

Federal Issues

Regulatory

Agencies Announce Non-Enforcement Policy on Short-Term, Limited Duration Definition

The Labor and Treasury departments, along with HHS, have indicated they might not enforce a rule limiting short-term health insurance to three months.

Why this matters: The move could allow short-term policies to last up to 36 months, as was permitted during the first term of President Donald Trump.

On August 7, the Departments of Labor, Health and Human Services (HHS), and Treasury issued a [statement](#) regarding the definition of short-term, limited-duration insurance (STLDI).

The departments intend to undertake notice-and-comment rulemaking to amend the regulatory definition of STLDI, which is currently excluded from the definition of “individual health insurance coverage” and generally exempt from the individual market requirements of the Public Health Service act and Affordable Care Act.

Until future rulemaking is issued, the Departments do not intend to take enforcement actions for failure to

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meet the current definition of STLDI, including the 2024 final rule's notice provision.

HHS encourages states to adopt a similar non-enforcement approach. State regulations vary, with some banning such policies.



CMS Releases 2025-2026 Medicaid Rate Development Guide

The Centers for Medicare & Medicaid Services (CMS) issued the [2025-2026 Medicaid Rate Development Guide](#), providing details about information that must be included in states' actuarial rate certifications for CMS to review and approve for rating periods between July 1, 2025 and June 30, 2026.

No substantive changes were made between the [draft guide](#) published on June 13 and the final guide; however, two clarifications were added:

- A new example on page 8 illustrates that rate amendments that reflect programmatic changes made part-way through a rating period must cover the entire period that the programmatic change impacts.
- CMS added language on page 13 stating that in accordance with 42 CFR § 438.6(b)(1), risk mitigation strategies may not be added or modified after the start of the rating period; therefore, rate amendments are not allowable to revise risk mitigation strategies after the start of the rating period.

CMS Releases New State-Level Data on Enrollees

CMS has posted new benefit year 2019-2024 state market level data to support plan year 2026 rating transparency. This release includes:

- State market level data regarding the proportion of enrollees without medical or pharmacy claims sourced from the respective EDGE benefit year data. This file, entitled *2019-2024 Enrollees Without Claims by State Market Metal Levels*, provides counts and percents of enrollees without claims in each metal level and 94% CSR variant (individual only) by state market. Data is suppressed for states with fewer than three issuers in state market metal level categories.
- The percentage of households by state that lost their advance payments of the premium tax credit (APTC) eligibility due to the two-year Failure to File and Reconcile (FTR) policy that is in effect for plan year 2025 under the HHS Notice of Benefit and Payment Parameters for 2024-2026.

The data can be found at [this link](#).

- August 8, 2025: [Enrollees Without Claims 2019-2014 \(XLSX\)](#)
 - August 8, 2025: [Failure to File and Reconcile \(FTR\) Data \(XLSX\)](#)
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New York

State Issues

Regulatory

Health Equity Regulation Attestation

New York's health equity [regulation](#) aimed at reducing disparities in health care access and use across New York went into effect on July 31. The regulation requires health insurers to request that members voluntarily disclose demographic data, such as race, ethnicity, preferred language, sexual orientation, and gender identity. During the recent call between the Department of Financial Services, the NY State of Health and plan associations, DFS pointed to the regulation's provision requiring insurers to file an attestation with any rate filing or rate manual submission attesting that the demographic information received is not used in underwriting or otherwise used in a manner that would constitute unfair or unlawful discrimination. DFS has developed a standard attestation form which will be posted to the Department's website this week.

Industry Trends

Policy / Market Trends

Updates: Individual Market Rates

Average proposed rate increases by state for the individual market, with and without enhanced premium tax credits (ARPA tax credits), that have been made public since the last update are as follows:

- **Alaska:** -0.23/-4.53% if ARPA is extended.
- **Alabama:** 21.56/17.26% if ARPA is extended
- **Arkansas:** 26.18/18.93% if ARPA is extended.
- **Arizona:** 32.61/28.31% if ARPA is extended.
- **California:** 10.21/8.26% if ARPA is extended
- **Florida:** 26.87% (unweighted)
- **Hawaii:** 11.87/7.57%% if ARPA is extended
- **Kansas:** 30.48/26.18% if ARPA is extended
- **Kentucky:** 30.84/26.54% if ARPA extended
- **Louisiana:** 21.92/17.62% if ARPA extended
- **Mississippi:** 36.77/32.47% if ARPA extended
- **Montana:** 21.24/16.01% if ARPA extended
- **North Dakota:** 4.02/-0.28% if ARPA extended
- **Nebraska:** 19.73/15.43% if ARPA extended

