IB

Union Calendar No. 356

119TH CONGRESS
1ST SESSION

H. R. 2571

[Report No. 119–408]

To amend the Employee Retirement Income Security Act of 1974 to exclude from the definition of health insurance coverage certain medical stop-loss insurance obtained by certain plan sponsors of group health plans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2025

Mr. ONDER introduced the following bill; which was referred to the Committee on Education and Workforce

DECEMBER 15, 2025

Additional sponsors: Mr. MESSMER and Mr. GROTHMAN

DECEMBER 15, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 1, 2025]

A BILL

To amend the Employee Retirement Income Security Act of 1974 to exclude from the definition of health insurance coverage certain medical stop-loss insurance obtained by certain plan sponsors of group health plans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Self-Insurance Protection Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Small and large employers offer health benefit plan coverage to employees in self-funded arrangements using company assets or a fund, or by paying premiums to purchase fully-insured coverage from a health insurance company.

(2) Employers that self-fund health benefit plans will often purchase stop-loss insurance as a financial risk management tool to protect against excess or unexpected catastrophic health plan claims losses that arise above projected costs paid out of company assets.

(3) Stop-loss coverage insures the employer sponsoring the health benefit plan against unforeseen health plan claims, does not insure the employee health benefit plan itself, and does not pay health care providers for medical services provided to the employees.

(4) Employer-sponsored health benefit plans are regulated under the Employee Retirement Income Security Act of 1974.

(5) However, States regulate the availability and the coverage terms of stop-loss insurance coverage that employers purchase to protect company assets and to protect a fund from excess or unexpected claims losses.

(6) Both large and small employers that choose to self-fund must also be able to protect company assets or a fund against excess or unexpected claims losses and States must reasonably regulate stop-loss insurance to assure its availability to both large and small employers.

SEC. 3. CERTAIN MEDICAL STOP-LOSS INSURANCE OBTAINED BY CERTAIN PLAN SPONSORS OF GROUP HEALTH PLANS NOT INCLUDED UNDER THE DEFINITION OF HEALTH INSURANCE COVERAGE.

Section 733(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(b)(1)) is amended by adding at the end the following sentence: "Such term shall not include a stop-loss policy obtained by a self-insured group health plan or a plan sponsor of a group health plan that self-insures the health risks of its plan participants to reimburse the plan or sponsor for losses that the *plan or sponsor incurs in providing health or medical benefits to such plan participants in excess of a predetermined level set forth in the stop-loss policy obtained by such plan or sponsor.''.*

SEC. 4. EFFECT ON OTHER LAWS.

Section 514(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(b)) is amended by adding at the end the following:

''(10) The provisions of this title (including part 7 relating to group health plans) shall preempt State laws insofar as they may now or hereafter prevent an employee benefit plan that is a group health plan from insuring against the risk of excess or unexpected health plan claims losses.''.

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