



116th Congress: February 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:

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

- **Individual Market**
 - Allow tax credits to be used outside of the Marketplace if fewer than two choices are offered in a state.
 - Reduce the 90-day grace period for nonpayment of premium for individuals receiving premium tax credits to the same 30-day grace period for other covered individuals.
 - Allow states to be eligible for funding for new hybrid high-risk pools. The new pools would not issue coverage but would be available as a reinsurance mechanism to insure risk above certain levels for high-risk individuals who were enrolled after going longer than 60 days without coverage.
- **Individual and Employer-Based Market**
 - Repeal the Health Insurance Tax ([S. 80 or S. 172 delay of tax](#)) and Excise/Cadillac Tax ([H.R. 748](#))
 - Increase flexibility for HSAs. For example, once other market stabilizers are in place, allow contributions equal to the out-of-pocket maximum and a limited number of office visits to be covered before the deductible each year. Other important changes could also be included but should be considered after other market-stabilization mechanisms are in place.
- **Employer-Based Market**
 - 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.
 - Employer Reporting: 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 other reporting provisions.
 - Allow states to be eligible for funding for small group reinsurance, which would operate similarly to the individual risk pools, allowing for premium stabilization in the small group market.
- **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 determined by reasonable, contracted amounts paid by private health plans to similar providers in a geographic area or percentage of Medicare.

Medicare for All is Choice for None

- Medicare for all would not allow consumers to maintain their current coverage.
- Medicare for all would be prohibitively expensive. Estimates are around \$32 trillion, an average annual 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.

Medicare

- Allow COBRA coverage to count as creditable coverage 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.
- Modify Medicare Advantage marketing rules to suspend the scope of appointment requirements for agents and brokers, allowing better counseling for beneficiaries. Request other changes to the current rules to facilitate communication between CMS and NAHU on issues pertaining to or affecting agent/brokers.
- 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 three-day inpatient hospital stay. Our proposal would allow observation stays to be counted toward the three-day mandatory inpatient stay for Medicare coverage of a skilled nursing facility.