



National Association of Health Underwriters

Federal Policy Priorities

August 2014

The National Association of Health Underwriters (NAHU) is the leading professional association for health insurance agents, brokers, general agents and consultants. NAHU members work every day 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 more than 100,000 benefit 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 playing a constructive role in a reformed health system. As such, our top policy goals are as follows:

Role of the Agent

Professional health insurance agents and brokers want to support their clients in choosing and making the most of new coverage options by providing assistance, trusted advice and service. As we move to make access improvements to the new health insurance marketplace, care needs to be taken to ensure that agents and brokers have the ability to best serve their individual and employer clients.

We support:

- Ensuring that consumers have the ability to elect the assistance of a health insurance professional at any time in the process, with that decision recorded for consumer protection and payment purposes.
- Publicly accessible databases of all exchange-certified agents and brokers on the local help sections of healthcare.gov and state-based exchange websites.
- Enhanced priority to technology efforts that will allow both agents and individual consumers better access to the federal marketplace via continued improvements to healthcare.gov as well as direct enrollment portals, both through health insurance issuers and through web-based brokers in all states.
- Dedicated customer service support from the federal health insurance marketplace for certified agents and brokers beyond the general help line.
- Completion of the delayed federal marketplace broker portal in time for next year's open-enrollment period.
- S. 2173, the CHOICE Act, legislation will make improvements to the direct enrollment process for independent agents.
- S. 2175, the Enhancing Access for Agents and Brokers Act, legislation that calls on the Department of Health and Human Services to adopt key exchange changes that will make it easier for health insurance agents and brokers to assist their clients through the exchange enrollment process.

Employer Issues

Health reform requirements are both increasing the cost of employer-sponsored coverage and creating huge compliance burdens for employers. The law is also contributing to our nation's current economic uncertainty and limited job growth.

We support:

- A comprehensive review of the law and resulting regulatory requirements to identify and rectify provisions and new requirements that are creating compliance burdens and conflict with time-tested employee benefit practices.

- S. 24, the Small Business Health Relief Act.
- S. 1188, the Forty Hours is Full Time Act.
- S. 2176, the Commonsense Reporting Act of 2014.
- H.R. 2575, the Save American Workers Act of 2013.
- H.R. 2988, the Forty is Full Time Act

Market Reforms

Affordability is the key to the success of health reform. Creating new health coverage access will be a wasted effort if people are unable to pay for their coverage. Since keeping employers, as well as younger and healthier consumers in the coverage system is what will ensure health insurance affordability; all Americans need an incentive to participate, particularly during the first few years of health reform implementation.

We support:

- Preserving the law's risk-adjustment mechanisms (often referred to as "The Three Rs") since they are crucial to preserving long-term private insurance market stability.
- H.R.544, the bipartisan Letting Insurance Benefit Everyone Regardless of Their Youth (LIBERTY) Act, which allows states to increase the law's age rating bands from the current 3 to 1 spread to bands that more closely resembles the natural breakdown of age and meet the needs of a particular state. If a state does not set its own bands, the default would be 5 to 1.
- H.R. 763 and S. 24, bipartisan legislation to eliminate the new national premium tax that is projected to add an average of \$500 in costs to a typical family policy in 2014 and is slated to steadily increase each year.
- H.R. 3367 creates a two year delay of the national premium tax. The legislation would return to tax payers the hit tax in the first year and lower premium cost in the second year
- Improving the law's out-of-pocket maximum requirements so that they work smoothly with longstanding benefit practices.
- Reviewing the essential benefit and other coverage requirements to ensure that they allow individuals and employers the opportunity to buy affordable coverage.

Medical Loss Ratio

Current MLR requirements, which unfairly lump independent broker compensation in with health plan profits even though they are separate business entities, are significantly and negatively impacting access to professional independent health insurance agents. Many agents are seeing a net reduction of business incomes of 30-50%. This means fewer brokers staying in business and reduced client services to clients at a time when purchasers have the most need for help.

We support:

- H.R. 2328, a bipartisan bill that would remove agent/broker compensation from the MLR requirement in the individual and small group markets.
- S. 650, bipartisan legislation to separate agent/broker compensation from the MLR requirement the individual and small group markets.

Containing Healthcare Costs

Making coverage affordable for everyone doesn't just mean providing generous subsidies to help people pay for coverage. It also means examining what is causing the cost of insurance coverage to skyrocket--the cost of medical care.

We support:

- Placing more emphasis on wellness, including improvements to incentives for employer-sponsored plans, allowing for meaningful wellness programs for public-program beneficiaries and people seeking individual insurance coverage.
- A change to the health reform rules that do not allow wellness incentives to be fully included in actuarial value calculations and the affordability and minimum value of coverage tests.
- Common-sense medical liability reforms to ensure access to adequate and affordable healthcare.
- Greater transparency of provider quality and cost data including expanding user-friendly access to current, accurate, unbiased medical cost information and consumer access to a live person to gather and verify published medical cost information.