

May 21, 2025

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20510

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20510

Dear Speaker Johnson and Leader Jeffries:

The underlying organizations write to raise concerns about the House reconciliation package which will result in the loss of health coverage for at least 13.7 million Americans. In addition to significantly impacting Medicaid, the bill will have a devastating impact on people's ability to access and afford private insurance coverage in the individual health insurance Marketplaces. If enacted, millions of people will lose health insurance, premiums will skyrocket, and hospitals and health care providers will be forced to close their doors - particularly in rural communities. Private plans in the Marketplace help over 24 million Americans today get preventive, chronic care, medications, and other services they need to maintain their health and treat illnesses. We urge the House to reconsider these policies before it is too late.

Specifically, the legislation:

Allows health care premium tax credits to expire: The legislation would allow the current, enhanced premium tax credits to expire – causing a significant increase in premiums, putting health care out of reach for millions. A family of four making \$64,000 could see their premiums increase by upwards of \$2,800 per year. A 60-year-old couple with an income of \$80,000 could see their premiums, on average, increase, by \$17,000 annually. These cost increases are simply unsustainable for families and millions will no longer be able to afford health care.

Creates barriers to getting and staying covered in the individual marketplace: The exchange eligibility verification provisions create unprecedented and onerous requirements to access health coverage with premium tax credits at initial enrollment, annual re-enrollment, and when life changes occur. Without access to the advanced premium tax credits, coverage will be unaffordable for millions of Americans. For example, many individuals in the marketplace, including self-employed business owners, gig-economy workers, workers dependent on tips and others, have fluctuating income that makes submitting documentation of future income in advance difficult.

The reconciliation bill would end automatic re-enrollment, a successful practice used in employer-sponsored insurance and Medicare. It may delay for months a renewing enrollee getting financial assistance, leading to missed payments and dropped coverage. Not only would a new “pre-verification system” apply to everyone in the Marketplace: everyone would have to pay for it through higher user fees. Some states would likely balk at being forced to run such a consumer-unfriendly system with current flexibility eliminated.

The bill would also discourage enrollment by changing definitions that lower the value and growth of premium tax credits, limiting enrollment periods, and eliminating important flexibilities for people reconciling the advance payment of the credits on their taxes.

Limits premium tax credit eligibility: The legislation would let the “cliff” – the eligibility limit at 400 percent of the federal poverty level – return, causing people just above the cut-off to pay thousands more in premiums. A worker receiving a performance bonus could be over the limit and then forced to pay thousands of dollars because of a job well done. People denied Medicaid coverage because of work requirements, missed paperwork deadlines or had a scheduling shift change that left them short a few hours would be locked out of coverage along with tax-paying legal immigrants.

As a result of these provisions, the House bill would make the Marketplace smaller, unstable, and likely unsustainable. This blow would most hurt the middle-income Americans who rely on the Marketplace today. The Marketplace helps small business owners and workers who don’t have access to affordable coverage. It helps young people starting out on their own as well as older people phasing down their hours toward retirement. Combined with the reconciliation bill’s proposed Medicaid cuts, it could push health care providers on the brink, especially rural hospitals, over the edge.

We urge the House to mitigate the impact these policies would have on patients, small business owners, hospitals, rural providers and all Americans prior to passage.

Sincerely,

AiArthritis
American Academy of Family Physicians
American Cancer Society – Cancer Action Network
American College of Physicians
American Diabetes Association
American Kidney Fund
American Lung Association
Arizona Bleeding Disorders
Asthma and Allergy Foundation of America
Autoimmune Association
Bleeding Disorders Association of Northeastern New York
Bleeding Disorders Alliance of North Dakota
Bleeding Disorders Association of South Carolina
Blue Shield of California
CancerCare
Catholic Health Association
Crohn’s & Colitis Foundation
Cystic Fibrosis Foundation
Epilepsy Foundation of America
EveryLife Foundation for Rare Diseases
Families USA

Family Voices National
Gateway Hemophilia Association
Hemophilia Alliance
Hemophilia Council of California
Leukemia & Lymphoma Society
Louisiana Propane Gas Association
March of Dimes
Midwest Hemophilia Association
Muscular Dystrophy Association
NAACP
National Bleeding Disorders Foundation
National Coalition for Cancer Survivorship
National Multiple Sclerosis Society
National Organization for Rare Diseases
National Patient Advocate Foundation
National Rural Healthcare Association
Pacific Northwest Bleeding Disorders
Susan G. Komen
The AIDS Institute
Tennessee Hemophilia Bleeding Disorders Association
Utah Hemophilia Foundation