American Lung Association.

March 13, 2026

The Honorable Robert F. Kennedy, Jr.
Secretary
Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Re: Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2027; and Basic Health Program (CMS-9883-P)

Dear Secretary Kennedy:

Thank you for the opportunity to submit comments on the proposed rule regarding the Notice of Benefit and Payment Parameters for 2027.

The American Lung Association is the oldest voluntary health association in the United States, representing the more than 34 million individuals living with lung disease. We strongly support policies that protect and expand access to quality, affordable healthcare coverage. The Affordable Care Act (ACA) marketplaces play a critical role providing this coverage, helping millions of people with lung disease access preventive services like lung cancer screening and tobacco cessation, prescription medications, pulmonary rehabilitation, and many more important treatments and services at an affordable cost.

Many of the policies in the proposed rule would significantly erode the quality, affordability and accessibility of healthcare coverage for the individuals and families with lung disease who rely on the ACA marketplaces. The proposals would undermine key patient protections, increase costs, reduce the quality of coverage, and add new, more burdensome administrative barriers to the enrollment process. Additionally, many provisions lack sufficient supporting detail for how these changes will be implemented.

If finalized, the proposal could reduce marketplace enrollment by up to 2 million people.[1] These impacts would compound the effects of the cuts to the ACA in H.R. 1 and recent expiration of enhanced premium tax credits, further increasing costs for patients and creating additional barriers to coverage. Preliminary data shows that over one million fewer people have enrolled in coverage through the ACA marketplaces in 2026,[2] in large part due to skyrocketing premiums after the enhanced premium tax credits expired at the end of 2025. Taken together, the proposed changes would make marketplace coverage more confusing to access and less affordable for millions of people.

In addition to the robust comments that we submitted with other patient advocacy organizations, the Lung Association offers the following comments and recommendations addressing specific provisions of the proposed rule:

State-Based Marketplaces

Standards for States Transitioning to State-Based Marketplaces

The Lung Association opposes the proposal to eliminate key procedural requirements for states seeking to transition to a state-based marketplace (SBM), including removing the requirement that states use the federal marketplace platform for one year before establishing a fully state-based system. This transition period is critical to help ensure states have sufficient time to create, staff and assume all the responsibilities of running a "full" SBM that can best service patients and consumers. The proposed rule would also remove regulatory language requiring states to provide detailed information to the Department of Health and Human Services (HHS) about plans for implementing and operating an SBM. Transparency and clear planning are essential to ensuring a smooth transition that protects consumers and access to coverage. The Lung Association supports standards that strengthen, not lower, transparency, and we urge HHS to maintain these requirements for states transitioning to an SBM.

Enhanced Direct Enrollment Option

The Lung Association strongly opposes the proposal to allow SBMs to forgo a centralized, consumer-facing eligibility and enrollment website and instead have enrollments occur through a decentralized system of web brokers, which the Centers for Medicare and Medicaid Services (CMS) refers to as the "Enhanced Direct Enrollment (EDE) Option." ACA marketplaces were intended to make the process of shopping for a health plan simpler, giving consumers a single, trusted place to view and understand their coverage options. In states that choose to decentralize the shopping experience through the EDE option, patients will be left to fend for themselves, navigating between legitimate marketplace plans and junk plans or other non-ACA compliant plans.

For individuals living with chronic conditions such as asthma and chronic obstructive pulmonary disease (COPD), enrolling in coverage that provides the comprehensive protections required under the ACA is critical. If consumers are steered toward inadequate coverage or are unable to easily compare plans that meet their health needs, they may face significant barriers to accessing necessary care.

Furthermore, the proposed policy conflicts with the statutory requirements of section 1311 of the ACA. Georgia sought to implement a similar proposal, the "Georgia Access Model," through a section 1332 waiver in 2019-2020, which would have eliminated the use of HealthCare.gov and instead directed consumers to private web brokers and insurer websites. The state's whole program and the multi-year waiver process it pursued to bring the plan to fruition was premised on the understanding that an EDE-only marketplace was incompatible with the statute and that it could not be implemented unless the applicable provisions of the code (section 1311) were waived. Now, in 2026, the current proposed rule uses the exact same statutory provisions to assert authority for a policy HHS previously found to be unlawful absent a waiver. We urge the HHS not to finalize this proposal.

