Senate Dems Seek Input On Public Coverage Option, Reversing Trump-Era Cuts

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Ranking Finance Committee Democrat Ron Wyden (OR) is leading 16 Senate Democrats in requesting input on proposals to establish a federal public coverage option, reverse Trump administration rulemaking and H.R. 1 policies, reform prior authorization, streamline enrollment and hold insurers accountable -- with a goal of achieving universal coverage.

In an 86-page request for information (RFI) released Thursday (July 30), the group of Senate Democrats request comments by Oct. 2on the 86-page request for information (RFI) released Thursday (July 30), the group of Senate Democrats request comments by Oct. 2on the proposals they say aim to go beyond reversing Trump-era cuts "by reimagining what a health coverage system that truly works for all Americans should look like."

"What we want to do is shake up health care," Wyden told *Inside Health Policy* Thursday. "People really have a sense of urgency that now's the time. They feel like they're getting hit by a wrecking ball and they're angry."

Wyden also said he'd have more to say on his next steps following the RFI in the coming days.

Federal public option

The group of Senate Democrats are requesting feedback on approaches for establishing a federal public coverage option that they argue "would address persistent affordability challenges and achieve universal coverage." The lawmakers want to know how a federal public option could be designed and financed to achieve universal coverage and how such an option could be crafted and financed to meaningfully address affordability and close the coverage gap in non-Medicaid expansion states.

The RFI also requests information on how to ensure that a federal public option provides continuity of coverage for individuals who churn in and out of other types of coverage over the course of a plan year and whether uptake of a federal public option should be optional for states, as well as whether a federal public option would be an attractive alternative for employers and workers struggling to afford rising health care costs.

Reversal of Trump-era policies

The RFI asks for input on the Senate Democrats' goals of reversing Trump-era rules and cuts to Medicaid in H.R. 1, as well as reviving the enhanced Affordable Care Act subsidies.

Specifically, the RFI requests input on proposals to codify policies that reverse Trump administration rulemaking and establish new protections in statute that Senate Democrats argue would provide comprehensive coverage and true financial protection for enrollees and families across all metal tiers. And the 17 Senate Democrats want input on proposals to expand or create coverage options to address coverage gaps that persist in states that have not expanded Medicaid, as well as to not only restore the ACA subsidies but to simplify marketplace eligibility.

Prompt payment

In the RFI, Senate Democrats put forth several proposals to hold insurers and large health companies accountable. They say several hospital and provider groups have proposed requiring large health plans to make prompt payments to providers and collect applicable copays and cost-sharing directly from patients, which the groups say would ensure that patients receive one clear invoice from a health plan they have a relationship with and an insurance card from. The lawmakers want to know how this approach could impact costs and premiums.

Private right of action

The RFI requests feedback on several reforms aimed at addressing insurer accountability, including a bipartisan proposal to establish a tailored private right of action for consumers against their private insurance plans across private markets, and establish penalties for repeat offenders that could include civil monetary penalties or a ban from markets where violations have repeatedly taken place.

The lawmakers want feedback on several proposals to streamline enrollment, including:

Establishing a federal minimum requirement for annual Open Enrollment across markets and coverage types, so people understand their options and deadlines regardless of whether their coverage status has changed. Establishing a uniform annual Open Enrollment period across private markets. Providing federal support similar to Maryland's Easy Enrollment program, which allows consumers to receive direct outreach from their exchange and be eligible for a special enrollment period if they check a box on their tax returns indicating their interest. Providing presumptive eligibility for a minimum level of federal assistance using prior year income data Restoring annual automatic re-enrollment to provide consistency across private insurance markets.

Restoring provisional eligibility for premium tax credits. Eliminating bureaucratic requirements and reducing costs by reversing Republican enrollment and eligibility verification policies. Promoting consistent and streamlined enrollment processes by expanding the scope of coverage and services that can be offered by state-based marketplaces (SBMs) across markets. Providing financial incentives for states to establish SBMs. Providing support for SBMs to expand, modernize and streamline enrollment processes.

Prior authorization reform

And the senators are requesting information on how certain proposed reforms to prior authorization -- such as imposing limitations or bans in certain circumstances, introducing a shared risk model and replacing the existing system with third-party evaluators -- would impact stakeholders and change consumer experience.

The RFI comes as Wyden and his Senate Democratic colleagues coalesce around a health affordability agenda ahead of the 2026 midterms, where Democrats are favored to take back the majority in the House and are underdogs in the Senate.

Last month, Wyden and other Senate Democrats put out a request for input from policymakers on a handful of drug pricing proposals, such as starting Medicare drug negotiations sooner, implementing a subscription model designed to provide popular medications like GLP-1s at cheaper costs and increasing transparency on inflated prices on PBM-owned drugs and inappropriate prescription claim rejections in Medicare Part D.

In May, Senate Democrats launched an initiative aimed at making home care more affordable and accessible, improving nursing home quality and strengthening the long-term care workforce through investments in Medicaid home and community-based services (HCBS), creation of a Medicare home care benefit, and policies aimed at addressing workforce shortages and chronic understaffing in nursing homes.

That same month, Senate Minority Leader Chuck Schumer (D-NY) put out a broad health affordability agenda emphasizing lowering premiums and out-of-pocket costs, simplifying insurance enrollment and claims processes, speeding up access to care, and making it easier to enroll.

And in March, Wyden and a handful of Senate Democrats put out a Dear Colleague letter outlining a health affordability agenda that includes reversing cuts to Medicaid included in H.R. 1, tackling “corporate greed” and making coverage simpler for families.

According to Thursday’s RFI, Senate Finance Committee Democratic staff have held over 80 meetings with nearly 250 advocates and experts to gather perspectives on the path forward since the release of the Dear Colleague letter. -- *Sigi Ris* (sris@iwpnews.com)