Office of Commissioner of Insurance and Safety Fire
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JOHN F. KING
Commissioner of Insurance and Safety Fire

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September 2, 2026

VIA ELECTRONIC MAIL

The Honorable Robert F. Kennedy Jr.
Secretary of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

The Honorable Scott Bessent
Secretary of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

stateinnovationwaivers@cms.hhs.gov

RE: State of Georgia Letter of Intent for Section 1332 State Innovation Waiver Amendment

Dear Secretary Kennedy and Secretary Bessent:

Pursuant to Section 1332 of the Patient Protection and Affordable Care Act and the implementing regulations at 31 CFR Part 33 and 45 CFR Part 155, the State of Georgia submits this Letter of Intent to seek an amendment to its State Innovation Waiver extension previously submitted on June 1, 2026. The amendment represents the next phase of Georgia's work to deliver more transparent, predictable, and consumer-centered assistance while supporting an affordable and competitive individual health insurance market. Georgia intends to begin implementation of the waiver amendment on January 1, 2027, for plan year 2028.

The State's original waiver was approved on November 1, 2020, and is effective for plan years 2022 through 2026. Georgia separately submitted a five-year extension application requesting continuation of the Georgia Reinsurance Program for plan years 2027 through 2031. This proposed amendment would build on the successful reinsurance framework that Georgia seeks to continue through its extension application without making any significant changes to the reinsurance program.

Since implementation, Georgia's reinsurance waiver and the launch of Georgia Access expanded coverage, strengthened insurer participation, and moderated premiums across the State. The Reinsurance Program reduced first-year premiums by an average of 10.2 percent statewide and by as much as 25.5 percent in the highest-cost rural areas. Marketplace enrollment grew from approximately 701,000 Georgians in plan year 2022 to roughly 1.5 million in plan year 2025, demonstrating the value of state-led innovation.

Georgia must now protect those gains amid significant changes in the individual market. The expiration of enhanced federal premium tax credits increased affordability pressure, and plan selections for plan year 2026 declined by approximately 12 percent, which marks the first decrease since Georgia's market reforms took effect. At the same time, claims costs rose from approximately $377 per member per month in plan year 2018 to $571 in plan year 2024, while the current benchmark-linked assistance structure can obscure plan price differences and place additional pressure on consumers who receive limited or no federal assistance. These trends call for a more durable, coordinated approach to affordability, consumer engagement, and market stability.

This waiver amendment would establish three complementary components. The Premium Fixed Credit would provide eligible consumers with predictable, state-defined premium assistance responsive to income, age, and geography. The Account-Based Subsidy would house that assistance within a visible, consumer-directed account framework that allows enrollees to apply funds to premiums first and allow any eligible remaining amounts to support qualified health expenses. The Community Partners Program would use trusted organizations to provide education, outreach, and application support to Georgians.

A portion of the passthrough funding generated by implementation of this waiver would go towards the State's reinsurance program, further decreasing the cost of health premiums for all Georgians. Together, these elements are intended to improve affordability, make coverage choices more meaningful, strengthen the risk pool, and preserve insurer competition across urban and rural Georgia.

Georgia will design and administer the amendment to satisfy the Section 1332 guardrails for coverage, affordability, comprehensiveness, and federal deficit neutrality. The State also intends to preserve the operation of Affordable Care Act provisions that are not expressly waived and to maintain strong consumer and program-integrity protections.

Following completion of the State's public notice and comment process, the Office of Commissioner of Insurance and Safety Fire will hold the required state public notice and comment period, complete the required actuarial and economic analyses, and continue technical discussions with the Departments. Georgia anticipates submitting its amendment application by November 20, 2026, with the goal of securing approval in time for the plan year 2028 open enrollment beginning November 1, 2027.

Georgia looks forward to continued engagement with the Departments as it refines this proposal. With our federal partners, we are confident that Georgia can build on the successes of its existing waiver and advance a practical, sustainable model that delivers greater value and security to Georgia consumers.

Sincerely,

John F. King
Commissioner of Insurance and Safety Fire
State of Georgia

cc:
Cheryl Gardner, Deputy Commissioner – Georgia Office of Commissioner of Insurance and Safety Fire
Scott Sanders, Deputy Commissioner – Georgia Office of Commissioner of Insurance and Safety Fire
Michael Dawson, Executive Counsel – Georgia Office of Commissioner of Insurance and Safety Fire
Peter Nelson, Deputy Administrator and Director – Center for Consumer Information and Insurance Oversight, Centers for Medicare & Medicaid Services