

Welcome! We will begin at 3 p.m. ET.

There will be no sound until we begin the webinar.

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Assurex Global in Numbers



**26K+
Employees**



**100+
Partner Firms**



**\$46B
Annual
Premium**



**\$4.9B
Annual
Revenue**



**730+
Partner
Offices**



**175
Countries**

Regulatory & Legislative Update

Presented by Benefit Comply
March 2025



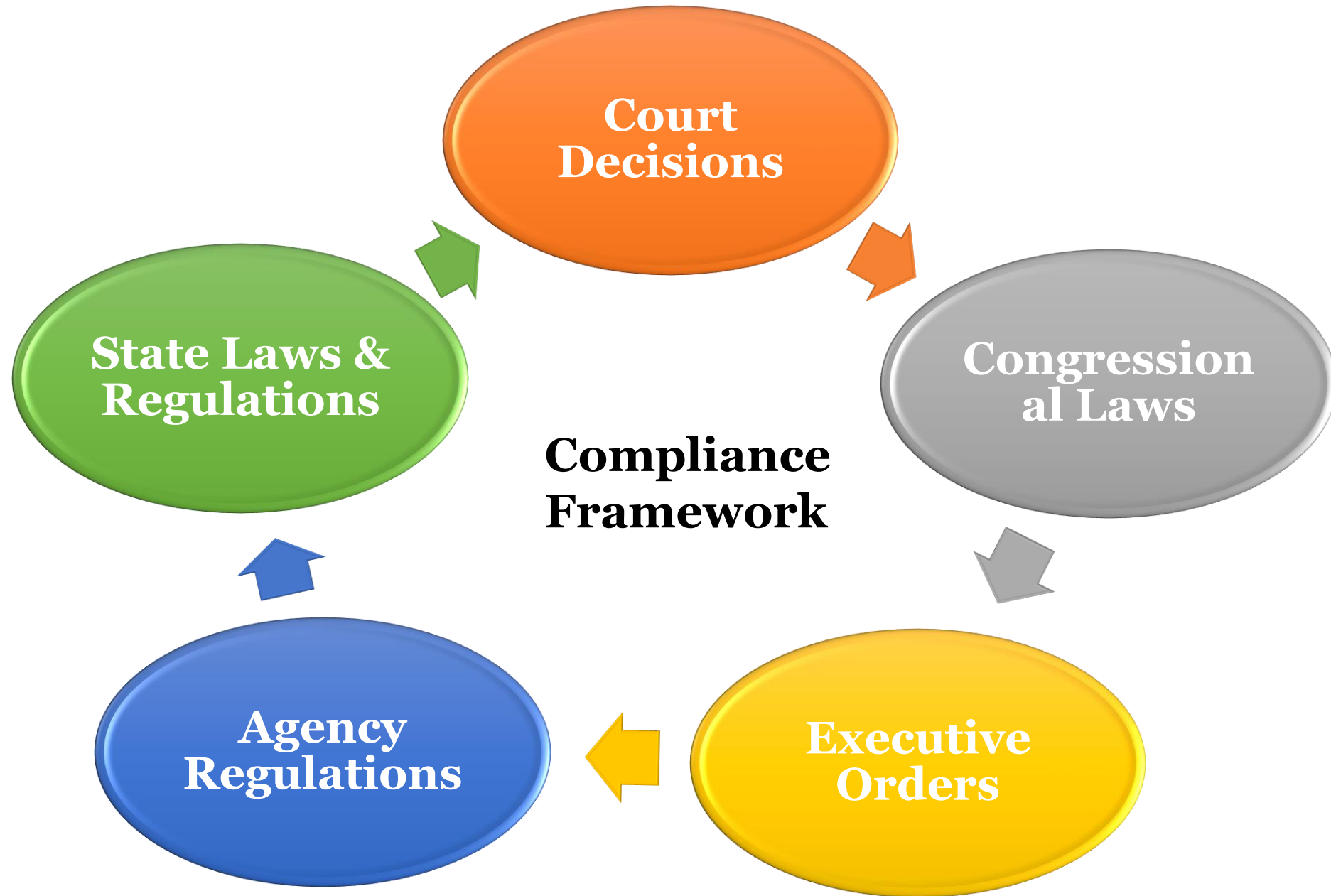
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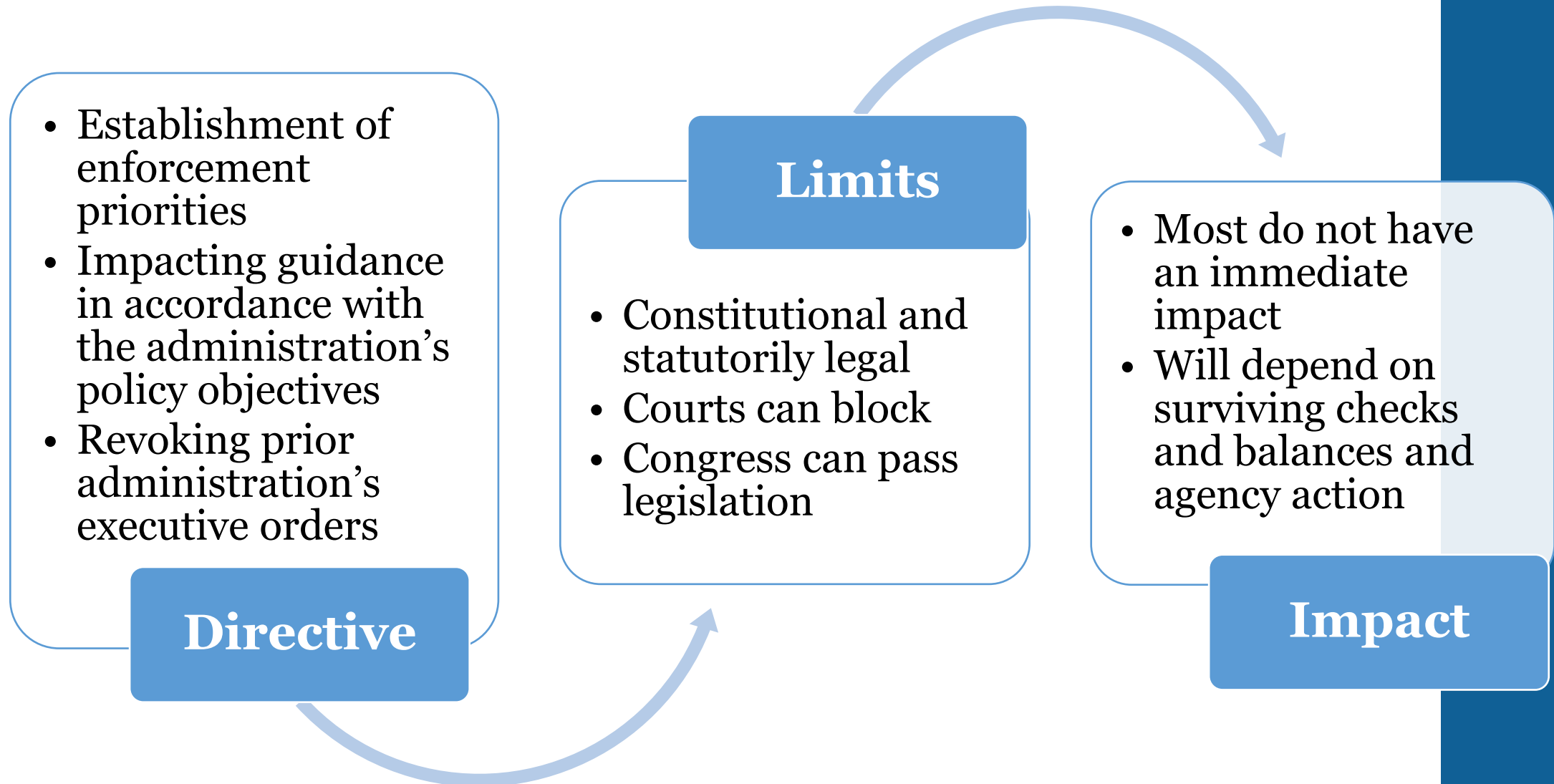
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- = Non-Assurex Global agreement territories
- = Sanctioned territories (Iran, North Korea & Russia)

