National Association of Benefits and Insurance Professionals
NABIP
Shaping the *future* of healthcare

May 29, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

Dear House and Senate Leaders:

On behalf of the National Association of Benefits and Insurance Professionals (NABIP), thank you for your leadership in developing healthcare policy that directly affects millions of American families, businesses, and seniors. NABIP represents more than 100,000 licensed health insurance agents, brokers, consultants, and benefits specialists nationwide. Every day, our members represent the community of professionals who assist over 78% of individuals, 80% of small employers, and nearly all large employers in navigating complex coverage options and ensuring access to affordable, high-quality health care.

We appreciate the opportunity to share our position on key provisions of H.R. 1, the "One Big Beautiful Bill Act." NABIP supports several pro-consumer, pro-market reforms in the bill—especially those that codify and enhance Individual Coverage Health Reimbursement Arrangements (ICHRAs), now rebranded as CHOICE Arrangements, and modernize Health Savings Accounts (HSAs). These reforms advance our shared goal of expanding access to flexible, portable, and affordable coverage. We also support the bill's permanent extension of the qualified business income (QBI) deduction, which strengthens the small business community that our members serve and are a part of. We look forward to continuing to advocate for these policies, as this bill continues to progress.

Support for CHOICE Arrangement (ICHRA) Reforms

NABIP strongly supports the CHOICE Arrangement provisions in H.R. 1, which codify and expand ICHRAs. These arrangements empower employers to offer tax-advantaged health benefits without the administrative burden of traditional group plans. The bill appropriately preserves the role of licensed agents and brokers, who are vital to helping employees navigate plan choices, provider networks, and subsidy eligibility.

We are especially supportive of:

- **Codification of ICHRAs** into federal statute, giving the model long-term stability;
- **Pre-tax treatment of on-Exchange premiums**, improving affordability and equity;
- **Administrative simplicity**, particularly for employers with multi-state or lean HR operations;
- **Continued agent and broker engagement**, which ensures consumers receive expert, personalized help in establishing these arrangements;

CHOICE Arrangements offer consumer-directed, portable coverage solutions that align with the modern workforce. Their success, however, depends on a stable and affordable individual market—a concern addressed below.

Support for HSA Modernization

H.R. 1 also includes important enhancements to Health Savings Accounts that NABIP fully supports. These provisions expand access, increase flexibility, and allow better integration with the ACA Marketplace—especially for CHOICE Arrangement users.

We support provisions that:

- Allow **Medicare Part A enrollees** to continue contributing to HSAs;
- Raise **HSA contribution limits** and improve **spousal catch-up contribution rules**;
- Expand eligible expenses to include **Direct Primary Care and on-site clinics**;
- Enable **bronze and catastrophic Exchange plans** to qualify as HSA-compatible, expanding consumer choice and broker options.

These changes support NABIP's long standing commitment to consumer-directed care and give individuals more control over their healthcare dollars while giving employers more design flexibility. NABIP has long advocated for working seniors to maintain their ability to contribute to their HSAs.

Support for the Small Business Deduction Extension
We also strongly support the permanent extension of the **Qualified Business Income (QBI) deduction**. This deduction is vital for many of our members—especially sole proprietors and small agencies—who provide personalized service to small employers, individuals, and families across the country.

Concerns with ACA Individual Market Provisions
Despite these positive provisions, NABIP has serious concerns about parts of H.R. 1 that could

destabilize the ACA individual market, undermine affordability, and make it harder for consumers to maintain coverage. These changes would also increase the administrative burden on brokers and the consumers they serve.

We are particularly concerned about the following:

1. **No Extension of Enhanced Premium Tax Credits**:
   The bill fails to extend ACA enhanced subsidies set to expire at the end of 2025—creating a "subsidy cliff" that will only worsen affordability challenges, particularly for middle-income families.

2. **Massive Coverage Losses**:
   CBO estimates over 10 million people would lose coverage under the bill, with up to 16 million affected when accounting for subsidy expirations.

