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Congress of the United States

House of Representatives

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October 15, 2025

The Honorable Dr. Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Administrator Oz,

I am writing with serious concern regarding the upcoming expiration of Affordable Care Act (ACA) enhanced premium tax credits and the recent announcement from the Centers for Medicare & Medicaid Services (CMS) that CMS is expanding eligibility for "catastrophic" health plans as a supposed solution to this looming crisis. These health care tax credits have allowed more Americans than ever to access affordable, quality health care. Since their introduction, enrollment in the ACA marketplace more than doubled, from 11.4 million people in 2020 to 24.3 million people in 2025, with approximately 22 million of those enrollees eligible for these enhanced health care tax credits.[1] Catastrophic health plans, which impose high deductibles and provide limited benefits, are not a sufficient replacement for the plans that people can currently access because of these enhanced health care tax credits.

Without action from Congress, these critical health care tax credits will expire on January 1, 2026, leaving hardworking, low- and middle-income Americans unable to afford health care coverage. If these health care tax credits expire, insurance premiums for Americans will increase by an average of 75%.[2] To put this in real terms, a family of four making $80,375 would see their average net premium jump from $169 to $919.[3] Farmers, small business owners, and self-employed individuals rely on enhanced health care tax credits to afford health insurance, and such an astronomical price hike would put health coverage out of reach for far too many. The

[1] KFF, *Explaining the Muddle on ACA Tax Credits* (Sept. 3, 2025) (online at www.kff.org/from-drew-altman/explaining-the-muddle-on-aca-tax-credits/); *ACA Cliff May Mean "Huge Premium Shock" for 22 Million People in 2026, Expert Says*, CNBC (Sept. 10, 2025) (online at www.cnbc.com/2025/09/10/aca-enhanced-subsidies-expire-obamacare-premiums-rise.html).

[2] KFF, *How Much More Would People Pay in Premiums if the ACA's Enhanced Premium Tax Credits Expire?* (Sept. 12, 2025) (online at www.kff.org/interactive/how-much-more-would-people-pay-in-premiums-if-the-acas-enhanced-subsidies-expired/).

[3] Urban Institute, *4.8 Million People Will Lose Coverage in 2026 if Enhanced Premium Tax Credits Expire* (Sept. 17, 2025) (online at www.urban.org/research/publication/48-million-people-will-lose-coverage-2026-if-enhanced-premium-tax-credits).

Congressional Budget Office (CBO) estimates that the expiration of the enhanced health care tax credits could result in more than 4 million Americans becoming uninsured over the next decade.[4]

As a "solution," CMS has announced that it will expand eligibility for catastrophic health plans, which offer lower monthly premiums than other plans on the marketplace, but provide very limited coverage and require patients to pay up front for care due to high deductibles.[5] For example, in 2025, the annual out-of-pocket deductible for an individual with a catastrophic health insurance plan was nearly $10,000.[6] Catastrophic health plans are not a substitution for the high quality health plans that families can currently afford because of these health care tax credits.

The Trump Administration is decimating Americans' access to health care and causing health care costs to soar for hardworking families. President Trump's One Big Beautiful Bill Act imposed nearly $1 trillion in cuts to health care spending, which will impact people covered by Medicaid, Medicare, and the ACA.[7] As many as 17 million Americans, including approximately 535,000 Illinoisans, are projected to lose their health insurance because of this Big Ugly Bill.[8] These unprecedented cuts to health care services will also likely force rural hospitals to close, as these hospitals disproportionately rely on Medicaid to reimburse them for the care they provide. At least 11 hospitals in Illinois are at risk of closing, threatening health care access for children, seniors, and countless others across the state.[9] At the same time that millions are losing their health insurance, the wealthiest Americans will receive massive tax breaks thanks to this Big Ugly Bill. This is unacceptable.

CMS has a responsibility to ensure that American families have access to quality, affordable, comprehensive health care. Without swift intervention, the expiration of enhanced health care tax credits will result in a significant increase in health care premiums and push coverage out of reach for many low- and middle-income families. This will reverse the progress made in recent years that has expanded access to health insurance and reduced disparities. CMS

[4] Letter from Congressional Budget Office Director Phillip L. Swagel to Ranking Member Ron Wyden, Senate Finance Committee, Ranking Member Frank Pallone Jr., House Committee on Energy and Commerce, and Ranking Member Richard E. Neal, House Committee on Ways and Means (June 4, 2025) (online at https://www.cbo.gov/system/files/2025-06/Wyden-Pallone-Neal_Letter_6-4-25.pdf).

[5] Centers for Medicare & Medicaid Services, *HHS Expands Access to Affordable Health Insurance* (Sept. 4, 2025) (online at www.cms.gov/newsroom/press-releases/hhs-expands-access-affordable-health-insurance).

[6] KFF, *What is a Catastrophic Health Plan?* (Oct. 15, 2024) (online at www.kff.org/faqs/faqs-health-insurance-marketplace-and-the-aca/young-adults-and-students/what-is-a-catastrophic-health-plan/).

[7] Johns Hopkins University Bloomberg School of Public Health, *How New Federal Legislation Will Affect Health Care Costs and Access for Americans* (online at https://publichealth.jhu.edu/2025/the-changes-coming-to-the-aca-medicaid-and-medicare) (accessed Oct. 1, 2025).

[8] House Committee on the Budget, *Trump's Big Ugly Law* (online at https://democrats-budget.house.gov/legislation/biguglylaw) (accessed Oct. 14, 2025).

[9] *With ACA Premiums Set To Double, Government Shuts Down*, Forbes (Oct. 1, 2025) (online at www.forbes.com/sites/briancastrucci/2025/10/01/when-the-bill-comes-due-the-big-beautiful-bills-hidden-health-fallout/); WTTW, *Illinois Faces Looming Health Crisis as Medicaid Cuts Threaten Coverage, Hospitals and Rural Access* (Aug. 6, 2025) (online at https://news.wttw.com/2025/08/06/illinois-faces-looming-health-crisis-medicaid-cuts-threaten-coverage-hospitals-and-rural).

must prioritize the health of all Americans and ensure that health care remains accessible and affordable for all. Instead of propping up catastrophic health plans that will be catastrophic for Americans' wallets, I urge you to issue public support from CMS for extending the health care tax credit funding Americans need before it expires on January 1, 2026.

The Committee on Oversight and Government Reform is the principal oversight committee of the House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. If you have any questions regarding this request, please contact Committee Democratic staff at (202) 225-5051. Thank you for your prompt attention to this matter.

Sincerely,

Raja Krishnamoorthi
Ranking Member
Subcommittee on Health Care and Financial Services

cc: The Honorable James Comer, Chairman

The Honorable Glenn Grothman, Chairman
Subcommittee on Health Care and Financial Services