



Federal Legislative Priorities

116th Congress: Summer 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:

COVID 19 Relief

- Extension and Expansion of Flexible Spending Accounts (FSAs)
 - FSA participants may not be able to spend down funds as providers are not seeing patients except on an emergency basis.
 - Allow participants to maintain access to funds through a one-time additional extension on grace period dates of service, or raise the roll-over amount based on the end of the plan year as well as date of the end of the national state of emergency.
- Employer Reporting
 - The pandemic will affect the administrative compliance with employer reporting rules. Changes in employment caused by the pandemic are not accounted for in the employer reporting rules, which will cause further burdens for employers attempting to comply with the current rules.
 - Implement a suspension of enforcement during the months of the pandemic for employer-reporting provisions such as responding to 226-J letters, calculating affordability requirements for 1095 forms, and calculating ALE status with variable-hour employees.

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 the provider.
- Require notice to patients informing them of their provider's network status and possible options for seeking care from a different provider.
- Prohibit arbitrary and excessive bills by setting reimbursement criteria based on fair, market-based rates determined by reasonable, contracted amounts paid by private health plans to similar providers in a geographic area or percentage of Medicare.
 - A benchmark based on local, in-network rates would ensure provider reimbursement accurately reflects the cost of providing care in each market while directly addressing the extreme out-of-network outliers that 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, with many medical bills based on little more than what a non-network provider hopes to be paid.

Public Option and Medicare for All Are Choice for None

- Medicare for All would not allow consumers to maintain their current coverage by eliminating employer-sponsored coverage and threatening the coverage of beneficiaries already on Medicare.
- The cost of Medicare for All is estimated at around \$32 trillion over 10 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 healthcare with delays in medical treatment, tests and access to care.
- The public option would compel hospitals and other providers to accept unsustainably low reimbursement rates.
- The public option could put more than 1,000 rural U.S. hospitals at high risk of closure by using Medicare provider reimbursement rates.

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.

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 the exclusion would be detrimental to the stability of the employer-based market and would negatively affect middle-class Americans. COVID-19 has proven how important the employer-sponsored market is, and the failure to preserve the tax exclusion would put all of those covered lives in jeopardy.
- Employer Reporting ([S. 2366](#) and [H.R. 4070](#)): Establish a new voluntary reporting system, reduce the number of individuals and amount of information reported, eliminate the requirement to collect dependent Social Security Numbers, and ease reporting provisions.