



COUNCIL FOR AFFORDABLE HEALTH COVERAGE

December 16, 2025

The Honorable Marionette Miller Meeks
505 Cannon House Office Building
Washington, D.C. 20515

Dear Congresswoman Miller Meeks,

On behalf of the Council for Affordable Health Coverage (CAHC), I write to endorse H.R. 6703, the *Lower Health Care Premiums for All Americans Act*.

America's health care system is failing on affordability. Costs continue to rise faster than wages, and CAHC projects that—absent reform—the typical American family could spend nearly 40 percent of its income on health insurance premiums by 2032. While many factors contribute to rising costs, the core problem is structural. Today's system no longer functions as a competitive market; overlapping government programs and regulatory barriers distort competition, entrench market power, and drive prices higher for consumers.

These challenges are especially acute for small businesses. Inflation and regulatory costs continue to erode buying power and increase operating expenses, making health insurance increasingly unaffordable. According to NFIB's 2025 small business report, only about 30 percent of small businesses offer health insurance today, down from nearly 50 percent in 2000, largely due to rising premiums. Since enactment of the Affordable Care Act (ACA), average premiums for small firms have increased by approximately 70. As a result, 98 percent of small business owners who provide health insurance report concern that they will be unable to afford coverage within the next five years—underscoring the urgent need for reform.

H.R. 6703 takes meaningful steps to reduce costs and expand options for families and small businesses by:

- Reducing premiums for small business employees by up to 30 percent
- Lowering premiums for Exchange plan enrollees by 11 percent
- Expanding transparency for employers and consumers

The reforms included in the bill expand coverage options and put more dollars back into the hands of hardworking Americans.

Association Health Plans (AHPs)

Small businesses can no longer absorb the escalating cost of coverage, which now exceeds \$27,000 per family annually—an increase of roughly 300 percent since 2002. While small firms employ more than 90 million Americans, they lack the large risk pools and administrative efficiencies available to larger employers. For many, a single high-cost claim can threaten the viability of the business.

Association Health Plans would allow small businesses to band together, creating larger risk pools that improve negotiating power, reduce administrative costs, and lower premiums by up to 30 percent. These plans would give small employers a viable path to offering coverage they want to provide but increasingly cannot afford.

Self-Insurance Arrangements

Small employers want to offer quality health benefits, and employees overwhelmingly want to keep employer-sponsored coverage. However, rising costs are forcing many workers into limited alternatives, such as Medicaid or ACA marketplace plans, which often involve narrower networks or higher out-of-pocket costs.

By expanding access to self-funded and level-funded health plans, H.R. 6703 allows small employers to regain control over costs and design coverage tailored to their workforce—similar to larger employers. These plans use stop-loss protections and attachment points to limit financial risk while enabling competitive pricing. In 2024, 36 percent of workers at small firms were enrolled in level-funded plans, reflecting their growing popularity and effectiveness.

Despite ERISA protections, some states have attempted to restrict access to these arrangements by limiting or banning certain level-funded plans. H.R. 6703 clarifies that ERISA protects stop-loss coverage and self-funded arrangements, safeguarding small employers' ability to offer affordable coverage. This will help workers maintain access to private coverage and reduce reliance on government programs with more limited access to care.

ICHRA and CHOICE-Style Arrangements


H.R. 6703 also establishes CHOICE arrangements, a modernized form of Health Reimbursement Arrangements (HRAs), allowing employers to provide tax-advantaged contributions that employees can use to purchase individual-market coverage that best meets their needs. These reforms would:

- **Empower small businesses** by offering a predictable, flexible way to provide health benefits.
- **Enhance consumer control** by allowing workers to choose plans that fit their individual and family needs.
- **Strengthen market competition** by expanding demand in the individual market and encouraging innovation.

By promoting competition, flexibility, and private-sector solutions, H.R. 6703 will lower health care costs, reduce premiums, and expand affordable coverage nationwide.

For these reasons, the Council for Affordable Health Coverage endorses H.R. 6703 and urges Congress to pass this legislation to provide meaningful relief to consumers and small businesses struggling with rising health care costs. We appreciate your leadership on affordability and look forward to working with you to advance reforms that deliver real results for American families and employers.

Sincerely,



Joel White
President
Council for Affordable Health Coverage