



COUNCIL FOR AFFORDABLE
HEALTH COVERAGE

April 15, 2025

Congressman Robert Onder
1113 Longworth House Office Building
Washington, DC 20515

Dear Congressman Onder,

The Council for Affordable Health Coverage (CAHC) writes to endorse H.R. 2571, the Self Insurance Protection Act (SIPA) because it will empower employers with additional choices to provide better coverage for their workers.

Employers across the country want to provide quality healthcare benefits to their employees- and those employees overwhelmingly want to keep those benefits. Rising costs are making it increasingly difficult for small businesses to offer traditional group coverage. As a result, too many workers are left with limited options: government-run programs like Medicaid, where access to care is worse, or the Affordable Care Act (ACA) marketplace, which often comes with higher out-of-pocket costs.

By expanding access to self-funded and level-funded health plans, small employers can regain control over costs and design coverage that meets the unique needs of their workforce - just like their larger counterparts. These innovative plans are structured around “attachment points” that allow small businesses to shop competitively for affordable coverage while limiting their financial risk. And it is working: In 2024, 36 percent of workers covered at small firms were enrolled in level-funded plans, recognizing the flexibility and cost savings these models provide.¹

Unfortunately, some states want to limit small employers' ability to offer self-funded plans. While states lack authority over self-funded plans directly (which fall under ERISA and outside of state law in most circumstances), some have effectively eliminated small employer access by banning the sale of level-funded plans to certain size groups or making the sale of low attachment point plans illegal.

SIPA will safeguard small employers' ability to offer affordable health coverage by clarifying ERISA protects stop loss and self-funded arrangements. This will help small businesses provide health coverage options to their employees while helping workers

¹ Kaiser Family Foundation, [2024 Employer Health Benefits Survey](#), October 9, 2024.

avoid government run health programs that make access to coverage more difficult. SIPA will help lower overall health care costs, protect access to doctors and specialists, and reduce reliance on government programs.^{2,3}

To help small businesses nationwide, Congress should pass SIPA to protect choices for small businesses and their workers in every state. Thank you for your leadership on this legislation. We look forward to working with you to help enact the bill this Congress.

Sincerely,



Joel C. White
President

² According to a [November 2021 MACPAC report](#), “Adults with Medicaid coverage were significantly less likely to report having a usual source of care than adults with private coverage. They were also significantly more likely to report not receiving or delaying medical care, prescriptions, and dental services compared to adults with private coverage.”

³ <https://www.gao.gov/assets/820/814141.pdf>