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Network Adequacy

Network adequacy standards are important for individuals with lung disease to access primary care providers and a range of different specialists to manage their health conditions. The Lung Association strongly opposes the proposal to weaken network adequacy standards and shift oversight to states. The proposed rule would remove the requirement that SBMs, including those on the federal platform, maintain network adequacy standards that are at least as stringent as those used by the Federally Facilitated Marketplace (FFM). The proposed rule would also create a process allowing states on the FFM to opt out of the federal network adequacy framework. These proposals could significantly reduce the availability of in-network providers for patients with complex or chronic conditions. Weakening network standards increases the risk patients will face limited access to needed specialists, longer travel times and higher out-of-pocket costs for out-of-network care. We urge HHS to maintain robust network adequacy standards across all marketplace platforms to ensure patients with lung disease and other chronic conditions have reliable access to the care they need.

Standardized Plans and Non-Standardized Plan Limits

Standardized plans are an important tool to help patients make informed choices, allowing them to compare healthcare plans and choose the best coverage option for their needs. These plans reduce barriers to care for patients with lung disease by establishing standardized cost-sharing, including pre-deductible coverage of key services like primary care, specialist visits, mental health and substance use services, and some prescription drugs. The Lung Association has long supported their use on HealthCare.gov as well as in individual SBMs, and we oppose the proposals to eliminate the federal requirement for standardized plans and lift current limits on non-standardized plan options. HHS should instead focus on implementing other policies designed to help consumers better understand and differentiate between their coverage options, such as prioritizing the display of standardized plans on HealthCare.gov and reestablishing standards that require an insurer's marketplace plans to be meaningfully different from each other.

Essential Health Benefits

Essential health benefits (EHBs) are a cornerstone of the ACA and are designed to ensure that patients have access to comprehensive healthcare coverage that includes emergency care, hospitalizations, preventive services and other critical treatments. The Lung Association opposes changes to EHB regulations in the proposed rule.

Defrayal of State-Mandated Benefits

Under the proposed rule, states would be required to defray the cost of certain state-mandated benefits, even if the state already covered those benefits to their EHB benchmark plan. Those benefits would not be counted toward the calculation of an enrollee's maximum annual out-of-pocket costs or toward the premium used to calculate premium tax credits. In addition, those services would not be subject to the ACA's non-discrimination rules.

This proposal would undermine the effectiveness of important patient protections for services that states have designated as EHBs. Many state-mandated benefits are designed to address gaps in coverage and ensure access to treatments that are especially important for individuals with complex or long-term health needs like lung disease. If those benefits are effectively carved out of EHB protections, patients could face higher costs, reduced access to care or greater uncertainty about what their coverage includes.

This policy change could also incentivize states to repeal state-mandated benefits and deter additional efforts to improve the quality of patients' coverage. For example, 22 states have passed and additional states are considering laws expanding coverage of biomarker testing. Studies show that individuals with lung cancer who have access to biomarker testing and are thus able to receive targeted therapy treatments have better overall chances of survival.[3,4]

Coverage of biomarker testing improves care for patients while saving the healthcare system money on ineffective treatments, yet current and future gains in this area would be put in jeopardy by the proposed rule. The Lung Association urges HHS to preserve strong EHB protections and maintain the current policy.

Adult Dental Services

Oral health is an essential part of individuals' overall health, and policies that limit coverage for dental services can lead patients to forgo needed services and potentially experience worse health outcomes. For example, 40% of people aged 20 and 64 who smoke have untreated tooth decay, which can lead to pain and infection.[5] The Lung Association opposes the proposal to prohibit insurers from including adult dental services as an EHB, reversing the policy adopted in the 2025 NBPP. Allowing states to add adult dental services to their EHB benchmark plans is critical to improving health outcomes for patients who smoke, enabling better access to dental care and additional advice and treatment to quit their addiction.

