



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
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Governor

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Commissioner

June 25, 2025

The Honorable Christopher Smith
2373 Rayburn House Office Building
Washington, DC 20515

Dear Representative Smith:

As the Senate begins consideration of a budget reconciliation package, I want to make you aware of the devastating impact this legislation would have on access to quality, affordable health coverage for over 513,000 New Jerseyans enrolled in coverage through Get Covered New Jersey, the State's Official Health Insurance Marketplace. Effectively, the reconciliation bill would eliminate or ensure the gradual failure of essential policies that have made health care for our residents more affordable and more accessible. The policies in the legislation would restrict access to coverage and make insurance unaffordable for millions of Americans who depend on it for their health care. In New Jersey, more than 50 percent of consumers enrolled in health insurance through Get Covered New Jersey are estimated to lose coverage in the current worst-case scenario.

New Jersey remains vigorously opposed to any efforts to roll back the provisions of the Patient Protection and Affordable Care Act. As with other state Marketplaces, New Jersey has made great progress in helping to ensure health coverage for our residents through Get Covered New Jersey. The pending reconciliation bill would:

- Unnecessarily increase costs and impose unprecedented barriers to coverage for New Jerseyans enrolled through Get Covered New Jersey;
- End long-standing state autonomy and flexibility that allows states to tailor the Marketplace to their residents' – including flexibilities that have facilitated connecting hundreds of thousands of New Jerseyans to quality, affordable health coverage; and
- Fail to extend enhanced premium tax credits, drastically increasing costs for over 454,000 New Jersey residents enrolled in Get Covered New Jersey.

Since the launch of Get Covered New Jersey, the Murphy Administration has implemented successful policies to expand access to and increase affordability of health insurance. The proposed changes before Congress would force the reversal of these policies that have significantly helped New Jersey residents and resulted in a record number of people enrolled in coverage. Our consumers are

hardworking residents who must purchase private health insurance because they do not have health coverage through their employer, or through programs such as Medicaid or Medicare, and who have depended on stable access to affordable coverage through the Marketplace to keep themselves and their families healthy.

I have joined other leaders of State-based Health Insurance Marketplaces in two letters to House and Senate leadership warning of the detrimental impacts of the House reconciliation bill package. As we noted in our recent letter: “Americans will experience higher costs through new, onerous barriers that keep people from accessing tax credits for their health insurance in real time. Marketplace consumers already undergo rigorous processes to verify their eligibility for premium tax credits, backed by federal and state data sources. New requirements would impose extraordinary new bureaucratic burdens on consumers, putting millions at risk of losing affordable coverage simply because they could not meet excessive paperwork requirements.”

Additionally, on June 20, 2025, the Centers for Medicare and Medicaid Services (CMS) finalized a new rule that contains many of the proposed changes in the legislation before Congress. The CMS rule will increase barriers to marketplace coverage for residents, leading to the loss of coverage for New Jerseyans. In April, the Department submitted a comment letter in response to the proposed rule change.

The Senate Finance Committee text also fails to extend enhanced premium tax credits, which expire at the end of the year and have been key to making health care affordable for individuals and families. Without this extension, New Jerseyans could lose more than half a billion dollars in federal support. The average person receiving tax credits would see their costs go up by 110 percent, more than doubling their current premium, with costs increasing by \$1,260 per person, per year on average, or \$4,168 for a family of four. With the current tax credits, nine in 10 New Jerseyans currently enrolled through Get Covered New Jersey receive financial assistance. Nearly half of those currently receiving financial help pay \$10 a month or less for coverage, compared to just 13 percent before the expansion of tax credits.

The barriers to health coverage introduced through the reconciliation bill would result in more New Jerseyans becoming uninsured causing a cascading effect on the overall health care system in the state. Hospitals and other providers would face increased demand for uncompensated care, which would exacerbate financial strain on these facilities.

Since the successful launch of Get Covered New Jersey, the State has fulfilled and is prepared to continue to fulfill its promise to provide our residents with quality, affordable health insurance. I urge you to not allow Congress to erase this extraordinary progress by either inaction or by allowing the repeal of policies that enhance affordability and accessibility of needed health care for over half a million New Jersey residents. Enclosed is a fact sheet that further explains the impact of the Congressional reconciliation package on New Jerseyans statewide and access to quality, affordable health insurance.

Sincerely,

A handwritten signature in black ink that reads "Justin Zimmerman". The signature is fluid and cursive, with the first name "Justin" and last name "Zimmerman" clearly legible.

Justin Zimmerman
Commissioner

Impact of Proposed Congressional Reconciliation Bill Package on Accessibility of Health Coverage Through Get Covered New Jersey

Get Covered New Jersey, the State's Official Health Insurance Marketplace, provides quality, affordable health coverage to more than half a million New Jerseyans, enabling them to access comprehensive health care to keep themselves and their families healthy. New Jersey's marketplace was created in 2020 and tailored to meet the needs of its residents, and enrollment has reached record levels. The reconciliation package passed by the U.S. House of Representatives and the pending Senate bill threaten New Jersey's progress as they would **repeal key provisions of the Affordable Care Act** and **strip coverage from residents**.

These bills would unnecessarily increase costs and impose unprecedented barriers to coverage for New Jerseyans enrolled through Get Covered New Jersey; end long-standing state autonomy and flexibility that allows states to tailor their Marketplaces to their residents' needs, which have resulted in connecting hundreds of thousands of New Jerseyans to quality, affordable health coverage; and fails to extend enhanced premium tax credits, which would drastically increase costs for over 454,000 New Jersey residents enrolled in coverage through Get Covered New Jersey. The legislation would restrict access to coverage for millions of Americans and make insurance unaffordable for many who depend on it for their health care. **More than 50 percent of consumers enrolled in Get Covered New Jersey are estimated to lose coverage in the current worst-case scenario.**

Detrimental Impact To New Jerseyans Using Get Covered New Jersey

- **Forcing states to cut the open enrollment period in half** to just six weeks from the current three months will reduce access to quality, affordable health coverage. New Jersey's current enrollment period is November 1 through January 31. During the last Open Enrollment Period, **half of New Jersey's active enrollments occurred after December 15**.
- **Imposing barriers to coverage that would increase the number of uninsured residents** by ending automatic enrollment and requiring consumers to actively reenroll in coverage annually, which is not the typical practice for health insurance enrollment. **Nearly 80 percent – 315,341** – of current renewals were auto-enrolled. Requiring consumers to resubmit documents to confirm eligibility and pay full price for the first month of their insurance despite eligibility for financial help makes lower premiums and coverage harder to access overall.
- **Removing states' ability to control Special Enrollment Periods (SEP)** makes it more difficult for people to enroll in coverage and prevents states from meeting the specific needs of their residents. This provision eliminates GetCoveredNJ's Expanded Access SEP, which currently allows consumers with an annual income up to 200 percent of the federal poverty level (FPL) to enroll year-round in free or low-cost plans. For the population up to 150 percent of FPL, Get Covered New Jersey had approximately 13,000 enrollees utilize this SEP in 2023 and **over 35,000 enrollees** in 2024.
- **Removing Deferred Action for Childhood Arrivals recipients from the definition of "lawfully present" for exchange coverage eligibility** would eliminate a population from the risk pool that, on average, is healthier than the general population.
- **Increasing premiums on nearly all Marketplace consumers** by eliminating tax credits that 90 percent of current enrollees receive. The bill package fails to extend federal enhanced premium tax credits, which are set to expire at the end of 2025 and which [would drastically increase costs for consumers](#).