

Congress of the United States
Washington, DC 20510

November 20, 2025

The Honorable Gene Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Comptroller General Dodaro:

The Committee on Ways and Means, the Committee on Energy and Commerce, and the Committee on the Judiciary thank the Government Accountability Office (GAO) for its careful work examining program integrity vulnerabilities in the Affordable Care Act (ACA) federally facilitated exchange (FFE).

On June 28, 2024, following alarming reports of alleged large-scale ACA enrollment fraud, the Committees requested GAO investigate the scope of potential improper payments and weakened program integrity within the ACA marketplace.¹ Estimates based on analysis by both the Congressional Budget Office (CBO) and independent external research organizations indicate millions of enrollees in the ACA marketplaces may be enrolled improperly, costing taxpayers as much as \$27 billion a year in improper payments and imposing a great deal of harm and distress on families and victims of alleged fraud.²

Recent Centers for Medicare & Medicaid Services (CMS) data show nearly 12 million ACA enrollees – or 35% of the entire ACA enrollment population – had no medical claims during 2024. For reference, in 2020 (the last year before Congressional Democrats temporarily expanded the ACA premium tax credit in response to COVID-19), fewer than 3.5 million ACA enrollees (only 23% of

¹ Letter from The Honorable Cathy McMorris Rodgers, The Honorable Jason Smith & The Honorable Jim Jordan, to The Honorable Gene Dodaro, Comptroller General of the United States, U.S. Government Accountability Office (Jun. 28, 2024), https://waysandmeans.house.gov/wp-content/uploads/2024/07/GAO_ACA_Fraud_Letter_326d5735be.pdf.

² Letter from Phillip L. Swagel, Director, Congressional Budget Office, to The Honorable Jodey Arrington, The Honorable Brett Guthrie & The Honorable Jason Smith (Aug. 25, 2025), <https://waysandmeans.house.gov/wp-content/uploads/2025/09/250902-Letter-CBO-Responds.pdf>; *see also* Niklas Kleinworth, Liam Sigaud & John R. Graham, *Ghostbusting ACA Fraud: Millions Who Don't Use Their Health Insurance Expose Abuse in the Program*, Paragon Health Institute (Oct. 1, 2025), <https://paragoninstitute.org/private-health/ghostbusting-aca-fraud-millions-who-dont-use-their-health-insurance-expose-abuse-in-the-program/>.

total enrollment) did not file a medical claim.³ Among enrollees in fully taxpayer subsidized zero-dollar ACA plans, 40% did not have a medical claim in 2024. For reference, in 2020, the phantom enrollee rate for those same plans (94 AV Silver) was only 21%.

Since 2020, federal spending on ACA subsidies has more than doubled—from \$57 billion to a projected \$143 billion in 2025.⁴ Legislative policies and administrative regulation increased the cost of the ACA by more than \$500 billion, compared to original taxpayer spending projections.⁵ In June 2024, CBO revised its estimates for the program upwards by four million enrollees and \$19 billion in new costs. This was a major departure from earlier CBO projections in September 2023, suggesting potentially significant unaccounted for waste, fraud, and abuse plaguing the ACA.⁶

As a follow-up to our initial letter, we respectfully request a written update on GAO's investigation and analysis of improper payments in the ACA marketplaces, including the lack of eligibility verification controls, bad actor agent and broker misconduct, and the scope of improper enrollments and its associated federal spending.

Specifically, we would appreciate narrative detail and quantitative analysis on the following:

- Please summarize what GAO has observed from its covert test enrollments to date, how many fictitious applicants were able to obtain subsidized coverage, what verification weaknesses were exploited, and whether and how many of those enrollments remain active.
- Provide available data and highlight any outlier cases on the number of marketplace records missing or containing duplicate Social Security Numbers, examples of unresolved SSN verifications, examples of deceased individuals receiving ACA taxpayer subsidies, and the implications for the Treasury Department's ability to reconcile advance premium tax credit payments.
- Describe any trends GAO observed concerning unauthorized ACA plan switches, enrollment manipulation resulting from the fully taxpayer-subsidized ACA plans and monthly rolling special enrollment periods, any examples of income reporting manipulation, and the extent of CMS's oversight and enforcement.

³ CENTERS FOR MEDICARE & MEDICAID SERVICES, *2019-2024 Enrollees Without Claims by State Market Metal Level*, (Aug. 8, 2025), <https://www.cms.gov/files/document/enrolleeswithoutclaims-2019-24.xlsx>.

⁴ CONGRESSIONAL BUDGET OFFICE (CBO), *An Update to the Budget and Economic Outlook: 2021 to 2031* (Jul. 1, 2021), <https://www.cbo.gov/publication/57218>; see also CBO, *The Budget and Economic Outlook: 2025 to 2035* (Jan. 2025), <https://www.cbo.gov/publication/60870>.

⁵ U.S. House Committee on Ways and Means, *Chairman Smith's Statement on Trump Administration Rule Reining in Biden's Obamacare Expansion Fraud* (Mar. 10, 2025), <https://waysandmeans.house.gov/2025/03/10/chairman-smiths-statement-on-trump-administration-rule-reining-in-bidens-obamacare-expansion-fraud/>.

⁶ Peter J. Nelson, *It All Adds Up: The High Cost of Health Insurance Exchange Regulations Under the Biden Administration*, Center of the American Experiment (Jan. 15, 2025), <https://www.americanexperiment.org/reports/it-all-adds-up>.

- Summarize GAO's assessment of CMS's adherence to leading fraud-risk-management practices and the degree to which expanded subsidies, including the proliferation of \$0 premium, fully subsidized plans, pandemic-era waivers, and new enrollment pathways may have increased risk for improper enrollment and payments.

We thank GAO for their work to ensure taxpayer dollars are protected and that legitimate beneficiaries receive the coverage for which they qualify. Please provide your written update to the Committees on Ways and Means, Energy and Commerce, and the Judiciary by December 1, 2025, or earlier if feasible.

Sincerely,



Jason Smith
Chairman
Committee on Ways and Means



Brett Guthrie
Chairman
Committee on Energy and Commerce



Jim Jordan
Chairman
Committee on the Judiciary