-perfect-storm-august-2023. Published August 2023; Palanker D and Volk J. Misleading Marketing of Non-ACA Health Plans Continued During COVID-19 Special Enrollment Period. Georgetown University Center on Health Insurance Reforms. https://ccf.georgetown.edu/2021/11/08/misleading- marketing-of-non-aca-health-plans-continued-during-covid-19-special-enrollment-period/. Published October 2021; Young CL and Hannick K. Misleading Marketing of Short-Term Health Plans Amid COVID-19. The Brookings Institution. https://www.brookings.edu/articles/misleading-marketing-of-short-term-health-plans-amid-covid-19/. Published March 24, 2020; Corlette S, Lucia K, Palanker D, and Hoppe O. The Marketing of Short-Term Health Plans. Robert Wood Johnson Foundation. https://www.rwjf.org/en/insights/our-research/2019/01/the-marketing- of-short-term-health-plans.html. Published Jan. 31, 2019.

differences in coverage and protections each of these plan types do and do not provide. We urge you to reverse course and enforce the existing SDTLI rule to the full extent possible.

We also note that recent guidance opened up access to catastrophic plans for a broad swath of consumers who will see premiums increase this fall, due to the above policy changes and failure of Congress to extend the enhanced advanced premium tax credits (eAPTCs).[14] But plans with a deductible of $10,600 are not the solution to the affordability problems many will face, and the streamlined exemption process may mean some will inadvertently forgo APTCs to buy a plan that provides minimum coverage other than for the highest cost care.

With respect to deceptive marketing and sale of insurance products more generally, we continue to strongly support efforts by HHS to improve oversight of agents and brokers and to step up enforcement against bad actors who inappropriately enroll consumers or modify their coverage without consent. The marketplace integrity rule suggested HHS would consider strengthening broker standards and providing greater support to consumers affected by misconduct and we urge you to do so in future rulemaking.

In addition, we request the Departments to take additional steps to reduce consumer confusion and ensure a well-functioning marketplace and a stable market for individuals shopping for coverage. To begin, and most importantly, the Administration must do everything within its power to call on Congress to extend the applicability of enhanced premium tax credits as soon as possible.[15] Insurers have begun to finalize their 2026 premium rates and consumers will soon face much higher premiums as they begin shopping for coverage on November 1st.

While action at this late date might be too late to avoid higher premiums and coverage losses, the Administration can and should take steps to mitigate that harm to the extent possible. At a minimum, the Administration must establish a special enrollment period for states that use Healthcare.gov, in order to extend the opportunity for individuals and families to shop for plans with the resulting lower premiums net of the enhanced premium tax credit.

In addition, the Administration should conduct robust outreach; require clear notices of the special enrollment opportunity and lower premium obligations for consumers who qualify for the enhanced premium tax credits; and provide additional funding to Navigators to step up

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[14] Centers for Medicare & Medicaid Services. *Guidance on Hardship Exemptions for Individuals Ineligible for Advance Payment of the Premium Tax Credit or Cost-sharing Reductions Due to Income, and Streamlining Exemption Pathways to Coverage*. September 4, 2025. https://www.cms.gov/files/document/guidance-hardship-exemptions.pdf

[15] We have previously highlighted the importance of maintaining the enhanced premium tax credit: Partnership to Protect Coverage. Re: Patient Protection and Affordable Care Act; Marketplace Integrity and Affordability (CMS-9884-P). https://www.protectcoverage.org/siteFiles/50693/04%2011%2025%20PPC%20Program%20Integrity%20Comments.pdf. Published April 11, 2025. See also Partnership to Protect Coverage. Patient Community Urges Congress to Reauthorize the Enhanced Advance Premium Tax Credit. https://www.protectcoverage.org/siteFiles/51305/07%2029%202025%20PPC%20Letter%20on%20Reauth%20of%20eAPTC.pdf Published July 30, 2025.

their outreach and enrollment efforts. Many consumers who are turned away from ACA plans because of the cost may enroll in alternative, non-ACA coverage, even with stepped-up oversight of misleading marketing. It will be critical to reach those individuals with notices of the enrollment opportunity and lower costs for ACA plans. As you well know, waiting for consumers to learn, firsthand, the inadequacies of their coverage does not grant them an opportunity to enroll in ACA coverage outside open enrollment.

Finally, we strongly caution against the Administration making further policy changes that will destabilize the market and increase costs for consumers, such as any policy that would limit state authority to allow issuers to include the cost of unfunded cost-sharing reductions (CSRs) in their rates. This longstanding policy has been a reasonable and fully appropriate response to the first Trump Administration's decision to withhold funding of CSRs. To usurp the authority of state regulators to manage their markets under this circumstance would further shift costs onto consumers and undermine ACA markets.

Once again, our organizations urge you to take the steps outlined above to prevent additional harm to the ACA markets. Please contact Bethany Lilly (bethany.lilly@bloodcancerunited.org) if you have questions or would like to meet with members of the Partnership. Thank you for your consideration.

Sincerely,

AiArthritis
American Cancer Society Cancer Action Network
American Heart Association
American Kidney Fund
American Lung Association
Blood Cancer United (formerly The Leukemia & Lymphoma Society)
Cancer Nation (formerly the National Coalition for Cancer Survivorship)
CancerCare
Coalition for Hemophilia B
Crohn's & Colitis Foundation
Cystic Fibrosis Foundation
Diabetes Patient Advocacy Coalition
Epilepsy Foundation of America
Hypertrophic Cardiomyopathy Association
Immune Deficiency Foundation
Lupus Foundation of America
Muscular Dystrophy Association
National Alliance on Mental Illness
National Bleeding Disorders Foundation
National Health Council
National Kidney Foundation
National Multiple Sclerosis Society

National Organization for Rare Disorders
National Patient Advocate Foundation
Susan G. Komen
The AIDS Institute
UsAgainstAlzheimer's
WomenHeart
ZERO Prostate Cancer