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**PAHCFA Public Comment: NAIC Health Care Affordability and Mitigation (B)
Working Group Brief – Develop State-Defined Plans with Premium Reduction
Targets**

August 28, 2026

On behalf of the Partnership for America's Health Care Future Action, thank you for the opportunity to provide comment on Drafting Group 3's brief, *Develop State-Defined Plans with Premium Reduction Targets*. Partnership for America's Health Care Future Action is a coalition working to advance policies that protect patients' access to high-quality, affordable health care and preserve the strength of the health care system they rely on.

Our organization shares the Drafting Group's goal of identifying solutions that make health coverage more affordable while preserving access to high-quality care and consumer choice. As the Drafting Group continues to develop this resource, we encourage it to include important additional insights that will ensure regulators and policymakers have a comprehensive understanding of the data demonstrating how state public option programs with premium reduction targets have performed.

To date, the experience of states with public option models shows that these programs have not consistently delivered on their affordability promises. Data in Colorado provides the clearest example. The Colorado Option was established with statutory premium reduction targets, including a 10 percent reduction in 2024 and a 15 percent reduction beginning in 2025. However, the Colorado Option has not met those targets.¹ According to a 2024 analysis, Colorado Option plans brought minimal premium reduction savings and fell far short of the premium savings goals.²

¹ Chen, L. J., Church, T., and Heil, D. (2024). Promises Unmet: The Early Experiences of State Public Option Plans. <https://americashealthcarefuture.org/wp-content/uploads/2024/04/FINAL-REPORT.pdf>

² FTI Consulting. (2024). Impact of the Colorado Public Option on Premiums and Market Competition. https://coloradoshealthcarefuture.org/wp-content/uploads/2024/11/FTI-Article_Colorado-Option-Snapshot_2024-11-11.pdf

Consumer choice in the individual market has also been limited under the Colorado Option program. In 2023, one Colorado county had only a single health insurance issuer available to consumers. In 2024, when the Colorado Option was in its second year, the number of single-insurance issuer counties rose sharply to 25 counties. Marketplace competition has dropped sharply under the Colorado Option. 87.5 percent of counties saw as high as a 75 percent reduction in the number of available plans.³ This data highlighting decline in competition is an important part of the Colorado Option's story and should be available to regulators and policymakers as they consider a public option's impact on affordability.

We respectfully request that the data included in the current draft brief be presented with additional context so regulators and policymakers can fully understand its relevance and limitations. As an example, the draft highlights research findings that the introduction of Colorado Option plans was associated with premium reductions of more than \$100, including among non-Colorado Option plans. It also cites an analysis finding that consumers who selected Colorado Option plans paid lower premiums than consumers in non-Colorado Option plans. These findings should be interpreted with caution, as they do not establish that the Colorado Option itself is responsible for the premium reductions required under state law.

More recent data suggests a different picture. In 2026, no Colorado Option plan met the state's required premium reduction targets for bronze, silver or gold plans anywhere in Colorado.⁴ In Denver, which accounts for approximately 40 percent of Colorado's individual-market enrollment, average Colorado Option bronze plan premiums were nearly 39 percent above the required target, while average silver plan premiums were approximately 36 percent above the target. Colorado Option plans are also more expensive than non-Colorado Option plans for 85 percent of Coloradans seeking coverage in the individual market.⁵

The draft's discussion of Colorado also risks attributing broader individual-market savings to the public option without fully accounting for the significant impact of the state's reinsurance program. Federal data show that in 18 of Colorado's 25 service areas, Colorado Option premium savings were less than two percent, while reinsurance lowered premiums by 15 to 32 percent in those same areas. In Denver, the Colorado Option reduced premiums by approximately 0.3 percent, compared with more than 16 percent through reinsurance.⁶ These results suggest that premium reductions in

³ Impact of the Colorado Public Option on Premiums and Market Competition.

⁴ Colorado's Healthcare Future Action. (2026). Colorado Public Option Falls Short on Affordability Goals. <https://coloradoshealthcarefuture.org/colorado-public-option-falls-short-on-affordability-goals/>

⁵ Colorado Public Option Falls Short on Affordability Goals.

⁶ Colorado Public Option Falls Short on Affordability Goals.

Colorado should not be attributed solely to the Colorado Option, and that Colorado's experience should be interpreted cautiously when assessing whether public options with premium reduction targets improve affordability.

Nevada's early experience raises similar concerns. The Nevada Battle Born State Plan reportedly achieved only approximately 10 percent enrollment in 2026.⁷ This low enrollment rate suggests that many consumers continue to view existing commercial plans as a better fit for themselves and their families. It is also important that regulators and policymakers understand that as a result of low enrollment, Nevada will be required under the terms of their Section 1332 Waiver to provide additional premium support no later than December 31. This additional support would create added financial pressure on the state and raises concerns about using taxpayer funds to subsidize a program with limited consumer participation.

In addition to affordability concerns, the Nevada Battle Born State Plans could place added pressure on the provider workforce and affect patients' access to care. According to an actuarial analysis conducted by Wakely Actuarial Consulting, the legislation establishing the Nevada Battle Born State Plans is projected to worsen Nevada's already severe health care provider shortage.⁸ Nevada ranks 48th in the nation for primary care physicians per capita. Nevada – like many other states – cannot afford to compound the existing provider shortage with policies, like a public option, that will further jeopardize access.

Washington's experience provides further evidence that public options have struggled to deliver on their affordability promises. After three years of the implementation of Cascade Select plans, only four of the state's 39 counties for bronze plans and just one county for silver plans met Washington's goal of offering premiums at least 10 percent below non-public option plans.⁹

As states evaluate policy approaches to improve health care affordability, it is essential that regulators and policymakers have a complete and accurate understanding of the real-world effects of proposed solutions. Partnership Action respectfully encourages the Drafting Group to revise the draft brief to distinguish between these programs' stated

⁷ Nevada Health Link. (2026). 104,286 Nevadans Enrolled in Health Insurance During 2026 Plan Year Open Enrollment. <https://nevadahealthlink.com/wp-content/uploads/2026/01/NVHL-PY26-FinalNumbersPR.pdf>

⁸ Wakely Actuarial Consulting. (2023). Nevada Public Option Actuarial Analysis <https://nevashealthcarefuture.org/wp-content/uploads/2023/10/Wakely-Nevada-Public-Option-Actuarial-Analysis.pdf>

⁹ Promises Unmet: The Early Experiences of State Public Option Plans.

affordability objectives and their actual performance. Patients deserve access to affordable, high-quality care, and policymakers should carefully assess whether proposed approaches could limit consumer choices, affect access to care or fail to achieve their intended affordability goals. With a more comprehensive understanding of states' experiences, policymakers can focus on strengthening proven solutions rather than advancing approaches that may not deliver intended results.

Thank you for the opportunity to provide comment.

Sincerely,

A handwritten signature in black ink that reads "Kelley M. Robertson". The script is fluid and cursive, with the first letters of each word being capitalized and prominent.

Kelley M. Robertson
Executive Director
Partnership for America's Health Care Future Action