



GOVERNMENT RELATIONS

Legislative/Regulatory Update

SIIA.ORG

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WASHINGTON, D.C. HAPPENINGS

DHS Shutdown Finally Ends

After 76 days, Congress ended the longest shutdown of a Federal Department in history, agreeing to fund – through Sept. 30th of this year – the Department of Homeland Security (DHS), minus funding for ICE and Border Control. As we all read in the news – and many of you likely experienced – the early weeks of the shutdown resulted in TSA employees missing paychecks, which then led to long lines at specified airports. The Trump Administration stepped in and started paying TSA employees with funds that were appropriated to DHS last Summer through the One Big Beautiful Bill. That funding, however, was about to run dry, with the Administration estimating that the funds to pay TSA employees would be exhausted by the first week of May. That announcement ultimately tipped-the-scales. Why? Because, as we have always told you: One of the strongest motivating factors for ending a government shutdown is... paychecks...

Reconciliation 2.0?

Earlier in the year, some political analysts were suggesting that Republicans may pursue another “Reconciliation Bill” to enact Republican priorities on matters ranging from voting rights, to immigration, and even health care. However, many political observers – including SIIA – were skeptical that we would see another Reconciliation Bill. However, with the prolonged stand-off over funding DHS – and with Congressional Democrats refusing to fund ICE and Border Control without ICE reforms – Republican Leadership realized that the only way to fund ICE and Border Control is through a Reconciliation Bill, which only requires Republican votes to pass. Soooooo, defying most political observers’ expectations – including ours – it looks like we will now see a Reconciliation 2.0 Bill. However, this Reconciliation 2.0 Bill will be limited to ONLY funding for ICE and Border Control.

Reconciliation 3.0?

A number of House and Senate Republicans would like to do more than simply fund ICE and Border Control through a Reconciliation 2.0 Bill (i.e., they want to add changes to voting rights, immigration policies, and specified health care reforms). However, Republican Leadership continues to argue that the only way to fund ICE and Border Control is a through a “skinny” Reconciliation 2.0 Bill (i.e., a Bill limited to funding ICE and Border Control ONLY). Soooooo, Republicans are now talking about the possibility of pursuing a 3rd Reconciliation Bill (i.e., Reconciliation 3.0) to enact Republican priorities sometime later this year. We remain skeptical that a Reconciliation 3.0 Bill will ever get off the ground. BUT, as we always tell you: You can never-say-never in Washington, DC.

SIIA’S COALITION WORK

Despite the inactivity on the House and Senate floor, Congressional Committees continue to discuss, debate, and investigate health care-related issues, in particular (1) prescription drug pricing, (2) PBM corporate structures, and (3) how plan service providers are getting paid. In parallel with Congressional hearings, Members of Congress are advancing targeted policy proposals, including legislation to prohibit “referral payments” paid by PBMs to brokers or consultants, to require plans to count certain direct-to-consumer drug purchases toward a participant’s deductible and out-of-pocket maximum, and even to deem a PBM an ERISA fiduciary. SIIA remains actively engaged on all of the above to make sure that the self-insurance industry’s point of view is well-represented, working closely with our Coalition partners and meeting with Congressional staff.

HEALTHCARE FOCUS

Surprise Billing: Incremental Movement, But Structural Challenges Remain

Medical providers continue to abuse the Federal IDR Process, and the Federal arbiters (i.e., IDREs) continue to require self-insured plans to pay final determination amounts far in excess of the median in-network rate in a geographic region. SIIA and our Coalition partners continue to tell Congress and the Trump Administration that changes to the Federal IDR Process must be made. We are hopeful to see changes – albeit incremental changes – soon. Currently, proposed regulations are pending at OMB, which is the last stop before regulations are publicly released. We expect that these proposed regs will endeavor to reduce ineligible claims, while also formalizing the “Open Negotiation Period” by running it through the Federal Portal and changing the “batching” rules to eliminate large batches of claims filed all at once. Another helpful change that is on the horizon is a reboot of the Federal Portal – with what HHS is calling the “IDR Gateway” – which will replace the Federal Portal’s current fragmented submission system with a single, end-to-end platform. This new platform should allow both payers and providers to communicate and respond to the IDRE, access dispute dashboards and reports associated with the dispute, and track dispute timing and requests for information all through the Gateway.

