

# United States Senate

WASHINGTON, DC 20510

March 26, 2026

Mehmet Oz  
Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Administrator Oz,

We write to demand that the Centers for Medicare & Medicaid Services (CMS) withdraw its proposed annual rule for Affordable Care Act (ACA) coverage – the “Notice of Benefit and Payment Parameters for 2027” – and submit a rule that lowers the cost of health care. President Trump told the American people he would protect them from the “big, fat, rich insurance companies, who have made trillions, and ripped off America long enough.”<sup>1</sup> Rather than keep this promise, this administration has proposed a rule that CMS’ own experts predict will kick 2 million Americans off the health care they have and accelerate the health care affordability crisis. In short, this proposed rule is just another handout to the insurance industry and profiteering middlemen.

Americans have already faced a more than doubling in their premiums on average thanks to President Trump and congressional Republicans’ decision to give trillions in tax cuts to billionaires and wealthy corporations rather than extend tax credits for working families who buy their own insurance.<sup>2</sup> Over one million fewer people signed up for insurance this year as a result of those premium increases.<sup>3</sup> Coupled with the cuts in the so-called “Big Beautiful Bill,” over 15 million Americans are expected to be kicked off their insurance.<sup>4</sup>

It is shocking that, against this backdrop, the Administration has chosen to propose new rules that make it easier for insurers to raise out-of-pocket costs, sell new kinds of junk insurance coverage, increase working families’ deductibles, cover fewer services, and kick more providers out of network. At a time when two-thirds of Americans say they don’t trust the health care system, the Trump Administration is poised to hand even more power to the insurance industry and other health care middlemen.<sup>5</sup>

About two-thirds of American adults say they are either “very worried” or “somewhat” worried about the cost of health care. This includes working-age adults who get insurance through the

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<sup>1</sup> [Truth Social](#)

<sup>2</sup> <https://www.kff.org/affordable-care-act/aca-marketplace-premium-payments-would-more-than-double-on-average-next-year-if-enhanced-premium-tax-credits-expire/>

<sup>3</sup> <https://www.kff.org/quick-take/aca-signups-are-down-but-still-an-incomplete-picture/#:~:text=The%20Centers%20for%20Medicare%20and,drop%20their%20ACA%20Marketplace%20coverage.>

<sup>4</sup> <https://www.finance.senate.gov/ranking-members-news/trumpcare-is-gutting-americans-health-care>

<sup>5</sup> <https://news.gallup.com/poll/508169/historically-low-faith-institutions-continues.aspx>

ACA marketplace or through their job that rate their insurance as “fair” or “poor” when it comes to monthly premiums and out-of-pocket costs.<sup>6</sup>

Rather than working to find solutions that bring down health care costs, this proposed rule includes numerous provisions that will drive up Americans’ out-of-pocket costs when they go to the doctor or a hospital. The proposed rule continues the Trump Administration’s promotion of “catastrophic” insurance, arguing that these plans are an affordable option. In reality, the deductible alone on a catastrophic plan is so high (\$12,000 in 2027) that a working person earning the Federal Poverty Level (\$15,650 in 2026) would have to pay about 75% of their annual income out-of-pocket before their insurance kicks in.<sup>78</sup>

Promoting catastrophic plans isn’t the only way the Trump Administration is proposing to increase working families’ deductibles. This proposed rule also proposes to allow insurers to increase the maximum out-of-pocket expenses for bronze plans above statutory limits. At a time when nearly four-in-ten individual market enrollees report that they or a family member skipped needed health care because of the cost, the Administration should be doing everything in its power to lower out-of-pocket costs, not raise them.<sup>9</sup>

In addition to increasing how much patients will be forced to pay out-of-pocket, this proposed rule also lets insurers cover fewer services and will force nearly a dozen states to choose between cutting benefits for their residents and raising taxes or cutting funding for other services. The benefits most likely to see cuts include substance use disorder treatment, coverage for hearing aids, and therapy for children with autism spectrum disorder.

The proposed rule also proactively prohibits the option to cover adult dental services as an essential health benefit in all states. At a time when 72 million adults in the U.S. do not have dental insurance, we should be making it easier get coverage and care, not prohibiting the inclusion of adult dental benefits in health plans.<sup>10</sup>

Costs aren’t the only barriers to care that patients face. About one in five marketplace enrollees report that a doctor or hospital they needed wasn’t covered by their insurance in the last 12 months.<sup>11</sup> Although the Biden Administration pushed ACA plans to cover more providers, the

<sup>6</sup> <https://www.kff.org/health-costs/americans-challenges-with-health-care-costs/#:~:text=Notable%20shares%20of%20adults%20say,utilities%2C%20and%20other%20household%20expenses.>

