



Monday, June 2, 2025

The Honorable John Thune  
Majority Leader  
511 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Mike Crapo  
Chairman, Committee on Finance  
239 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member, Committee on Finance  
221 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Bill Cassidy  
Chairman, Committee on Health,  
Education, and Labor  
455 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Bernard Sanders  
Ranking Member, Committee on Health,  
Education, and Labor  
332 Dirksen Senate Office Building  
Washington, DC 20510

Dear Leader Thune, Leader Schumer, Sen. Cassidy, Sen. Crapo, Sen. Sanders, and Sen. Wyden,

As leaders of the nation's State-based health insurance Marketplaces (SBMs), we are concerned that tens of millions of Americans who rely on Marketplace coverage will be unable to maintain affordable private health insurance under the House of Representatives' recently passed reconciliation bill. The Americans who depend on the Marketplaces include working parents, small business owners, farmers, gig workers, early retirees, and lower and middle-class individuals of all ages, political views, and backgrounds. These individuals and families drive our local economies and make both our rural and urban communities thrive. Today, a record 24 million Americans get their private health insurance through the Marketplaces, and an estimated 1 in 7 Americans have depended on the Marketplaces for coverage at some point during the 12 years since the Marketplaces opened. Our responsibility to these millions of Americans, together with our responsibility to be good stewards of public resources and public trust, is critically important to the way we operate our Marketplaces.

The reconciliation package approved by the House restricts access to tax credits for health insurance for new and existing Marketplace enrollees and imposes unprecedented restrictions and administrative barriers for consumers trying to access private health insurance. These new burdens are compounded by the impending expiration of the updated tax credit structure that will result in millions of people, in some states, more than 1 in 3 Marketplace enrollees, becoming uninsured. The collective impact of these changes will destabilize private health insurance markets and put the sustainability of State-based Marketplaces at risk. Further, Marketplaces will be forced to spend millions more to implement new duplicative paperwork requirements – costs that will be passed onto Americans who depend on Marketplace coverage.

Our primary concerns are:

1. The House's reconciliation bill will unnecessarily increase costs and burden for privately insured Americans.
2. The House's reconciliation bill ends long-standing state autonomy that has driven efficiency in providing millions of Americans with access to affordable, private coverage.
3. Congressional inaction to extend the expanded portion of Premium Tax Credits could result in over 4 million uninsured Americans.

Americans of every stripe depend on private health insurance made available through the Marketplaces.

### **The reconciliation bill will unnecessarily increase costs and burden for privately insured Americans**

Americans will experience higher costs through new, onerous barriers that keep people from accessing tax credits for their health insurance in real time. Marketplace consumers already undergo rigorous processes to verify their eligibility for premium tax credits, backed by federal and state data sources. New requirements would impose extraordinary new bureaucratic burdens on consumers, putting millions at risk of losing affordable coverage simply because they could not meet excessive paperwork requirements.

The bill moves Marketplaces away from reliance on trusted federal and state electronic data sources to verify eligibility, including for renewal, a process that has supported seamless enrollment for over a decade and is best practice across private and public insurance programs alike. This means consumers will be delayed by the process of producing paperwork or jumping through duplicative administrative hoops for no purpose, as the Marketplaces have already verified their information using real-time, source-of-truth databases. Additionally, this provision prohibits automatic renewals and requires similar verification for renewing customers. Experience tells us that administrative burdens of this nature mean that only the sickest Americans will jump through the new onerous hoops, with younger and healthier enrollees who keep risk pools stable and affordable opting out. Everyone still insured will be stuck with higher premiums.

In addition to these mechanisms to make lower premiums harder to access, the bill also categorically restricts eligibility for tax credits from hundreds of thousands of lawfully present immigrants enrolled today, including lower-income lawful permanent residents (green card holders), refugees, and asylees in their “five-year bar” from Medicaid eligibility, and those with work or student visas. These are lawful residents who earn income, pay taxes, play by the rules, and contribute to their local communities. State-based Marketplace data shows these enrollees are significantly younger and healthier than enrollees on average. In addition to removing tax credits for this group, this will harm the risk pool, destabilizing individual markets and increasing costs for all.

Preliminary CBO scoring shows that, due to the collective impact of these provisions, as many as 4.1 million current Marketplace enrollees could go uninsured.

### **The bill ends flexibility for states that have provided access to affordable coverage for millions of Americans**

The House’s reconciliation bill ends long-standing state autonomy over Marketplace decision-making, removing many of the flexibilities states have used to successfully navigate complex challenges and meet local market needs over the last decade. The bill will force many states to shorten open enrollment periods by as much as half and revoke autonomy for states to use special enrollment periods to meet unique state needs. This contradicts the longstanding bipartisan tradition of state autonomy to steward local health insurance markets.

