

FEBRUARY 13, 2026

WASHINGTON, D.C. HAPPENINGS**Another Government Shutdown...Well Sort Of**

The new normal these days in Washington, DC, is a Government Shutdown. And we have one again...well, sort of. This time, it's a "partial" Government Shutdown. But actually, it's even more limited than that. This particular Government Shutdown is limited to the Department of Homeland Security (DHS). Driven by the politics surrounding ICE and the Trump Administration's immigration policies, both Democrats and Republicans are dug into their respective positions, resulting in Republicans rejecting Democrats' demands for reforming how ICE agents operate and Democrats refusing to agree to fund DHS in the absence of any reforms. And to add to the drama, both the House and Senate left town for a week-long recess, so the DHS Shutdown – which will start at 12:01 am tonight – will last through at least Monday the 23rd, but likely longer, impacting DHS-related agencies and programs like TSA and Airport Security operations.

No Compromise on the ACA's "Enhanced Premium Subsidies"

We find it interesting how politicians and the media are quick to move off of making headlines that have dominated the airwaves and the internet for so long when other breaking news arrives. What we mean is this: As you know, the vitriol over extending the ACA's "enhanced premium subsidies" dominated the headlines for about 3 months, resulting in the longest Government Shutdown in history. But now, you don't hear much about the "enhanced premium subsidies," as other current events have overtaken everyone's attention on this issue. And now, you might not even be aware that efforts to find some sort of compromise to extend the "enhanced premium subsidies" are all but dead. They are. However, despite the diverted attention on "health care," fasten your seat belts, as the expiration of the "enhanced premium subsidies" – along with reductions in Medicaid coverage – will be amplified on the campaign trail as we inch closer to the mid-term elections.

SIIA'S COALITION WORK

One of the ways SIIA remains active on issues most important to our members is through our Coalition work. This week, the Partnership for Employer-Sponsored Coverage (P4ESC) (of which SIIA is a Steering Committee member) submitted a Statement for the Record to the House Energy & Commerce Health Subcommittee. The main focus of our Statement (which you can read [here](#)) focused on how prescription drug costs and access to primary care providers are central issues for self-insured plan sponsors. Also, in collaboration with the Coalition Against Surprise Medical Billing (CASMB) (of which SIIA is also a member), SIIA signed on to a letter to the Federal Departments expressing our concern that the current operation of the Federal IDR Process is undermining affordability and weakening protections for millions of Americans. Lastly, as State Legislatures begin to kick their sessions into high gear, SIIA's team is working with stakeholders to advocate on top-of-mind issues.

HEALTHCARE FOCUS**Long-Awaited DOL Compensation Disclosure Regulations Released**

On Thursday, Jan. 29th, the Department of Labor (DOL) finally released long-awaited [proposed regulations](#) implementing – and clarifying – important aspects of the 408(b)(2)(B) Compensation Disclosure requirements. In short, these proposed rules clarify – and confirm – that Pharmacy Benefit Managers (PBMs) and any other service provider that furnishes "pharmacy benefit management services" to a self-insured group health plan are subject to the Compensation Disclosure requirements. The proposed rules further confirm that PBMs and these service providers would be required to disclose up to 8 different compensation streams to the plan's fiduciary and also required to permit the plan's fiduciary to conduct audits (you can read a 2-page summary of these proposed regulations [here](#)).

Some Important Points for the Self-Insurance Industry to Know About Compensation Disclosures

These proposed changes go beyond what the statutory language set forth in 408(b)(2)(B) requires. In essence, the DOL (through these proposed regs) is creating a new – and separate – sub-set of Compensation Disclosure requirements within 408(b)(2)(B) that ONLY apply to entities furnishing "pharmacy benefit management services." Importantly, you do NOT have to explicitly call yourself a PBM to be subject to this new sub-set of Compensation Disclosure requirements. All you need to be is an entity that furnishes at least one of the services listed in the examples of "pharmacy benefit management services" set forth in the regs. By way of example, the DOL explained that when the operator/producer of a Level-Funded Plan furnishes services to the Plan, this operator/producer will typically provide "pharmacy benefit management services," which would require the operator/producer to furnish a Compensation Disclosure to the Plan's fiduciary. Also, a TPA that contracts with a self-insured plan to furnish a myriad of services – one of which is "pharmacy benefit management services" – is subject to these Compensation Disclosure requirements, and even if this TPA never furnishes "pharmacy benefit management services," but instead subcontracts with another service provider to furnish the "pharmacy benefit management services," this TPA would still be subject to this new sub-set of Comp Disclosure requirements.