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Executive Orders

Executive Orders



Executive Orders

- “Protecting Children from Chemical and Surgical Mutilation”
 - Potential Impact?
 - Stop federal funding to hospitals that provide gender affirming care
 - Federal Plans (FEHB, TRICARE, and PSHB) exclude coverage by 2026
 - Should employers change plans to exclude gender affirming care?
 - §1557
 - Title VII
 - MHPAEA
 - ADA
 - Federal District Court granted preliminary injunction

Executive Orders

- “Defending Women From Gender Ideology Extremism and Restoring Biological Truth to the Federal Government ”
 - Provides definitions for: sex, men, women, male, female, etc.
 - Directs agencies to give these terms the meanings set forth in this order when interpreting or applying statutes, regulations, or guidance and in all other official agency business, documents, and communications
 - Federal funds shall not be used to promote gender ideology. Each agency shall assess grant conditions and grantee preferences and ensure grant funds do not promote gender ideology.
 - Federal District Court granted preliminary injunction
 - “Within 30 days of the date of this order, the Assistant to the President for Legislative Affairs shall present to the President proposed bill text to codify the definitions in this order.”

Executive Orders

- “Making America Healthy Again by Empowering Patients with Clear, Accurate, and Actionable Healthcare Pricing Information”
 - Directs several federal agencies to further implement, enforce and possibly expand existing federal transparency regulations
 - The existing transparency regulations require hospitals and health plans to, amongst other things:
 - publish machine readable files with pricing and reimbursement data; and
 - provide consumers with price comparison tools
 - No immediate changes, but we’re likely to see further action via regulations and potentially even new legislation

Executive Orders

- “Enforcing the Hyde Amendment”
 - Hyde prohibits use of federal funds for elective abortions
 - CMS and Federal Courts “requires” state Medicaid programs to cover in certain cases
 - Revoked 2 Biden orders aimed at expanding abortion access post Dobbs
 - Reiterating enforcement of the “Freedom of Access to Clinic Entrances” (FACE) Act
 - Making Medicaid funding available to pay for travel costs for elective abortions
- “Expanding Access to In Vitro Fertilization”
 - “Within 90 days of the date of this order, the Assistant to the President for Domestic Policy shall submit to the President a list of policy recommendations on protecting IVF access and aggressively reducing out-of-pocket and health plan costs for IVF treatment.”

