

# U.S. Sen. Baldwin: Sen. Baldwin, Murph, Shaheen lead 37 Senate colleagues in letter urging Biden Administration to limit junk health plans that undermine standards of Affordable Care Act

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WASHINGTON, D.C. – Today, U.S. Senators Tammy Baldwin (D-WI), Chris Murphy (D-CT), and Jeanne Shaheen (D-NH) led 37 of their Senate colleagues in a letter to the Department of Health and Human Services (HHS) Secretary Xavier Becerra urging the Biden administration to limit the sale and availability of short-term, limited-duration insurance (STLDI) plans, also known as “junk plans” because of their failure to provide adequate, comprehensive health insurance coverage.

In 2018, in an effort to sabotage the Affordable Care Act (ACA), the Trump administration made junk plans more widely available to consumers. Since then, the plans have continued to proliferate, however, they are not required to adhere to important standards, including prohibitions on discrimination against people with pre-existing conditions, coverage for the 10 essential health benefit (EHB) categories, and annual out-of-pocket maximums.

“It is our responsibility to ensure that all Americans have access to affordable and

comprehensive health care coverage. In order to strengthen that commitment, HHS must act quickly to limit the proliferation and promotion of STLDI plans, and undue the sabotage caused by the previous administration,” **said the Senators.**

The letter to HHS led by Senators Baldwin, Murphy, and Shaheen was also signed by Sherrod Brown (D-OH), Bob Casey (D-PA), Tim Kaine (D-VA), Michael Bennet (D-CO), Richard Blumenthal (D-CT), Catherine Cortez Masto (D-NV), Tammy Duckworth (D-IL), Maggie Hassan (D-NH), Bob Menendez (D-NJ), Alex Padilla (D-CA), Tina Smith (D-MN), Chris Van Hollen (D-MD), Cory Booker (D-NJ), Angus King (I-ME), Ben Ray Lujan (D-NM), Elizabeth Warren (D-MA), Dianne Feinstein (D-CA), Jack Reed (D-RI), Patrick Leahy (D-VT), Debbie Stabenow (D-MI), Tom Carper (D-DE), Gary Peters (D-MI), Jacky Rosen (D-NV), Jon Tester (D-MT), Mark Warner (D-VA), Raphael Warnock (D-GA), Sheldon Whitehouse (D-RI), Mazie Hirono (D-HI), Ed Markey (D-MA), Ben Cardin (D-MD), Dick Durbin (D-IL), Jeff Merkley (D-OR), Jon Ossoff (D-GA), Chris Coons (D-DE), Charles Schumer (D-NY), John Hickenlooper (D-CO), and Bernie Sanders (I-VT).

In July of 2021, Senators Baldwin and Murphy penned an [op-ed in Health Affairs](#) calling on President Biden to end the health care sabotage of the previous administration and get more Americans enrolled in high-quality, affordable, health insurance. As many COVID-19 survivors are struggling with long-term symptoms, Senator Baldwin [introduced](#) the *Junk Plan Accountability and Disclosure Act* to protect consumers from being misled into enrolling in junk plans that fail to offer comprehensive coverage. Additionally, Senator Baldwin [introduced](#) the *No Junk Plans Act* to entirely overturn the Trump-era rule expanding junk health insurance plans. In the previous administration, Senator Baldwin led letters to [HHS and the Centers for Medicare & Medicaid Services](#) to limit the use of the junk plans and also to the [Congressional Budget Office \(CBO\) and the Joint Committee on Taxation](#) to reevaluate the baseline assumptions and projections it published regarding the use and purchase of junk plans.

The full text of the letter is available [here](#) and below:

Dear Secretary Becerra:

This year, 14.5 million Americans signed up for comprehensive health insurance coverage during Open Enrollment, a new record. Thanks to the American Rescue Plan, four out of five consumers who receive health insurance from the marketplace are finding quality coverage for less than \$10 per month, and a majority of those enrollees are also receiving subsidies to decrease their co-pays, deductibles, and other out-of-pocket spending. We write to congratulate you and your entire department for this significant achievement and encourage you to take additional steps to ensure that even more Americans are protected from substandard plans that do not provide coverage for pre-existing conditions. Now is the time to issue new regulations limiting the sale and availability of short-term, limited-duration insurance (STLDI) plans, also known as “junk plans” because of their failure to provide adequate coverage.

Despite the important gains that we have made in providing comprehensive and affordable coverage for more Americans, STLDI plans continue to sow confusion and cause harm to patients. These plans, which are not required to adhere to important standards, including prohibitions on discrimination against people with pre-existing conditions, coverage for the 10 essential health benefit (EHB) categories, and annual out-of-pocket maximums, have continued to proliferate. In 2018, the Trump administration issued a rule to sabotage the Affordable Care Act (ACA) by promoting STLDI plans and that same year all Senate Democrats and one Republican Senator voted to block the rule. Unfortunately, this effort to undermine critical patient and consumer protections has yet to be undone.

We were pleased to see the Biden administration include amending regulations concerning STLDI plans in the Fall 2021 Unified Agenda and Regulatory Plan, and are proud of the historic coverage gains that we have seen as a result of President Biden’s and your leadership. However, it is past time for us to take action. STLDI plans undermine the integrity of the ACA and put those with pre-existing conditions at risk. The Department of Health and Human Services (HHS) should immediately restore the three-month duration limit for plans, limit plan renewability, and reduce the ability to purchase back-to-back STLDI plans. We also urge you to consider additional efforts to protect patients and consumers such as banning sales during

Marketplace Open Enrollment, limiting internet and phone sales, establishing a prohibition on retroactive coverage rescissions, and requiring additional consumer disclosures about plan coverage.

It is our responsibility to ensure that all Americans have access to affordable and comprehensive health care coverage. In order to strengthen that commitment, HHS must act quickly to limit the proliferation and promotion of STLDI plans, and undue the sabotage caused by the previous administration.

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