



## 115th Congress: August 2018

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 respectfully recommend the following items:

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

- **Individual Market**
  - Continue funding for Cost-Sharing Reduction payments.
  - Allow states to be eligible for reinsurance 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.
  - Allow more flexibility for states to apply and qualify for §1332 waivers.
- **Individual and Employer-Based Market**
  - Increase flexibility for HSAs. For example, permit the use of HSA dollars toward wellness benefits, clarify that employers can offer “excepted benefits” like telehealth with an HSA plan, correct the definition of “dependents,” fix the prohibition on a spouse using an HSA, and allow HSA plans to offer pre-deductible coverage of health services at onsite employee clinics, retail health clinics, and for services and medication that manage chronic conditions.
- **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**
    - [H.R. 3919](#) and [S. 1908](#) would 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.

### Taxes and Other Repeals

- **Repeal the Health Insurance Tax ([H.R. 246](#)) and the Excise/Cadillac Tax ([S. 58](#) and [H.R. 173](#)).**
- **Delay of the Health Insurance Tax to 2020 ([H.R. 5963](#) and [S. 3063](#))**
- **Remove Agent/Broker Commission from Medical Loss Ratio.**

The MLR provision has already resulted in service reductions and lost jobs because of the way it has been defined. If this definition is not changed, these reductions are expected to accelerate. Enactment of bipartisan legislation ([H.R. 4575](#) and [S. 2303](#)) to remove agent/broker commission from the medical loss ratio calculation will ensure that consumers can continue to have access to professional independent health insurance agents and brokers.

### 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. ([H.R. 5104](#))
- 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. [H.R. 1421](#) and [S. 568](#) would allow observation stays to be counted toward the three-day mandatory inpatient stay for Medicare coverage of a skilled nursing facility.

# Why Use an Agent or Broker?

Agents and Brokers Save Consumers and Businesses

**TIME & MONEY**



**2/3** of agents have at least 10 years of industry experience.<sup>1</sup> They are professionally licensed and trained to know the ins and outs of health insurance.



**30%** of brokers in the small-group market spend "most" or "a lot" of their time fighting to resolve claims questions or disputes on their clients' behalf.<sup>2</sup>



**72%** of brokers spend "most" or "a lot" of their time explaining coverage to clients.<sup>3</sup>



Premiums are **13% LOWER** in counties with the greatest concentration of brokers.<sup>4</sup>

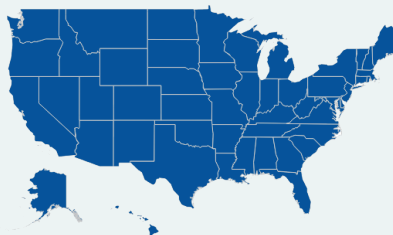


**SATISFACTION = BETTER DEALS**  
**84%** of people shopping for exchange plans found brokers helpful – the highest rating for any group providing assistance.<sup>5</sup>



Brokers perform vital HR functions for small businesses. Small firms are **20%** more likely to offer health benefits in counties with higher concentrations of brokers.<sup>6</sup>

See how brokers have helped people in your state.



Find a broker near you.

**BrokersMakingaDifference.org**

<sup>1</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>2</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>3</sup><https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8321-f.pdf> pg 7

<sup>4</sup><http://khn.org/news/brokers-associated-with-more-cheaper-health-coverage-study-says/>

<sup>5</sup><http://hrms.urban.org/briefs/obtaining-information-on-marketplace.html>

<sup>6</sup><http://khn.org/news/brokers-associated-with-more-cheaper-health-coverage-study-says/>