Agency Regulations

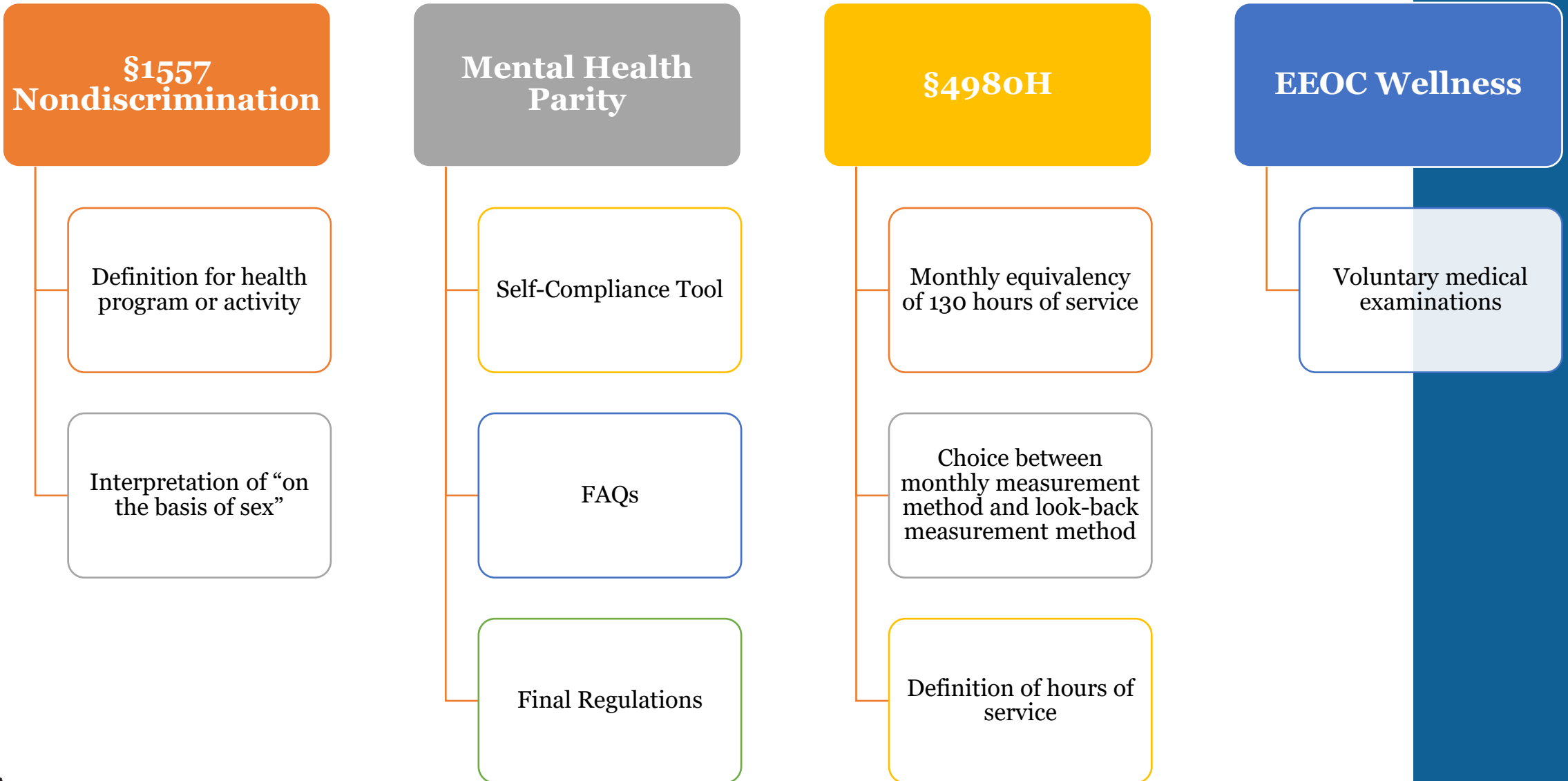
Federal Agencies

- Deregulation and less enforcement?
 - 10-to-1
 - Executive Order
 - “Whenever an agency promulgates a new rule, regulation, or guidance, it must identify at least 10 existing rules, regulations, or guidance documents to be repealed.”
 - Shrinking federal work force
 - Department of Government Efficiency (DOGE)
 - Executive Order
 - “agencies will be able to hire no more than one employee for every four employees that depart from federal service”

Agency Regulations

- Change in Balance of Power
 - Chevron Doctrine (1984)
 - Congress sets forth laws in statutes
 - Federal agencies interpret statutes
 - When challenged courts defer to agency interpretations
 - Loper v. Raimondo (2024)
 - When agency regulations are challenged, courts are not required to defer to agency interpretations

