

119TH CONGRESS
2D SESSION

H. R. 7861

To amend title XXVII of the Public Health Service Act and the Patient Protection and Affordable Care Act to provide for certain reforms with respect to medical loss ratios and reducing fraudulent enrollment in qualified health plans.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2026

Mr. BARRETT (for himself and Mr. RILEY of New York) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XXVII of the Public Health Service Act and the Patient Protection and Affordable Care Act to provide for certain reforms with respect to medical loss ratios and reducing fraudulent enrollment in qualified health plans.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Care Over Profits Act
5 of 2026”.

1 **SEC. 2. INCREASING MEDICAL LOSS RATIO FOR HEALTH IN-**
 2 **SURANCE COVERAGE OFFERED IN SMALL**
 3 **GROUP AND INDIVIDUAL MARKETS.**

4 (a) IN GENERAL.—Section 2718(b)(1)(A)(ii) of the
 5 Public Health Service Act (42 U.S.C. 300gg–
 6 18(b)(1)(A)(ii)) is amended by striking “80” each place
 7 it appears and inserting “85”.

8 (b) EFFECTIVE DATE.—The amendments made by
 9 this section shall apply with respect to plan years begin-
 10 ning on or after January 1, 2026.

11 **SEC. 3. IMPOSING PENALTIES ON AGENTS AND BROKERS**
 12 **FOR CERTAIN VIOLATIONS WITH RESPECT TO**
 13 **ENROLLMENT IN A QUALIFIED HEALTH PLAN**
 14 **OFFERED THROUGH AN EXCHANGE.**

15 (a) IN GENERAL.—Section 1411(h)(1) of the Patient
 16 Protection and Affordable Care Act (42 U.S.C.
 17 18081(h)(1)) is amended—

18 (1) in subparagraph (A)—

19 (A) by redesignating clause (ii) as clause
 20 (iv);

21 (B) in clause (i)—

22 (i) by striking “If—” and all that fol-
 23 lows through “such person” and inserting
 24 “If any person (other than an agent or
 25 broker) fails to provide correct information
 26 under subsection (b) and such failure is at-

1 tributable to negligence or disregard of any
2 rules or regulations of the Secretary, such
3 person”; and

4 (ii) in the second sentence, by striking
5 “For purposes” and inserting the fol-
6 lowing:

7 “(iii) DEFINITIONS OF NEGLIGENCE,
8 DISREGARD.—For purposes”;

9 (C) by inserting after clause (i) the fol-
10 lowing:

11 “(ii) CIVIL PENALTIES FOR CERTAIN
12 VIOLATIONS BY AGENTS OR BROKERS.—If
13 any agent or broker fails to provide correct
14 information under subsection (b), or other
15 information as part of an application for
16 enrollment in a qualified health plan of-
17 fered through an Exchange, as specified by
18 the Secretary, and such failure is attrib-
19 utable to negligence or disregard of any
20 rules or regulations of the Secretary, such
21 agent or broker shall be subject, in addi-
22 tion to any other penalties that may be
23 prescribed by law, including subparagraph
24 (C), to a civil penalty of not less than
25 \$10,000 and not more than \$50,000 with

1 respect to each individual who is the sub-
2 ject of an application for which such incor-
3 rect information is provided.”; and

4 (D) in clause (iv) (as so redesignated), by
5 inserting “or (ii)” after “clause (i)”;

6 (2) in subparagraph (B)—

7 (A) by inserting “including subparagraph
8 (C),” after “law,”;

9 (B) by striking “Any person” and insert-
10 ing the following:

11 “(i) IN GENERAL.—Any person”; and
12 (C) by adding at the end the following:

13 “(ii) CIVIL PENALTIES FOR KNOWING
14 AND WILLFUL VIOLATIONS BY AGENTS OR
15 BROKERS.—

16 “(I) IN GENERAL.—Any agent or
17 broker who knowingly and willfully
18 provides false or fraudulent informa-
19 tion under subsection (b), or other
20 false or fraudulent information as
21 part of an application for enrollment
22 in a qualified health plan offered
23 through an Exchange, as specified by
24 the Secretary, shall be subject, in ad-
25 dition to any other penalties that may

1 be prescribed by law, including sub-
2 paragraph (C), to a civil monetary
3 penalty of not more than \$200,000
4 with respect to each individual who is
5 the subject of an application for which
6 such false or fraudulent information is
7 provided.

8 “(II) PROCEDURE.—The provi-
9 sions of section 1128A of the Social
10 Security Act (other than subsections
11 (a) and (b) of such section) shall
12 apply to a civil monetary penalty
13 under subclause (I) in the same man-
14 ner as such provisions apply to a pen-
15 alty or proceeding under section
16 1128A of the Social Security Act.”;
17 and

18 (3) by adding at the end the following:

19 “(C) CRIMINAL PENALTIES.—Any agent or
20 broker who knowingly and willfully provides
21 false or fraudulent information under sub-
22 section (b), or other false or fraudulent infor-
23 mation as part of an application for enrollment
24 in a qualified health plan offered through an
25 Exchange, as specified by the Secretary, shall

1 be fined under title 18, United States Code, im-
2 prisoned for not more than 10 years, or both.”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply with respect to applications for en-
5 rollment in a qualified health plan offered through an Ex-
6 change for plan years beginning on or after January 1,
7 2027.

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