Increased Cost-Sharing

Research is clear that even low levels of cost-sharing are associated with reduced use of healthcare services.[6] When patients do not see providers for routine care to manage their health conditions, they can end up with more serious complications that lead to emergency room visits and hospitalizations, which are more costly to the healthcare system as well as damaging to patients' health. The Lung Association opposes the proposals to allow bronze and catastrophic plans to raise their cost-sharing above the statutory maximum out-of-pocket (MOOP) limitations.

Under the proposal, catastrophic plans would be prohibited from covering additional services beyond the statutory three primary care visits and free preventative care until cost-sharing of 130% of the MOOP ($31,200 for a family) was reached. Insurers would also be permitted to sell bronze plans with a higher MOOP as long as they also offer at least one bronze plan that complies with current cost-sharing requirements. People battling cancer and other chronic conditions have enough to manage without worrying about the cost of care. Additional financial barriers could wreak havoc on the treatment of people with cancer and other costly conditions,

leading to delays in care that could limit the effectiveness of their treatment and ultimately their survival.

Catastrophic Plans

Health plans with high out-of-pocket costs, including high deductibles, discourage timely access to needed care and expose patients to potentially severe financial burdens and medical debt. For individuals living with chronic lung conditions, regular access to screenings, medications and preventive care is essential, and even short interruptions in care can lead to serious exacerbations, emergency department visits and hospitalizations.

Multi-Year Plans

The Lung Association opposes the proposal to allow insurers to offer multi-year catastrophic health plans that would feature a $31,200 deductible or higher, as insurers could impose a much higher deductible in early years as long as the deductible averages $31,200 over the plan term. These plans could lock consumers into coverage with significant cost barriers for terms of up to 10 years, while also leaving them ineligible for premium tax credits. Multi-year catastrophic plans could trap enrollees in plans that do not meet their health needs. For example, a patient who enrolls in a catastrophic plan while relatively healthy may be diagnosed with a lung disease like COPD or lung cancer in later years that requires significantly more costly care. Being locked into a high-deductible plan during this period could make necessary treatment unaffordable and discourage patients from seeking care.

In addition, catastrophic plans typically require patients to pay the full cost of most services until the deductible is met. For patients with chronic lung conditions, these costs can accumulate quickly, and the result may be delayed care and worse health outcomes. For a person with COPD, a delay in access to medications could lead to an exacerbation that does irreversible damage to their lungs. Multi-year catastrophic plans risk undermining access to medically necessary care and increasing the likelihood of preventable emergency care and hospitalizations.

Expansion of Hardship Exemption

The Lung Association also opposes the proposal to broadly expand eligibility for catastrophic plans to individuals with incomes below 100% of the Federal Poverty Level (FPL) and above 250% of the FPL. This would include individuals who remain eligible for premium tax credits (250% to 400% FPL) and could use financial assistance to enroll in more comprehensive marketplace coverage. According to a recent analysis, expanding eligibility for catastrophic plans will not improve premium affordability for people with incomes between 250% and 400% of the FPL, and would lock these individuals into high deductible plans without access to financial assistance.[7] Patients with incomes above 250% of the FPL living with chronic conditions may face substantial healthcare costs, and catastrophic plans could expose them to thousands of dollars in upfront costs before coverage begins, creating significant financial strain and discouraging access to necessary treatment. For these patients, access to comprehensive,

affordable coverage is critical. The Lung Association urges HHS to tailor its exemption to low-income individuals ineligible for premium tax credits.

Essential Community Provider Standards

The Lung Association is concerned about the proposal to scale back essential community provider (ECP) standards, significantly reducing the threshold of ECPs from 35% to 20% for marketplace plans. The proposal would also remove the requirement that insurers who do not meet the threshold provide written justification and would shift oversight of ECPs back to states. ECP requirements play an important role in ensuring that plans include providers that serve low-income and medically underserved populations. Weakening ECP standards could reduce the number of these providers and make it more difficult for patients to access trusted providers in their communities.

Marketing Rules for Agents, Brokers and Web Brokers

The Lung Association appreciates HHS's efforts to improve transparency for agents, brokers and web brokers, including requiring the use of a CMS-created and approved consumer consent form for all marketplace enrollments in the FFM and prohibiting misleading advertising practices. HHS should finalize these commonsense consumer safeguards.

