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INSIGHTS

House Committee Hearings on the Cost of Health Insurance

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On January 22, 2026, the [House Energy and Commerce Health Subcommittee](#) and the [House Ways and Means Committee](#) held hearings to investigate commercial health insurance costs. There was bipartisan agreement in both hearings that U.S. health care spending is high and that the rate of return for the American people is far short than what it should be. The insurance companies CEOs tended to agree but also cited growing health care demand and the rising cost of health care services as reasons for increased health insurance costs. There were also concerns raised by members on both sides of the aisle about consolidation and integration as well as concerns about improper denials of care. However, members on both Committees divided along familiar lines about the impact of the Affordable Care Act (ACA) and the enhanced advance premium tax credits (APTCs) on health care affordability. The leadership of both Committees have said today's hearings are just the first step into looking into concerns about rising health care costs.

OPENING STATEMENTS

- [House Energy and Commerce Health Subcommittee Chairman Morgan Griffith \(R-VA-09\)](#)
- [House Energy and Commerce Health Subcommittee Ranking Member Diana DeGette \(D-CO-01\)](#)
- [House Energy and Commerce Chairman Brett Guthrie \(R-KY-02\)](#)
- [House Energy and Commerce Ranking Member Frank Pallone \(D-NJ-06\)](#)
- [House Ways and Means Committee Chairman Jason Smith \(R-MO-8\)](#)
- [House Ways and Means Committee Ranking Member Richard Neal \(D-MA-1\)](#)

WITNESS TESTIMONY

- Mr. Stephen Hemsley, CEO, UnitedHealth Group – [Testimony](#)
- Mr. David Joyner, Chairman and CEO, CVS Health – [Testimony](#)
- Ms. Gail Boudreaux, President and CEO, Elevance Health – [Testimony](#)
- Mr. David Cordani, President, CEO, and Chairman of the Board, The Cigna Group – [Testimony](#)
- Mr. Paul Markovich, President and CEO, Ascendium – [Testimony](#)

- Ms. Ellen Allen, Executive Director, West Virginians for Affordable Health Care (Energy and Commerce Health Subcommittee Witness) – [Testimony](#)
- Ms. ReShonda Young, Resident of Waterloo, IA, and Owner, TnK Health and Nutrition (Ways and Means Committee Witness) – [Testimony](#)

MEMBER DISCUSSION

ACA and Enhanced APTCs

Republicans argued that the ACA did not make health care more affordable and that APTCs papered over the rising cost of health care and have driven fraud and improper enrollment in the marketplace. Democrats countered that the ACA, while not perfect, has helped millions get health insurance coverage and accused Republicans of using the hearing to distract from the fact that they allowed the enhanced APTCs to expire. Regarding fraud, Rep. Lloyd Doggett (D-TX-35) criticized Republicans who have cited a Government Accountability Office (GAO) report on the risk of fraud associated with the enhanced APTCs, saying that fraud was committed by insurance brokers, not enrollees. Rep. Adrian Smith (R-NE-03) later noted that both fraud and improper enrollment associated with enhanced APTCs need to be dealt with.

Vertical Integration and Consolidation

One of the most common topics brought up by the committee members was consolidation and vertical integration. Rep. Diana Harshbarger (R-TN-01) raised concerns about companies steering patients to their own clinics to increase profits, but Mr. Hemsley and Mr. Joyner both shared that their companies see integration as a way to provide better value and consumer experience while addressing the challenges of health care fragmentation. Rep. John Joyce (R-PA-13) asked the panelists if highly consolidated markets make it harder to contract competitive rates with insurance companies, which all panelists agreed. Rep. Lori Trahan (D-MA-03) questioned why consumers should believe that consolidation lowers costs, to which none of the panelists had an answer. Rep. Trahan continued, sharing that research has shown that consolidation raises prices.

During the House Ways and Means hearing, Chairman Jason Smith (R-MO-8) kicked off his questioning by asking insurance company CEOs to raise their hands in response to questions about employing providers, owning pharmacies, and owning pharmacy benefit managers (PBMs). When many of them raised their hands, Chairman Smith noted his concerns about how integration and consolidation have not led to reduced premiums. Other members of the Committee, on both sides of the aisle expressed similar concerns.

HSAs

Energy and Commerce Committee Ranking Member Pallone (D-NJ-06) asked Ms. Allen if a health savings account (HSAs) containing a few thousand dollars would be more helpful than an extension of APTCs. Ms. Allen replied that a few thousand dollars would only amount to 1 month of premiums, making it much less helpful for affordability. Rep. Lizzie Fletcher (D-TX-07) asked the panel if HSAs could be used to pay premiums, to which all panelists responded no. Rep. Kat Cammack (R-FL-03) suggested passing legislation to allow premiums to be paid with HSA funds. Rep. Cliff Bentz (R-OR-02) highlighted that HSAs would allow patients to earn interest on the money instead of health insurance companies earning interest on premium subsidies.