SIIA Submits Comments on the DOL’s Proposed Compensation Disclosure Regulations

As we reported, the Department of Labor (DOL) released proposed regulations requiring any entity providing “pharmacy benefit management services” to a self-insured group health plan to disclose specified compensation streams to the plan’s fiduciary. As we also reported, SIIA submitted comments to the DOL (you can find our member communication [here](#)) signaling our support for the proposed requirements. In addition, we suggested that the DOL should consider developing and releasing proposed regulations requiring any entity providing “third-party administrative services” to a self-insured plan to disclose specified compensation streams to the plan’s fiduciary. We also instructed the DOL to treat a plan’s health claims data as “compensation” and therefore require a service provider to disclose the plan’s claims data to a plan fiduciary, and we recommended that the DOL confirm that health claims data is a “plan asset” under ERISA. The comment period closed April 15th, and we expect to see final regulations sometime in the 3rd or 4th Quarter of this year. We will let you know the moment final regs are released.

STATE POLICY UPDATE

Colorado:

With the expiration of the ACA’s “enhanced premium subsidies” at the Federal level, some States are seeking to replace the reduced generosity with State-based subsidy amounts to help individuals purchase a fully-insured ACA Exchange plan. In Colorado, the State Legislature is seeking to generate revenue to fund these additional subsidies for CO citizens with what many call a “Wal-Mart Law,” which seeks to impose an assessment on certain large employers that are not offering their employees “affordable health coverage.” We have seen this type of law pop up in Maryland back in 2006. The MD law was struck down because it was preempted by ERISA. We will keep you updated on where this lands.

New Hampshire & Connecticut

The New Hampshire Legislature is considering a bill that would assess stop-loss carriers to fund children’s behavioral health services, and Connecticut is considering a bill that would create a Health Care Cabinet to study the use of stop-loss insurance by employers that sponsor a self-insured plan. We have seen these types of bills before, and we have staunchly opposed them. We will continue to monitor the progress of these bills and engage when necessary.

Vermont

Vermont may consider legislation that would increase the “attachment” points for stop-loss insurance policies. SIIA opposes the arbitrary and unreasonable regulation of stop-loss insurance, including regulating stop-loss attachment points. We will continue to monitor this effort as well, and we will keep you posted.

SIIA’S GOVERNMENT RELATIONS TEAM IN ACTION

Latest GR Webinar Now Available

SIIA’s GR Team held its April edition of their Advocacy in Action Webinar series last week and provided an update on the latest activity in Congress, including a progress report on a “Reconciliation 2.0” bill and efforts to increase price transparency and data-sharing through the Patients Deserve Price Tags Act. We also covered our recent comment letter in response to the DOL’s proposed compensation disclosure regulations applicable to entities providing “pharmacy benefit management services” and discussed what industry stakeholders should expect to see when these proposed regulations are finalized, as well as what stakeholders may see through other rulemaking projects related to compensation disclosures. We also covered the latest State Policy proposals. SIIA will be holding its next webinar at the end of this month. SIIA members can access the Webinar recording [here](#).

STAY IN THE KNOW

2026 SIIA Cell and Gene Therapy Stakeholder Forum

Join SIIA members and industry experts in Minneapolis, Minnesota, for an in-depth conference exploring Cell & Gene Therapy (CGT), one of the most pressing and rapidly evolving topics in the self-insurance industry. To register for the conference, which will be held May 20-21 in Minneapolis, MN, visit [sija.org](#).

2026 SIIA National Conference

Join SIIA for this year’s largest gathering of self-insurance professionals and decision-makers, which will be held October 11-13 in Phoenix, AZ. Registration will be released soon, once released you will be able to register by visiting [sija.org](#).

KEEP IN TOUCH

For more information and content, please follow us on [LinkedIn](#) and visit our website at [SIIA.org](#).

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