3. **Premium Increases for Middle-Income Families**:
   The bill resumes direct CSR payments to insurers, which would end silver loading, but there is no mechanism to redirect savings into enhanced subsidies. It would cause sharp premium increases for those earning 250–400% of the Federal Poverty Level. A 60-year-old couple earning $62,000 could see their gold plan premiums rise from $355 to over $900/month.

4. **Elimination of the 90 Day Provisional Eligibility for Premium Tax Credits**:

The proposal to eliminate provisional eligibility for advance premium tax credits (APTC) would require many applicants to pay full premiums while eligibility is verified—often over months. It would disproportionately affect those facing job loss, income changes, childbirth, or marriage, who are more likely to trigger data issues and lose access to affordable coverage when they need it most.

5. Earlier End to Open Enrollment

The bill would shorten the ACA Open Enrollment Period by ending it on December 15 instead of January 15. While we recognize potential operational efficiencies, this change risks overwhelming agents and brokers who facilitate nearly 80% of enrollments—about 16 million individuals. We recommend pairing the earlier end date with an October 1 start to give brokers more time to educate consumers and manage enrollments effectively.

6. **Destabilization of the ACA Individual Marketplace**
These policies threaten Americans’ access to health care and the success of CHOICE Arrangement (ICHRA) reforms contained in the bill. CHOICE Arrangements depend on a strong ACA individual Market, with a variety of plan choices and affordable plans.

7. **Reduced Role of Brokers**:
As complexity and verification hurdles increase, fewer consumers may successfully enroll. These changes risk reducing the effectiveness of licensed brokers, just as their guidance becomes even more critical.

8. Elimination of APTC Repayment Caps (Section 112203)

Section 112203 of H.R. 1 eliminates the repayment caps for households earning under 400% of the Federal Poverty Level (FPL). While intended to curb abuse and reduce federal costs, this provision could result in unintended, harmful consequences for vulnerable populations.

Most troubling is the impact on individuals in non-expansion states who fall below 100% FPL during the year. Under this proposal, they would be responsible for repaying the full amount of their APTC—a potentially devastating financial outcome. While the CCIIO's proposed Marketplace Integrity Rule would require income documentation for those under 100% FPL (to deter intentional misstatements), it does not protect those who unintentionally experience income declines due to job loss, reduced hours, or family changes.

NABIP recommends two policy options:

1. **Oppose Section 112203 outright** on consumer protection grounds; or
2. **Offer an alternative** that balances program integrity with a safety net for vulnerable consumers.

One such alternative is to align repayment caps with CMS's standardized out-of-pocket maximums (OOPMs), creating a tiered, structured approach:

Household Income (% FPL)	**Repayment Cap (Unmarried Individual)**
<200%	$3,300 (modeled on 87% CSR plan OOPM)
200% to <300%	$7,400 (modeled on 73% CSR plan OOPM)
300% to <400%	$8,900 (standard plan OOPM)

While these caps are higher than current levels, they still provide meaningful protections and prevent catastrophic repayment burdens.

Recommendations
NABIP urges Congress to preserve and build on the strong provisions in H.R. 1, while taking the following steps to avoid undermining ACA Marketplaces:

- **Support the codification of CHOICE arrangements and modernization of HSAs**;
- **Extend the QBI deduction** for the small businesses and brokers delivering these benefits;
- **Maintain enhanced premium tax credits** beyond 2025;
- **Protect beneficiaries from significant premium increases due to any changes impacting silver loading**.

Our members enroll over 78% of ACA individual Marketplace participants. As licensed health professionals, they provide critical support that cannot be replicated by algorithms or call centers. Without a functional and accessible ACA Marketplace, the full promise of CHOICE arrangements and HSAs cannot be realized.

NABIP stands ready to work with you and your colleagues to improve affordability, expand access, and preserve the vital role of brokers and agents in our healthcare system. Thank you for your continued leadership and commitment to advancing policies that empower consumers and strengthen the health coverage market.