Agency Regulations - Examples



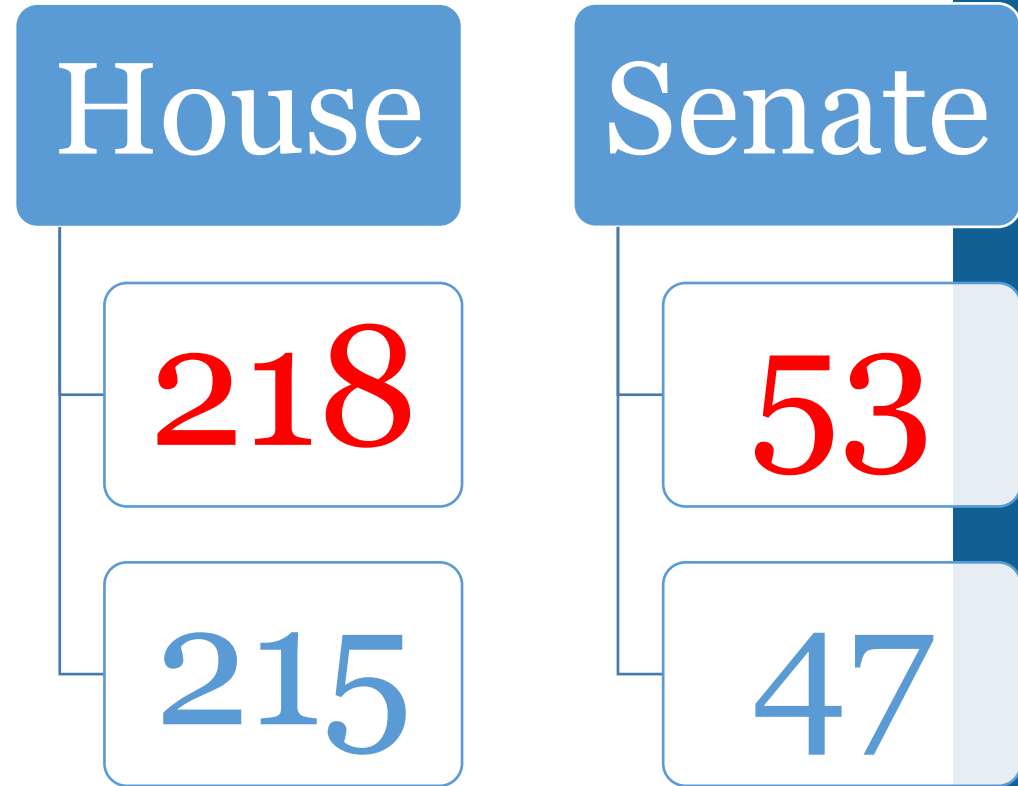
Possible Regulatory Actions

- MHPAEA final rules? (currently challenged in the courts)
- Proposed HIPAA security regulations – will they be finalized/adjusted?
- Creditable coverage proposed changes to simplified method determinations for 2026
- Increased transparency requirements
- Coverage requirements for preventive care, transgender care, abortion, infertility, etc.
- PBM regulations

Congressional Laws

Congressional Landscape

- What does it take to pass a bill?
 - House: simple majority (218)
 - Senate: depends on the bill
 - Most subject to “Filibuster”
 - 60 votes enacts “Cloture”
 - Some passed by simple majority
- Budget Reconciliation
 - Can’t be filibustered
 - Must raise or lower spending and taxes
- Filibuster Reform?



Possible Congressional Action

- Reduction in Medicaid
- Changes to Marketplace coverage
- Increased ICHRA flexibility and adoption
- Telehealth and direct primary care flexibility (especially in connection with HSAs)
- Codify regulations (to guard against overturning of Chevron)

Court Decisions

Supreme Court

- **Becerra v. Braidwood Management, Inc.**
 - Group health plans must cover preventive services at 100% (without cost sharing)
 - United States Preventive Services Task Force (USPSTF)
 - Are members considered officers of the US that were not properly appointed?
 - Updates to recommendations post March 10, 2010 could be excluded
 - Will employers be able to immediately stop offering these items without cost sharing?
 - Carriers file plans with states
 - State preventive care mandates
 - SBC advance notice requirement

Breach of Fiduciary Duty

- Johnson & Johnson
 - Alleged that they failed to act in the best interest of plan participants
 - Failed to prudently manage prescription drug costs
 - Actively involved in selecting drugs covered by the plan (sold by J&J)
 - Utilized a trust
 - Dismissed for lack of standing
 - Higher premiums, deductibles, and coinsurance was speculative and hypothetical
 - Higher out-of-pocket costs was not redressable
- JP Morgan
 - Alleged that they failed to act in the best interest of plan participants
 - Alleged willful failure
 - Haven Healthcare – reigning in abuses by PBMS
 - Backed away “as to not jeopardize its lucrative investment banking and other business interests in the health care space.”

Wellness Lawsuits

- There has been a recent string of lawsuits filed by DOL and private plaintiffs alleging employer wellness incentive plans violate the HIPAA wellness plan rules.
- Many of these lawsuits allege similar violations centered around the reasonable alternative standard (RAS) requirements
- While most of these lawsuits relate to tobacco incentives similar issues can arise with other outcome-based incentives.



State Laws & Regulations

Pharmacy Benefit Manager (PBM)

- Supreme Court weighing in?
 - SC requested U.S. solicitor general to file a brief
 - Tenth Circuit found that four provisions of an Oklahoma PBM law were preempted by ERISA
 - Access – minimum network standards
 - Discount – preventing steering away from independent pharmacies
 - Any willing provider – required acceptance of pharmacies into network
 - Probation
- All 50 States have passed some form of regulation
 - Licensure
 - Gag-clauses
 - Pharmacy network
 - Rebates
 - Cost-sharing
 - Fiduciary duty

Paid Family and Medical Leave

- Applies based on where employee works
 - As opposed to where the employee lives or where the employer is headquartered
 - Work from home?
- Funding mechanism
 - Payroll tax
 - Private Insurance
 - Self-funding
- Coordination of Benefits

- ❖ California
- ❖ Colorado
- ❖ Connecticut
- ❖ Delaware
- ❖ District of Columbia
- ❖ Hawaii
- ❖ Maine
- ❖ Maryland
- ❖ Massachusetts
- ❖ Minnesota
- ❖ New Jersey
- ❖ New York
- ❖ Oregon
- ❖ Rhode Island
- ❖ Washington



Questions

Webinar Wrap-Up

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