

United States Senate
WASHINGTON, DC 20510

October 21, 2025

An open letter to health insurers:

I write today deeply concerned as we approach the Open Enrollment period for the Affordable Care Act (ACA) marketplace, as millions of Americans, face an unprecedented level of uncertainty regarding their health insurance premiums. Insurance companies, which provide health coverage to over 24 million people on the ACA marketplace, have a responsibility to send out timely notices informing beneficiaries of changes to their premiums. Historically, these notices have been distributed beginning in early October, providing consumers with essential information about their coverage for the coming year. However, this year, there has been a disturbing delay in the release of these notices, leaving beneficiaries in the dark about the premium hikes they will face in 2026 should the ACA premium tax credits expire.

Currently, around 13 million Americans—including approximately 370,000 Arizonans—depend on ACA premium tax credits to afford their health insurance. Without action from Congress to extend these credits, premiums are expected to rise by an average of 75%. This would mean many Arizonans lose some or all their tax credits, resulting in an average increase of \$780 per year for individual marketplace coverage—and significantly more for families. In rural areas of Arizona, the average increase would climb to \$842 per year. These increases would be devastating, especially at a time when families are already grappling with rising costs of living, including housing and groceries. If the credits expire, an estimated 35,000 children in Arizona could lose access to essential health services, and over 100,000 Arizonans will be forced to go uninsured – which will have dire consequences.

These tax credits have been a lifeline for thousands of Arizonans. I've heard directly from constituents who say they won't be able to afford coverage without them. Many have also voiced frustration over the lack of communication from their insurers, specifically, that they haven't been informed what their premiums will be next year. Nationwide, insurers have not provided the transparency needed for people to prepare for this catastrophic shift. Beneficiaries deserve clarity as these hardworking Americans plan their financial future. Insurers must act now to inform their members about the impact of the expiration of the ACA tax credits.

As of October 6th, CMS Administrator Dr. Mehmet Oz confirmed that rates for 2026 are locked, signaling that there is no reason for this delay in notification.¹ The delay in providing premium notices is a disservice to your members. The situation is clear: if the tax credits are not extended, premiums will increase significantly, and consumers will face steep financial burdens. Insurers must take immediate

¹[Oz speaks out about shutdown, Medicaid cuts, Medicare Advantage audits and more | Healthcare Dive](#)

action to educate their enrollees about what these increases will mean, especially as the window for shopping for coverage has already opened in many states.

It is imperative that insurance companies use their platforms to communicate the potential consequences of the pending expiration of ACA tax credits. The failure to extend ACA tax credits will result in catastrophic premium increases, and consumers must be made aware of this fact.

Now is the time for insurers to demonstrate leadership and transparency. The stakes are incredibly high. The expiration of ACA tax credits will create financial hardship for millions of families, and many individuals are already struggling with the rising costs of healthcare. Failure to act will not only harm consumers but also undermine the trust that your customers have placed in you. It is your duty to help your enrollees make informed decisions by providing them with clear and timely information.

Sincerely,

A handwritten signature in black ink, reading "Ruben Gallego". The signature is written in a cursive, flowing style with a large initial "R".

Ruben Gallego
United States Senator