Open enrollment begins in less than six months, health insurers have already begun filing rates for 2026, and in a mere matter of months, states will begin mailing letters to Marketplace enrollees informing them of their costs for the coming year. Many of these proposed changes may appear not to have broader impacts, but in reality, they have significant and far-reaching impacts on the whole individual health insurance market. There simply is not enough time for implementation. Pushing through so many harmful and operationally complex changes on this timeline while hamstringing states from using long-standing flexibilities to adapt will result in market destabilization and avoidable consumer harm.

### **Congressional inaction on the Enhanced Premium Tax Credits could result in another 4 million more uninsured Americans**

Millions of Americans will see extraordinary increases in costs if Congress does not act to extend the Enhanced Premium Tax Credits. Americans are currently more overwhelmed than ever trying to afford everyday necessities, like groceries, childcare, housing, and health care. The expiration of the Enhanced Premium Tax Credits will exacerbate these challenges for Americans. If Congress does not take action to extend Enhanced Premium Tax Credits that are slated to expire at the end of 2025, tens of millions of Americans enrolled in Marketplace coverage will experience, on average, a 93 percent increase in their monthly costs. The Congressional Budget Office projects that this inaction alone will result in 4.2 million Marketplace enrollees dropping coverage.

The expiration of the Enhanced Premium Tax Credits and the House reconciliation bill each increase consumer costs and drive Marketplace enrollees to become uninsured. Both impacts are dramatic when considered separately and could be truly devastating to Americans when taken together. It is, therefore, critically important to understand the compounding effects of the two together. It is imperative to consider the collective impact these policies will have on millions of consumers and our health care system more broadly, and for Congress to take action to extend the enhanced tax credits, as Marketplaces are already preparing for the upcoming open enrollment period.

### Americans of every stripe depend on private coverage through the Marketplaces

State-based Marketplaces represent and serve a wide array of Americans, including individuals in rural and urban parts of the country and in red, purple, and blue states. Each of us has used the tools and state autonomy historically provided to State-based Marketplaces to deliver health insurance to our residents in a way that makes sense for our states, our insurance markets, and the communities and families we serve, all while upholding the highest levels of program integrity and working to prevent misuse of public resources. As we do this work, we speak every day with the Americans who rely on the Marketplaces for coverage. They tell us this coverage is a lifeline. They tell us their coverage allows them to get the care they need and deserve. They tell us they couldn't have started their small business without this coverage. They tell us they don't know what they would do without this coverage, and we know many of them do not have another option.

### Our ask

On behalf of the millions of Americans we serve, we ask that the United States Senate protect coverage for those enrolled in Marketplaces today and in the future by extending the Enhanced Premium Tax Credits and rejecting proposals in the House's reconciliation bill that would impose unnecessary and unprecedented red tape to getting and staying covered. 24 million Americans now rely on this coverage, and they need your support to keep it.

We stand ready to help inform your discussions about potential policies under consideration and their impact on the consumers we serve. We're available at your convenience to answer any questions you may have about our Marketplaces and how the critical policy decisions before you will impact the Americans to whom we deliver health coverage.

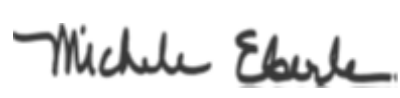
Sincerely,



**Jessica Altman**  
Executive Director  
Covered California



**Libby Caulum**  
Chief Executive Officer  
MNSure



**Michele Eberle**  
Executive Director  
Maryland Health Benefit  
Exchange



**Chiqui Flowers**  
Administrator  
Oregon Health Insurance  
Marketplace



**Audrey Gasteier**  
Executive Director  
Massachusetts Health  
Connector Authority



**Bruce Gilbert**  
Chief Executive Officer  
BeWellnm



**Danielle Holahan**  
Executive Director  
NY State of Health



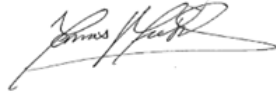
**Pat Kelly**  
Executive Director  
Your Health Idaho



**Mila Kofman**  
Executive Director  
DC Health Benefit Exchange  
Authority



**Lindsay Lang**  
Director  
HealthSource RI



**James Michel**  
Chief Executive Officer  
Access Health CT



**Keven Patchett**  
Director  
Virginia Health Benefit  
Exchange



**Kevin Patterson**  
Chief Executive Officer  
Connect for Health Colorado



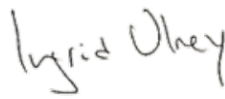
**Hilary Schneider**  
Director  
Office of the Health Insurance  
Marketplace  
Maine Department of Health  
and Human Services



**Adaline Strumolo**  
Deputy Commissioner  
Department of Vermont  
Health Access



**Devon Trolley**  
Executive Director  
Pennsylvania Health  
Insurance Exchange Authority  
(Pennie)



**Ingrid Ulrey**  
Chief Executive Officer  
Washington Health Benefit  
Exchange



**Justin Zimmerman**  
Commissioner  
New Jersey Department of  
Banking and Insurance