- **New Hampshire:** 21.27/17.17% if ARPA extended
- **New Jersey:** 14.92/10.62% if ARPA extended
- **New Mexico:** 35.5/32.04% if ARPA extended
- **North Dakota:** 4.02/-0.28% if ARPA extended
- **Ohio:** 19.22/14.92% if ARPA extended
- **Oklahoma:** 25.15/20.85% if ARPA extended
- **South Carolina:** 24.85/20.55% if ARPA extended
- **South Dakota:** 5.28% (unweighted)
- **Texas:** 23.10% (unweighted)
- **Virginia:** 21.12/16.96% if ARPA extended
- **Wisconsin:** 19.1/14.8% if ARPA extended
- **West Virginia:** 11.31/7.01% if ARPA extended
- **Wyoming:** 24.2%

Data for 25 of the 27 new filings is sourced from [ACASignups.net](https://acasignups.net).

CMS Announces Awards of Justice Involved Continuity of Care Planning Grants

The Centers for Medicare & Medicaid Services (CMS) awarded the second and final round of planning grants for state Medicaid and Children's Health Insurance Program (CHIP) agencies to address operational barriers and promote continuity of care for individuals who are inmates of a state prison, jail or other correctional facility. CMS awarded planning grants to 17 states: Alabama, Arkansas, Colorado, **Delaware**, Georgia, Illinois, Indiana, Kansas, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, Oklahoma, **Pennsylvania**, Rhode Island, and **West Virginia**. The awards for these recipients range from \$1.2 million to \$4.6 million per state.

MACPAC Releases Issue Brief on Medicaid Financing

The Medicaid and CHIP Payment and Access Commission (MACPAC) released an issue brief providing an updated overview of Medicaid financing. The brief details the distribution of Medicaid spending across eligibility groups, service categories, and delivery systems, noting significant variation in state financing approaches, including the use of provider taxes, intergovernmental transfers, and supplemental payments. The brief also addresses recent trends, such as the impact of the unwinding of continuous coverage, growth in managed care spending, and policy considerations around federal funding caps, financing transparency, and sustainability. [Read More](#)

Blue CEOS Warn of Looming Affordability Crisis

BCBS companies' presidents and CEOs are warning the health care affordability crisis will only get worse if significant action isn't taken to address the underlying causes of rising health care costs.

Why this matters: An aging population, increases in chronic illness, elevated health care utilization rates, the costs of prescription drugs and high hospital prices are all contributing to [unsustainable growth in health care spend](#) and making health care harder to afford for the average American.

What they're saying:

- **Diane Gore**, CEO of BCBS Wyoming, penned an [opinion piece](#) underscoring the impact that failure to extend enhanced premium tax credits will have on affordability for those that purchase insurance through the individual marketplace.
 - Gore states that enhanced tax credits have helped drive a near doubling in the number of residents enrolled in the individual marketplaces, especially among middle-income and self-employed individuals. Gore also spotlights premium cost increases individuals who purchase coverage through the marketplace can expect without the tax credits' extension.
- **Tunde Sotunde**, president and CEO of BCBS North Carolina, wrote a two-part series in the Triangle Business Journal that broke down [where consumers' premium dollars are going](#) and the steps that the Plan is taking to [promote affordability and transparency](#).
 - Sotunde highlights market instability, site-dependent billing and a lack of concerted policy efforts to extend enhanced premium tax credits as key contributors to unaffordability.
- **Jim Grazko**, president of Premiera BCBS Alaska, sat down for an interview with [Anchorage Daily News](#) and described the effect that care utilization rates and costs of care have on premium rates. While premium rates are stabilizing for next year, Grazko says if enhanced premium tax credits are allowed to expire, rates for 2027 may increase.

Go deeper: Other Blue Plan presidents and CEOs, including leaders of BCBS Massachusetts, BCBS Michigan, BCBS Vermont and Premiera Blue Cross, are also [advocating for solutions](#) to promote health care affordability for Americans.

Interested in reviewing a copy of a bill(s)? Access the following web sites:

Delaware State Legislation: <http://legis.delaware.gov/>.

New York Legislation: <https://nyassembly.gov/leg/>

Pennsylvania Legislation: www.legis.state.pa.us.

West Virginia Legislation: <http://www.legis.state.wv.us/>

For copies of congressional bills, access the Thomas website – <http://thomas.loc.gov/>.

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