Federal Legislative Priorities
116th Congress: February 2020

The National Association of Health Underwriters is the leading professional association for health insurance agents, brokers, general agents and consultants. NAHU members work with individuals, families and employers of all sizes to help them purchase health insurance coverage and use that coverage in the best possible way. We are a dedicated group of benefits specialists across the nation who advocate on behalf of our clients – American health insurance consumers. The professional health insurance agent and broker community looks forward to the potential opportunities of working toward meaningful changes in laws and regulations that will increase stability in health insurance markets and make health plans more affordable and accessible. To make the healthcare insurance market more efficient and responsive to American employers and individual health consumers, we would like to provide background on the role of agents and brokers in the health insurance market and respectfully recommend the following items:

Surprise Billing/Balance Billing

- Prohibit healthcare providers from balance billing patients in cases of emergency, involuntary care, or instances where the patient had no choice in choosing their provider.
- Require notice to patients informing them of their providers' network status and possible options for seeking care from a different provider.
- Prohibit arbitrary and excessive bills by setting reimbursement at the median in-network amount determined by reasonable, contracted amounts paid by private health plans to similar providers in a geographic area or percentage of Medicare.
  - Tying out-of-network reimbursement to privately negotiated, market-based rates would ensure reimbursement accurately reflect the cost of care in each market while directly addressing the extreme out-of-network outliers who continue to charge unconscionable rates.
- Prohibit a cumbersome arbitration process that increases costs for patients, businesses and taxpayers. Using arbitration as a resolution is long, complicated, unpredictable and costly process with many bills based on little more than what a non-network provider hopes to be paid.
  - Under arbitration, these excessive charges are given equal weight to reasonably negotiated rates. In any process that rewards these outrageous charges, the end result will be payments that are excessively high – which will increase premiums for patients.
  - Since the federal government provides premium tax credits and other healthcare cost support as premiums go up, taxpayer costs go up.

Public Option or Medicare for All are Choice for None

- Medicare for All would prohibit other health care coverage, even for people who are already covered by Medicare.
- Medicare for All would be prohibitively expensive. Estimates are around $32 trillion over ten years with an average tax increase of $24,000 per household.
- Medicare for All would reduce the standards of quality and access Americans currently enjoy in their health care with delays in medical treatment, tests, and access to care.
- The public option or a Medicare buy-in would compel hospitals and other providers to accept unsustainably low reimbursement rates, which not only artificially undercuts private plans, but, as research has found, would put millions of Americans' access to care at risk.
- The introduction of a public plan or a Medicare buy-in that reimburses providers using Medicare rates could put more than 1,000 rural U.S. hospitals at high risk of closure and would compound financial stresses hospitals are already facing, impacting access to care and provider quality.

Medicare

- Allow COBRA coverage to count as creditable coverage (H.R. 2564) for Medicare beneficiaries just as employer-sponsored coverage does. This will allow beneficiaries to have access to Part B on a timely basis without penalties for late entry into the program.
- Many Medicare beneficiaries are classified as being on "observation," which can result in significantly higher claims and prevent Medicare coverage from being applied for nursing home care for patients who do not have a prior three-day inpatient hospital stay. S. 753 and H.R. 1682 would allow observation stays to be counted toward the three-day mandatory inpatient stay for Medicare coverage of a SNF.
- Allow Medicare beneficiaries to contribute money to their HSA (H.R. 3796) while they are working. As the workforce ages, those over age 65 should be able to continue to contribute to their HSA to allow them to adequately cover out-of-pocket expenses for their health care.

Market Stabilizers to Reduce Cost and Improve Individual and Employer Market Risk Pools

- Preserve the employer tax exclusion: The employer-sponsored health insurance system provides private-sector, market-based coverage for more than 175 million Americans, including those covered by unions. Eliminating or capping the exclusion would cause some currently covered individuals to drop coverage which would be detrimental to the stability of the employer-based market and would negatively affect middle-class Americans.
- Employer Reporting (S.2366 and H.R.4070): establish a new voluntary reporting system, reduce the number of individuals and amount of information that would need to be reported, eliminate the requirement to collect dependent Social Security Numbers, and ease reporting provisions.

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