



## **The Trump Administration's Proposed Rule on the Affordable Care Act Will Raise Health Care Costs, Reduce Coverage ... Again *More Sabotage for Americans' Health***

*On March 10, 2025, the Trump Administration issued a Proposed Rule to make it harder for Americans to get affordable health coverage. This Proposed Rule would raise insurance premiums, reduce the amount of financial help people can get to purchase coverage, add millions more hours of bureaucracy to the process of enrolling in health coverage, and cause millions to become uninsured. While Republicans are making it easier for tax cheats to get federal dollars, they want to add red tape for working Americans to access insurance.*

### **Trump Administration Rule Takes Away Insurance from Working People, Will Increase Number of Uninsured Americans**

- According to the Trump Administration's own analysis, their Proposed Rule will result in two million Americans losing coverage through the Marketplaces in 2026. In fact, the Administration admits, "this range may underestimate the actual number of individuals impacted, as eligible enrollees may lose coverage as a result of the administrative burdens imposed by the provisions of this rule."
- These coverage losses will result from:
  - New restrictions on the lowest income individuals accessing coverage (largely in states that did not expand Medicaid);
  - New bureaucratic paperwork requirements; and
  - Increased out-of-pocket costs resulting from policies that reduce financial help, raise premiums, and negatively affect the risk pool.
- Coverage losses are expected to hit nine states particularly hard: Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Utah.
- The Trump Administration admits such coverage losses will impose additional financial burdens on both individuals and the health system as a whole: "An increase in the rate of uninsurance may impose greater burdens on the health care system through strain on emergency departments, additional costs to the Federal Government and to States to provide limited Medicaid coverage for the treatment of an emergency medical condition, and cause an overall reduction to labor productivity."
- The Trump Proposed Rule also blocks Deferred Action for Childhood Arrivals (DACA) recipients from accessing coverage through the Marketplaces. The 2025 enrollment season was the first time these individuals could access coverage, and around 100,000 people were expected to benefit from improved health care affordability.



## Trump Administration Proposed Rule Makes It Harder for Working Families to Access Coverage

- The Proposed Rule adds unnecessary red tape to enrolling in coverage—more than [six million hours](#) of paperwork. New income verification rules and restrictions on enrollment mean that lower income individuals will be less likely to access coverage.
- The Trump Administration previously [announced \\$360 million](#) in cuts over the next four years (a 90 percent cut) to the Navigator program that helps people sign up for coverage. This devastating cut, in addition to the dramatic cuts the Trump Administration has already made to Internal Revenue Service (IRS) staff, will make it harder for people to sign up for coverage by undermining the two places consumers can turn to for help resolving these new bureaucratic hurdles. In short, this new red tape means millions will be kept from health care due to paperwork. Specifically, the Proposed Rule:
  - Limits the time people have to enroll in coverage, both by shortening the annual open enrollment period and eliminating certain special enrollment periods that are a lifeline for many who experience job changes or income fluctuations;
  - Ends auto-reenrollment by implementing nuisance fees that will force people in zero premium plans to pay a fee to remain enrolled in coverage and blocking people who are trying to repay past due premiums from coverage at all;
  - Adds extra paperwork requirements for people to prove eligibility for special enrollment periods of premium subsidies.

## Trump Administration Proposed Rule Will Increase Health Costs for Individuals and Saddle States With More Administrative Costs

- According to a Congressional Budget Office analysis of the Proposed Rule, it will increase taxes for hard-working Americans by \$215 billion over the next decade—evidence that this Proposed Rule is another Republican attempt to gut the ACA.
- Multiple policies in the Proposed Rule will raise costs for consumers—increasing premiums and cost sharing, reducing tax credits that help make coverage affordable, and increasing the amount of time it takes people to enroll in coverage.
  - *Increased Premiums:* The Trump Proposed Rule raises premiums [by almost \\$3 billion](#) from 2026-2030. Technical changes to the premium adjustment percentage index will increase premiums and out-of-pocket costs by [4.5 percent](#). This policy will also kick 80,000 people off coverage, and *increase taxes on consumers [by \\$7 billion over](#)* five years—all while Congressional Republicans plan tax breaks for billionaires.
  - *Reduced Tax Credits:* The Proposed Rule will reduce tax credits by [\\$215 billion](#) over the next decade. This policy is coupled with another [\\$5 billion cost](#) shift to consumers over four years by changing the actuarial value (AV), which allows insurers to offer weaker coverage that leaves consumers worse off.



- *Increased Cost-sharing:* Proposed changes will increase consumer cost-sharing for coverage, including a [15 percent increase](#) in the limit on annual out-of-pocket spending. This means consumers will have to pay 15 percent *more* before protection kicks in.
  - *Increased Administrative Burden:* The Proposed Rule saddles consumers with an estimated [15 million hours](#) of new bureaucratic paperwork between 2026-2030 at a cost of [\\$364 million](#) from responding to income verification requests and eligibility determinations. This added bureaucracy will cost states and the federal government an additional [\\$796 million and 15.7 million hours](#) of work over the next five years.
- Blocking DACA recipients from health coverage compounds these problems because those with [DACA status tend to be younger and healthier](#), improving the risk pools and helping keep costs down for everyone.
- The Proposed Rule also blocks health plans from including gender-affirming care as an essential health benefit, which will inherently increase out-of-pocket spending for individuals in need of such services—or eliminate access to these vital services altogether.

### **Trump Administration Pushes False Information about “Fraud” to Justify Cutting Health Coverage**

- The Trump Proposed Rule cites a misleading and intellectually [dishonest paper](#) that has been debunked to justify setting up bureaucratic barriers to accessing health coverage.
- The Trump Administration’s fraud talking points are both hypocritical and just plain wrong. While there is evidence of recent fraudulent activity in the Marketplaces, it was perpetrated by *rogue insurance agents and other bad actors*—not individual health coverage enrollees, as the Trump Administration suggests.
- Instead of going after the true fraud, the Trump Administration fired 80 workers from the Centers for Medicare & Medicaid Services (CMS) group that oversees implementation of these Marketplaces, effectively gutting resources from the people tasked with cracking down on true fraud in the first place. Such actions show that none of this is actually about fraud at all—it is about taking away health coverage from individuals and raising costs for everyone.