

U.S. Sen. Baldwin, Colleagues: Reintroduce legislation to limit 2021 out-of-pocket health care costs

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin (D-WI), a member of the Senate Committee on Health, Education, Labor and Pensions (HELP), reintroduced legislation to reverse a damaging rule change made by the Trump administration that increased out-of-pocket costs for millions of Americans and made fewer Americans eligible for the Affordable Care Act's (ACA) premium tax credits, while also causing those who are eligible to receive less in tax credit support. Baldwin introduced this legislation with Senators Jeanne Shaheen (D-NH), Chris Murphy (D-CT), and Richard Blumenthal (D-CT).

The Trump administration changed the index by which eligibility for the ACA's premium tax credits and maximum out-of-pocket limits are set each year, resulting in a 2.5 percent increase in the maximum out-of-pocket limit in 2020 compared to where out-of-pocket limits would have been under the old indexing factor. This change resulted in a \$200 increase in the cap on out-of-pocket costs for individuals, and a \$400 per year increase for families.

"The Trump administration spent four years working to sabotage our health system, and more Americans are uninsured today than when Trump took office," **said Senator Baldwin.** "During this unprecedented pandemic, we need to protect and expand access to affordable health insurance. Our reform will help more Americans get the quality health care coverage they need, at a price they can afford."

"Addressing health care affordability has never been so urgent as our nation grapples with millions of COVID cases – twenty-five million to date – and more

growing by the day. Every effort to lower health care costs must be taken and we should start by reversing the dangerous Affordable Care Act sabotage efforts launched by the Trump administration that drove up costs for Americans, including thousands of Granite Staters,” **said Senator Shaheen.** “That’s why I’ve introduced legislation to rescind Trump-era guidance that changed eligibility for health care tax credits and spiked out-of-pocket limits for patients. My bill would overturn regulations set by the previous administration and lower out-of-pocket costs. I will continue to press for legislative action to make these changes, while also working with the Biden Administration on regulatory efforts to reverse the Trump-era regulations. Defending the ACA and finding common-sense solutions to improve our health care law will remain a top priority for me in the 117th Congress.”

“COVID-19 demonstrated the necessity of giving every American access to affordable health care,” **said Senator Murphy.** “The Trump administration raised the maximum allowable out of pocket costs for families and that’s potentially catastrophic in the middle of the pandemic. Our legislation will get rid of this change, saving many families hundreds of dollars in unnecessary health care expenses.”

“This bill will reverse the damaging and shortsighted Trump administration change that raised Americans’ out-of-pocket health care costs,” **said Senator Blumenthal.** “By reverting to Obama-era rules to calculate premium tax credits and maximum out-of-pocket limits health plans can set, we can once again lower what patients pay for their health care. This common-sense adjustment should be enacted immediately, especially with millions of Americans reliant on the health care system due to the COVID-19 pandemic.”

The Trump administration finalized a regulatory adjustment that, beginning in Health Care Plan Year 2020, changed the indexing factor that is used to determine eligibility for the Affordable Care Act’s premium tax credits and calculate the maximum out-of-pocket limit that health plans can set each year. This rule change replaced an indexing factor that is based on premium growth from employer-based plans with a new indexing factor that is based on premium growth across all private plans. This legislation would nullify this change and revert to the former indexing factor, lowering out-of-pocket costs. The full text of the legislation is available [here](#).

For four years, Senator Baldwin has led the fight in the Senate against the Trump administration’s health care sabotage, and she continues working to expand access to quality, affordable health care for everyone. Her [No Junk Plans Act](#) would

overturn the Trump administration's expansion of junk insurance plans that don't have to cover people with pre-existing health conditions, and don't have to cover essential Affordable Care Act health care like prescription drugs, emergency room visits, and maternity care. Baldwin's [*Advancing Youth Enrollment Act*](#) would make nearly five million uninsured young adults eligible to receive additional financial support that would help reduce their monthly health insurance premiums and out-of-pocket costs. And, she's long supported efforts to increase support for the Navigator program, and outreach and enrollment assistance. [*Senator Baldwin's ENROLL Act*](#) would restore funding for the Navigator program that helps American families get the information and support they need to find a quality health care plan at a price they can afford. During his time in office, Trump slashed federal funding for the Navigator program by 84 percent. Trusted Navigator programs like those in Wisconsin have had their funding cut by nearly 75 percent since 2017, meaning fewer people in Wisconsin have received the support they need to obtain affordable coverage. Baldwin also authored legislation to respond to this need in the context of the current pandemic. Her [*COVid Enrollment Response \(COVER\) Act*](#) would invest in outreach and enrollment assistance to help more Americans find quality, affordable health insurance during this public health crisis.

An online version of this release is available [here](#).