Pharmaceutical Industry and PBMs

Multiple members raised concerns about the pharmaceutical industry and the need for PBM reform. Rep. Erin Houchin (R-IN-09) wanted the panel to clarify how PBMs and group purchasing organizations (GPOs) can be so profitable if they claim to pass savings onto patients, but no panelist answered. Rep. Mariannette Miller-Meeks (R-IA-01) was interested in why many GPOs are headquartered internationally and suggested the committee look at future legislation to address it. Rep. Jake Auchincloss (D-MA-04) questioned the reasoning for UnitedHealth Group to have both a PBM and a GPO but Mr. Hemsley did not provide a clear answer. Rep. Auchincloss requested that the committee investigate how PBMs and GPOs function.

Prior Authorization and Claim Denial

Many committee members questioned the high rates of claim denials for UnitedHealth Group. Rep. Debbie Dingell (D-MI-06) and Rep. Nanette Diaz Barragan (D-CA-44) requested that Mr. Hemsley explain why analysis indicates that UnitedHealth Group denies 33% of claims, which is the highest rate in the United States. Mr. Hemsley responded that internal reports indicated only 2% of claims are denied. Rep. Kim Schrier (D-WA-08) asked why Medicare Advantage plans will often deny or delay paying claims for services already rendered that have been deemed necessary by medical professionals. Mr. Hemsley stated that patients should receive care that medical professionals feel is appropriate. Rep. Robin Kelly (D-IL-02) was interested in knowing if UnitedHealth Group uses AI to deny claims, but Mr. Hemsley assured the members that AI is only used for administrative purposes such as gathering documents.

During the Ways and Means Committee hearing, members on both sides of the aisle also brought up concerns about improper prior authorization. Members such as Reps. Mike Thompson (D-CA-04) and Greg Murphy (R-NC) expressed frustrations about patients being improperly denied care. Rep. Murphy even went so far as to say that if he had his way he would make all of them nonprofit because in his view, insurance companies put made profit over patients. Rep. Thompson asked a similar question about the use of AI for prior authorization as Rep. Robin Kelly did during the Energy and Commerce hearing and got

similar answers. He said something needed to be done, because all he hears from doctors in his district is about improper denials. Rep. Mike Kelly (R-PA-16) mentioned his Improving Seniors' Timely Access to Care Act. Rep. Linda Sánchez (D-CA-38) said she believes insurers should be penalized for denials if they are overturned. Rep. Jimmy Panetta (D-CA-19) asked if the insurance CEOs would support legislation such as his Requiring Enhanced and Accurate Lists (REAL) Health Providers Act, which would require insurance companies to update their network directories annually. The CEOs all said they are committed to working on the issue of network accuracy. Approaching things from a different angle, Rep. Terri Sewell (D-AL-7) expressed concerns about the impact of claims denials on rural providers.

Other Medicare Advantage Concerns

During the Ways and Means Committee hearing, members on both sides of the aisle also brought up other concerns related to Medicare Advantage beyond just improper denials. Rep. Doggett brought up his concerns that insurance companies are getting paid for providing care to Veterans on Medicare Advantage plans when the Department of Veterans Affairs (VA) already pays for that care. Rep. Doggett mentioned legislation to address that, and Rep. Thompson also expressed support for that bill. Rep. David Schweikert (R-AZ-1) expressed concerns about the Medicare Payment Advisory Committee (MedPAC) findings that Medicare Advantage costs more than traditional Medicare, and he asked the CEOs about how to get Medicare Advantage back to being a system that would incentivize better outcomes and lower costs. Mr. Hemsley took issue with MedPAC's estimates but said he would be happy to work to improve Medicare Advantage.

Health Affordability Improvements

When asked by Rep. John James (R-MI-10) if they felt health care is affordable, none of the panelists agreed. Rep. Nick Langworthy (R-NY-23) asked what steps each company was taking to lower premiums for their members. Mr. Hemsley shared that UnitedHealth Group is focused on managing costs, providing better care coordination, and using a value-based care reimbursement model. Mr. Joyner said that CVS remains committed to improving the health status of population they serve, which they do through prevention, access to low-cost therapies and reimbursing on an outcomes-based model. Ms. Bourdeaux shared that Elevance Health is improving their prior authorization process to reduce complexity, is committed to reducing fraud, waste, and abuse, and is reimbursing for value and outcomes.

Other Topics

- Rep. Vern Buchanan (R-FL-16) expressed his support for preventive health care (including the need to ensure access to healthy food).
- Rep. Doggett asked the Committee's leadership to ask Centers for Medicare and Medicaid Services (CMS) Administrator Dr. Oz to testify about the Trump administration's decision to reinstate certain insurance brokers who had committed fraudulent activity.

- Several members, on both sides of the aisle, expressed concerns that insurance company stocks and executive compensation have risen, even though access to affordable care and health care outcomes have not improved.
- Rep. Murphy expressed frustration that in his view, insurers are fraudulently keeping money that should be due to providers under the No Surprises Act.
- Reps. Judy Chu (D-CA-32) and Brad Schneider (D-IL-10) expressed concerns about the impact of decisions by Health and Human Services (HHS) about vaccine recommendations for children on vaccine access. All the insurance company CEOs said they were not planning on making changes to their coverage policies for vaccines.
- Several members of Congress expressed concerns about the impact of health insurance costs on rural communities. In response to a question from Rep. Michelle Fischbach (R-MN-7), Mr. Hemsley said challenges in access to care in rural communities lead to higher insurance costs.

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