Congress Joins the Party on PBM Reforms and Comp Disclosure Requirements

In a "1-2 punch" for PBM transparency, Congress enacted legislative language that would require a PBM to disclose to a group health plan, among other things, PBM payment practices including the receipt of rebates, price concessions, and "spread pricing," along with the gross and net costs of prescription drugs in the PBM's drug formulary, and other information like whether the PBM is dispensing covered drugs through PBM-owned pharmacies, mail-order, or specialty programs (click [here](#) to see our member comm which includes a bullet-pointed list of information that PBMs must now disclose). Importantly, this legislative language also amended ERISA section 408(b)(2)(B) to delete the references to "Brokerage Services" and "Consulting," and instead, clarified that any plan service provider that furnishes the "types of services" included in the statute's enumerated "list of services" are subject to the 408(b)(2)(B) Compensation Disclosure requirements. And not to be outdone, this recently enacted legislation also requires a PBM to pass through 100% of the rebates paid to the PBM by a drug manufacturer to the plan itself.

Some Important Points to Know About the 408(b)(2)(B) Amendment

The amendment to 408(b)(2)(B) is intended to confirm that (1) PBMs that furnish "pharmacy benefit management services" and (2) TPAs that furnish "third-party administrative services" (both of which are "types of services" included in the statute's enumerated "list of services") are required to disclose "direct" and "indirect" compensation to a plan's fiduciary. However, this clarification reaches further than just PBMs and TPAs to other entities furnishing services to a self-insured plan. For example, we believe that compensation received for services related to "stop-loss insurance" must be disclosed in a 408(b)(2)(B) Compensation Disclosure furnished to the plan fiduciary. Why? Because "stop-loss insurance" shows up on the statute's enumerated "list of services." While time and effort is needed to determine what "types" of services would be considered services related to "stop-loss insurance" for purposes of triggering the 408(b)(2)(B) Compensation Disclosure, it appears that a stop-loss carrier that is paid fees or commissions for the sale of a stop-loss policy to a plan sponsor – where the plan sponsor pays for the stop-loss coverage out of the plan sponsor's general assets – would be subject to 408(b)(2)(B).

Surprise Billing Update

In the recently enacted spending bills, Congress increased funds for enforcement of the Surprise Billing Rules by \$42 billion dollars. We are hopeful that these funds will be used to help fix the Federal IDR Process and not used to penalize self-insured plans. In other news, the Supreme Court turned down the review of a lawsuit filed by an air ambulance company that argued that the health care payer (here, an insurance carrier) failed to timely pay Federal IDR awards. The current statute does NOT allow a provider to sue for unpaid IDR awards, and the air ambulance company lost at both the District Court and Appeals Court level. The Supreme Court's decision here signals that providers cannot sue payers for unpaid IDR awards.

STATE POLICY UPDATE**2026 Legislative Trends**

As State Legislative sessions are kicking into gear, there are a number of trends SIIA is following. We told members that for 2026, we can expect State policymakers to continue their focus on stop-loss insurance, including ways to regulate Level-Funded Plans, as well as efforts to erode ERISA's preemption protections for self-funded plans with stop loss. We still expect that to be the case, but so far this year, we have noticed a trend of bills aimed at increasing state revenue by imposing "assessments" on health care entities, including stop-loss insurance carriers. We will continue to monitor these developments and inform our members as these proposals take shape.

SIIA's State Legislative Tracker for 2026

We have released our 2026 State Policy Legislative Tracker. You can click [here](#) for the latest legislative proposals that are relevant to the self-insurance industry. If there are additional bills, or if you have any questions on the listed bills you see in the Tracker, please reach out to a member of our GR Team.

STAY IN THE KNOW

If you would like to hear and learn more about the DOL's Compensation Disclosure Regulations, the recently enacted PBM Transparency Reforms, and the Amendments to 408(b)(2)(B), please join us at our upcoming Healthcare Transparency Forum, which will be held February 25-26 in Jacksonville, FL. Register for the Forum today by visiting [siiA.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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