<sup>7</sup> <https://www.healthaffairs.org/content/forefront/hhs-proposes-sweeping-changes-2027-marketplace-plans-part-1#:~:text=Second%2C%20HHS%20would%20require%20catastrophic%20plans%20to%20have%20an%20even%20higher%20MOOP%2C%20meaning%20most%20care%20would%20not%20be%20covered%20until%20out%20of%20pocket%20expenses%20reached%20%2415%2C600%20for%20an%20individual%20and%20%2427%2C600%20for%20a%20family.>

<sup>8</sup> <https://aspe.hhs.gov/sites/default/files/documents/dd73d4f00d8a819d10b2fdb70d254f7b/detailed-guidelines-2025.pdf>

<sup>9</sup>

[https://www.commonwealthfund.org/sites/default/files/2023-10/Collins\\_paying\\_for\\_it\\_2023\\_affordability\\_survey\\_fact\\_sheet\\_marketplace\\_individual.pdf](https://www.commonwealthfund.org/sites/default/files/2023-10/Collins_paying_for_it_2023_affordability_survey_fact_sheet_marketplace_individual.pdf)

<sup>10</sup> <https://carequest.org/out-of-pocket-a-snapshot-of-adults-dental-and-medical-care-coverage/>

<sup>11</sup> <https://www.kff.org/affordable-care-act/kff-survey-of-consumer-experiences-with-health-insurance/#07cca391-07a6-4249-bd8a-0556765bef22--despite-positive-ratings-most-adults-experience-problems-using-their-health-insurance>

Trump Administration is now rolling back these protections. Enrollees across the country will no longer be protected by maximum limits on the time and distance required to travel to see a specialist, get mental health care, or get a necessary medical procedure. That will mean more travel costs, longer waits to see experts, and more families missing work to get necessary care.

To make matters worse, this proposed rule will let insurers kick more essential community providers like community health centers and safety net hospitals out of their networks. Many of these providers are already struggling in the wake of historic cuts made by the “Big Beautiful Bill,” and letting insurers kick these providers out of network will only make it harder for essential community providers to provide care to their patients. In the worst cases, it may lead to even more clinic closures.

Experts also warn that insurers will take advantage of the policies in this proposed rule to double down on promoting “junk coverage” as premiums increase in the wake of Republicans’ refusal to extend enhanced premium tax credits for Americans who buy their own insurance.<sup>12</sup> Rather than stepping in to protect consumers, the Trump Administration is eliminating protections that keep insurers from selling junk coverage that leaves patients paying more when they need care. Under this proposed rule, insurers would be allowed to design junk plans with benefits that set a maximum price cap for services without contracting with providers, meaning no guarantee that those benefits would be enough to cover the cost of care. The agency’s own analysis of the proposal notes that these plans come with “no guarantee that the plans’ benefit amounts are actually sufficient to cover the provider’s full charges.”<sup>13</sup>

Finally, the proposed rule would let states replace their ACA insurance marketplaces with a system of for-profit web-brokers. These brokers can use enrollees’ personal information to advertise and promote the sale of junk coverage, are not required to inform families of their eligibility for Medicaid, and make it harder for consumers to make an apples-to-apples comparisons between the full range of plans available to them.<sup>14</sup> Our health care system already favors higher profits for massive corporations over delivering health care to all people. Turning even more of the health care system over to for-profit middlemen directly contradicts the President’s commitment to put American patients ahead of the interests of for-profit corporations.

The Republican health care crisis has already put health care even farther out of reach for millions of Americans. Now, even though the President promised to defend working Americans from the greed of the insurance industry, CMS is proposing a rule that will allow insurers to increase deductibles, cover fewer services, and kick providers out of network. CMS must withdraw this damaging rule and re-propose an annual ACA rule that works to lower out-of-pocket costs and put the interests of patients above those of the insurance industry.

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<sup>12</sup> <https://www.healthaffairs.org/content/forefront/peddling-junk-plans-consumers-facing-higher-insurance-premiums>

<sup>13</sup> <https://www.federalregister.gov/documents/2026/02/11/2026-02769/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2027-and>

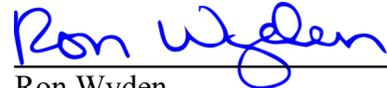
<sup>14</sup> <https://www.cbpp.org/research/direct-enrollment-in-marketplace-coverage-lacks-protections-for-consumers-exposes-them-to#:~:text=Brokers%20may%20use%20aggressive%20marketing%20tactics%20to%20encourage%20consumers%20to%20enroll%20in%20non%20DACA%20plans.>

We should be focused on lowering the cost of care and ensuring that insurance companies cannot raise costs, reduce coverage, and take advantage of working families. We hope that you will join us in this effort by proposing a rule that will help, not harm, Americans and ensure access to affordable and comprehensive health insurance.

Sincerely,



Tammy Baldwin  
United States Senator



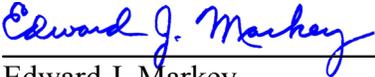
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