

August 31, 2026

Kate Harris, Chair and Kevin P. Beagan, Vice-Chair
Health Care Affordability and Mitigation (B) Working Group
National Association of Insurance Commissioners
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Washington, DC 20001-1512

Dear Chief Deputy Commissioner Harris and Deputy Commissioner Beagan:

Thank you for the opportunity to provide feedback on the Draft Affordability Briefs (Draft Briefs) being developed by the NAIC Health Care Affordability and Mitigation (B) Working Group (HCAM).

The NAIC is well positioned to identify underlying cost drivers and advance affordability solutions. Patient costs, including insurance premiums, ultimately reflect the underlying costs of care – hospital services, prescription drugs, physician visits, diagnostics and more. Bringing down healthcare costs will require the alignment of incentives across the whole healthcare system. Improving affordability extends beyond just reducing consumer premiums or out-of-pocket costs, it requires consideration of potential cost shifts across markets and their broader impact on overall healthcare costs.

Health plans help shield Americans from the high and rising costs of medical care by negotiating more competitive hospital and prescription drug prices, supporting access to high-value care, and protecting consumers from significant financial risk.

AHIP is committed to working with the NAIC on solutions to make healthcare more affordable. In that spirit, we offer a series of redline edits to the following Draft Briefs - 1, 2, 4, 5 and 6. In short, our redline edits:

- Provide additional background and context.
- Correct statements where appropriate with supporting citations, and
- Recommend limiting state examples to enacted laws as proposed legislation may not accurately reflect a state's policy landscape as an introduced bill may have the support of only a single sponsor.

Additional details of AHIP's redlines are provided below and AHIP respectfully urges HCAM to strongly consider these recommendations.

Affordability Draft Brief 1: *Standardizing or Limiting Utilization Review to Reduce Administrative Cost.*

- The NAIC Regulatory Framework (B) Task Force devoted two years to developing a comprehensive white paper on prior authorization. The Draft Brief should align with that recent NAIC work and use consistent language in this Draft Brief.
- Electronic prior authorization is essential to achieving additional savings for the U.S. medical industry; however, both plans and providers must use its capabilities for those savings to be realized. AHIP recommends addressing electronic prior authorization first because it is most

directly aligned with HCAM's affordability objective. We have also included in the relevant chart examples of state laws enacted for plans and providers to advance this goal.

Affordability Draft Brief 2: *Horizontal and Vertical Integration in Health Care.*

- The terms vertical and horizontal integration are frequently used inconsistently by stakeholders and in the draft. AHIP appreciates the Working Group's efforts to clarify these concepts and has provided in response to your request refined definitions and examples of various integration models. As a result, our edits are more extensive on this Draft Brief. AHIP believes integrated coverage and benefits within health plans can improve efficiency and care coordination, although we recognize that more evidence should be developed. By contrast, multiple studies have documented the adverse effects of hospital consolidation through horizontal integration; relevant findings and citations are included in our redline edits.
- When certain private equity and other investment firms make healthcare about extracting short-term profit, everyone loses. Including data in the Draft Brief that demonstrates the effects of these investments on market dynamics and overall healthcare affordability is vital.
- The NAIC has requested several presentations on issues impacting affordability and the details from these presentations should be included in the Draft Brief, including consolidated health systems and private equity firms that are maximizing facility fee revenues, directly impacting consumer out of pocket costs.
- At HCAM's request, AHIP included names of models to serve as examples rather than using specific company names. We remain very concerned about any final Brief that would include specific company names, as using company names is unnecessary. Company names should only be added, if at all, when referenced in a public statement, legal document or published study, and their use should always remain neutral.

Affordability Draft Brief 3: *Develop State-defined Plans with Premium Reduction Targets.*

- The Draft Brief highlights enacted state public option proposals, "mandate-lite" policies and limited- or selective - network plans. It does not, however, incorporate the data and studies that have demonstrated that plan design requirements alone do not address the underlying cost of care and may result in cost shifting to the commercial market. Inclusion of this data is important for state regulators.

To date, premium reduction targets generally have not been achieved, and such approaches may constrain competition in the commercial market. Careful evaluation of outcome data is essential to evaluate reductions in consumer costs versus shifting costs from uninsured or underinsured individuals to those with coverage.

Affordability Draft Brief 4: *Reference-Based Pricing.*

- AHIP recommends additional context regarding factors that are considered when implementing reference-based pricing approaches, including geographic variation, patient complexity, and potential effects on value-based payment arrangements.
- Reference-based pricing approaches should be carefully calibrated to protect consumers, support quality-focused payment models, and account for potential effects on costs, access, provider networks and implementation complexity.

- Facility fees are an important driver of healthcare costs. State policies that establish appropriate parameters for facility fees and advance site-neutral payment can improve affordability by ensuring that reimbursement reflects the care delivered and resources used.

Affordability Draft Brief 5: *Enhanced Health Care Price Transparency.*

- Price transparency can improve visibility and support informed decision-making. It is important to note that transparency does not directly translate to lower healthcare prices; rather, well-designed transparency enables consumers to make better-informed decisions about their healthcare choices and allows regulators and researchers visibility into pricing patterns and market dynamics.

Affordability Draft Brief 6: *Direct-to-Consumer Drug Platforms.*

- AHIP supports the Draft Brief's balanced approach. We have added operational context to assist states in evaluating direct-to-consumer drug platforms.
- The Draft Brief should urge states to require meaningful transparency from drug manufacturers regarding coupon programs, including their terms, utilization, and effects on patient costs, premiums, and broader market spending. Without this information, consumers and regulators cannot fully assess whether these programs obscure and contribute to higher underlying drug costs instead of improving affordability.

In closing, AHIP respectfully requests that HCAM provide an additional opportunity for public comments on the next iteration of the Briefs. There is great variation relative to the substance and completed work among the Draft Briefs and thus HCAM will likely receive significant substantive feedback. Although the Draft Briefs were intended to offer concise summaries of each issue, the topics overlap, are complex and, in some cases, involve federal requirements that warrant additional context to ensure regulators have a full understanding of each issue. Accordingly, extending the finalization timeline may be appropriate to ensure a thorough NAIC review and stakeholder input.

Again, AHIP appreciates HCAM's work on these Draft Briefs, and we welcome any questions regarding the feedback we provided. Thank you for your time and continued commitment to addressing healthcare affordability, one of the most pressing challenges facing healthcare consumers today.

Sincerely,


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