



116th Congress: August 2019

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 be furnished to patients informing them of their providers' network status and possible options for seeking care from a different provider.
- Prohibit arbitrary and excessive bills in these situations by setting reimbursement criteria based on market rates by setting benchmarks determined by reasonable, contracted amounts paid by private health plans to similar providers in a geographic area ([S. 1895](#)).
 - The benchmark proposal will lower overall costs for consumers and put an end to price-gouging by certain medical providers.
 - By establishing a payment benchmark aligned with local in-network rates, out-of-network providers will continue to be reimbursed at competitive, market-based levels, and patients will no longer be taken advantage of in the emergency room or on the operating table. To protect consumers, employers and taxpayers, it's critically important that policymakers maintain the benchmark protections and avoid arbitration proposals that would raise healthcare costs for everyone.
- Oppose proposals to use arbitration to resolve surprise billing, which leads to higher costs on the consumer ([S. 1531](#) and [H.R. 3630](#)).
 - The proposed arbitration system would give out-of-network rate setting decisions to a third party, which will lead to more bureaucracy, less transparency and roughly \$1 billion in additional costs to the health system.
 - Arbitration would increase patients' health insurance premiums, drive up the cost of medical care and add to the federal deficit.

Excise/Cadillac Tax Repeal

- Repeal the Excise/Cadillac Tax ([S. 684](#))
- If the Cadillac Tax is not repealed, it will impose a 40% tax on the value of employer-sponsored health coverage that exceeds certain benefit thresholds – estimated to be \$11,100 for self-only coverage and \$29,750 for family coverage in 2022.
- More than 181 million Americans – including retirees, low- and moderate-income families, public sector employees, small-business owners and the self-employed – currently depend on employer-sponsored health coverage and would be negatively affected by the tax.
- Employers will face significant compliance burdens with the tax, with regular monthly reporting to insurers and collections of the tax. The tax liability will be different from person to person, depending on various factors including dependents, age and HSA contributions, the complexity of which may lead employers to stop offering coverage to employees.

Single Payer

- **Medicare for All Is Choice for None**
 - Medicare for all is not the Medicare program we know.
 - Medicare for all would not allow anyone to keep current coverage, including seniors and others who are covered by Medicare.
 - Medicare for all would be prohibitively expensive - \$32 trillion, with an average annual tax increase of \$24,000 per household.
 - Medicare for all would produce waiting lines as are seen in some other countries with single-payer systems, like Canada.
- **Medicare Buy-In/Public Option**
 - Both a Medicare buy-in and a public option would not compete fairly with private coverage due to government set pricing for provider payments vs. commercial coverage, which does not have the ability to set prices.
 - Both a Medicare buy-in and a public option would disrupt small-group markets as well as individual markets by pulling from the commercial pool of insured individuals.
 - Under Medicare X choice (public option), hospitals would incur \$774 billion in cuts over 10 years, leading to unprecedented access issues that threaten hospital closures.
 - Under Medicare X, an estimated 67% of consumers would be pushed away from private plans in the individual markets.