Non-Network Plans

The Lung Association opposes the provision in the proposed rule that would encourage the certification and use of "non-network" health plans, which do not maintain a network of contracted providers. Under these plans, patients may be required to seek care from providers who are not obligated to accept the plan's payment rates. As a result, patients may be exposed to significant costs if a provider charges more than the amount reimbursed by the plan. Non-network plans create uncertainty about the affordability of care and undermine the consumer protections the ACA was designed to provide. Encouraging the use of non-network plans could increase the risk of high out-of-pocket costs and create barriers to accessing needed care, especially for patients with chronic conditions. We urge HHS to prioritize policies that strengthen consumer protections and ensure marketplace plans maintain provider networks that support consistent, affordable access to care.

Administrative Barriers

Under current regulations, if a state permits, issuers can accept slightly less than the full premium due without terminating an enrollee's coverage. This policy provides flexibility for consumers who may experience short-term financial difficulties, allowing coverage to continue uninterrupted while maintaining their eligibility for essential care. The proposed rule seeks comment on whether existing thresholds should be left to sunset as planned. The Lung Association opposes eliminating these thresholds. Continuity of care is critical, especially for patients with chronic lung conditions. Even short gaps in coverage can disrupt access to necessary services, potentially resulting in serious health consequences and avoidable hospitalizations.

The proposed rule would permanently impose two new paperwork requirements for consumers whose income for advanced premium tax credits cannot be verified. These requirements would impose significant administrative burdens on consumers and create barriers to coverage. They would create approximately 3.3 million additional hours of paperwork for consumers annually and could lead to hundreds of thousands of individuals losing coverage.[8] The Lung Association urges HHS to not reinstate these paperwork requirements and instead maintain policies that ensure consumers can reliably access affordable coverage without undue administrative barriers.

The proposed rule would also impose "failure to reconcile" rules, under which individuals would lose eligibility to advanced premium tax credits for failure to file and reconcile required tax forms for a single year. These rules raise significant concerns for patients. Marketplaces often rely on vague or indirect notices when informing enrollees of the risk of losing premium tax credits, and delays or errors in IRS processing of tax returns may result in applicants being falsely flagged as having failed to file and reconcile, leading eligible individuals to lose critical financial assistance. The Lung Association urges HHS not to implement any time duration for failure to reconcile rules and to maintain safeguards that ensure eligible consumers can maintain their premium tax credits without additional administrative barriers.

Finally, the Lung Association strongly opposes the proposal to reinstate burdensome paperwork requirements for individuals before they can enroll in healthcare coverage during Special Enrollment Periods (SEPs). Under current rules, SEP verifications were limited to only those triggered by an applicants' loss of minimum essential coverage. Expanding these verification requirements creates administrative barriers and risks delaying essential care for patients.

User Fees

HHS proposes to maintain the user fees in 2027 that are in place for PY 2026. The Lung Association urges HHS to raise the user fee to facilitate greater investments in outreach and enrollment, especially with declining enrollment and increased burdens on marketplace enrollees.

H.R. 1 Implementation Provisions

The proposed rule would implement two provisions of H.R. 1, including terminating eligibility for certain categories of non-citizens for premium tax credits and eliminating the SEP for low-income individuals. The Lung Association and other patient advocacy organizations have strongly opposed H.R. 1 for the serious impact it will have on access to coverage for people who rely on the marketplace and Medicaid. An estimated 2.1 people will lose marketplace coverage.[9] An additional 4.8 million people are expected to lose healthcare coverage due to the expiration of the enhanced premium tax credits.[10] These coverage losses will have particularly severe consequences for patients with chronic conditions like lung disease. The Lung Association urges HHS to take proactive steps to limit coverage losses due to the implementation of H.R. 1, including robust outreach and communication about upcoming changes.

American Lung Association.

Conclusion

Thank you for the opportunity to provide these comments. We look forward to working with HHS to advance access to quality, affordable healthcare for patients.

Sincerely,

Harold P. Wimmer

President and CEO

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