

Statement for the Record

Submitted to the House Committee on Ways & Means, Subcommittee on Health

RE: Hearing with Health Insurance CEOs: Health Care Affordability, Market Stability, and Cost Drivers Across All Coverage Markets

Submitted by:

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Introduction

The National Association of Benefits and Insurance Professionals (NABIP), formerly NAHU, represents more than 100,000 licensed health insurance agents, brokers, general agents, consultants, and employee benefits specialists across the country. Our members assist millions of individuals, families, seniors, and employers of all sizes in purchasing, administering, and using health coverage across all markets, including Medicare, the Affordable Care Act (ACA) individual market, employer-sponsored coverage (fully insured, level-funded, and self-funded), and supplemental benefits.

Because agents and brokers sit across the table from consumers and employers every day, we see affordability pressures early and directly. While recent hearings have focused on specific programs or policy changes, NABIP urges Congress to recognize a broader reality:

Rising healthcare costs are affecting every market our members serve.

Consumers losing ACA tax credits may feel the impact first, but employers, workers, and seniors are all facing increasing premiums, deductibles, and out-of-pocket costs driven by the same underlying cost pressures.

Addressing affordability requires focusing on the cost of care itself, not just benefit design or compliance requirements.

NABIP Policy Priorities to Improve Affordability and Market Stability

1. Enforce Meaningful Health Care Price Transparency

NABIP strongly supports robust price transparency as a foundational tool for cost control. Transparency must be real, enforceable, and usable.

- Patients, employers, and plan sponsors need access to actual prices, including negotiated rates and cash prices, not estimates or algorithms.

- Transparency rules already on the books must be consistently enforced, as compliance remains uneven across hospitals and health systems.
- Price information must be paired with clear context and quality data so consumers can make informed decisions.

NABIP supports legislative efforts that strengthen enforcement, require itemized and verifiable billing, and give employers and consumers meaningful access to pricing information that can be used to compare value and reduce waste.

2. Reform PBM Practices to Improve Transparency and Competition

Prescription drug costs remain one of the fastest-growing drivers of healthcare spending. NABIP supports PBM reforms that promote transparency, competition, and accountability, including:

- Requiring disclosure of rebates, fees, spread pricing, and affiliated entities.
- Ensuring employers and plan sponsors have access to prescription drug claims data, regardless of how pharmacy benefits are structured.
- Addressing opaque contracting practices that limit employers' ability to evaluate formularies, pricing decisions, and clinical criteria.

PBMs can play a constructive role in managing drug costs, but only if incentives are aligned with affordability—not opacity or vertical integration.

3. Expand and Strengthen Site-Neutral Payment Reform

NABIP strongly supports site-neutral payment reform to address price distortions that raise costs without improving outcomes.

- The same service should cost the same amount regardless of whether it is provided in a physician office, independent facility, or hospital outpatient department.
- Facility fees and location-based billing practices significantly inflate costs for patients and employers.
- Provider consolidation has amplified these pricing disparities, particularly in commercial markets.

NABIP supports site-neutral reforms that reduce incentives for consolidation-driven price increases and protect consumers from unnecessary facility-based charges.

4. Ensure Employer Access to Claims Data and End Gag Clauses in Practice—not Just on Paper

Employers cannot control healthcare costs if they cannot see their own data.

NABIP supports strong enforcement of the gag clause prohibition and urges Congress to address ongoing barriers, including:

- Restrictions on access to de-identified medical and prescription drug claims data, including provider TINs.
- Delayed, incomplete, or unusable data delivery by TPAs, PBMs, and vendors.
- Non-contractual practices that function like gag clauses through excessive fees, delays, or inaccessible formats.

Responsibility for compliance should rest with the entities that **control the data**, not employers who lack visibility into downstream contracts.

5. Modernize the Medical Loss Ratio (MLR) to Align Incentives With Affordability

The ACA's Medical Loss Ratio was intended to protect consumers, but in a vertically integrated market it can reward cost pass-through rather than cost control. This dynamic contributes to higher premiums, consolidation advantages for large integrated issuers, and reduced competition from smaller and regional carriers.

Targeted MLR modernization should include:

- Ensuring MLR reflects actual medical spending at the point of care, not internal affiliate transfers.
- Applying MLR standards across insurer-controlled entities that receive healthcare dollars.
- Tightening definitions of allowable medical and quality-improvement spending.
- Increasing transparency around related-party transactions that affect reported medical costs.

These adjustments would preserve the consumer protections of MLR while realigning insurer incentives toward affordability, competition, and sustainable innovation.

6. Reduce Administrative Burden That Adds Cost Without Helping Consumers

Employers and consumers face an expanding volume of reporting, disclosures, and compliance requirements that often do not improve understanding or decision-making.

- Many notices are duplicative, overly complex, and not read or understood by employees.
- Compliance costs are ultimately passed on through higher premiums and administrative fees.

NABIP encourages Congress to streamline and modernize reporting requirements, focus disclosures on information that consumers actually use, and eliminate compliance obligations that add cost without delivering value.

7. Support Flexible, Consumer-Focused Coverage Options and Care Delivery Models

Affordability also depends on allowing coverage designs and care models that meet consumers where they are, including:

- Permanent telehealth flexibilities, particularly for HSA-qualified HDHPs.
- Modernization of HSA rules to support primary care access and working seniors.
- Recognition that alternative coverage arrangements (such as level-funded plans and supplemental benefits) exist because traditional coverage is often unaffordable, not because consumers are seeking to avoid comprehensive care.

Regulatory approaches should prioritize lowering the cost of care, not eliminating options without addressing why consumers rely on them.

Conclusion

NABIP appreciates the Committees' focus on healthcare affordability and urges Congress to focus reform efforts on cost drivers, transparency, competition, and accountability across the healthcare system.

Our members stand ready to work with policymakers to advance reforms that:

- lower costs for patients, workers, and employers,
- preserve choice and access to trusted guidance,
- and ensure health insurance markets remain stable and competitive.

As the professionals closest to consumers' real-world experiences, NABIP members offer a practical perspective on how policy decisions affect affordability on the ground and how Congress can help fix what is driving costs higher.