



Jan. 22, 2026

House Health Committees Hold Hearings with Health Insurer CEOs

Overview:

On Jan. 22, the House Energy & Commerce Health Subcommittee and House Ways & Means Committee held hearings with the Chief Executives of five major health insurers. With a focus on affordability, Members and witnesses each shared a series of questions, proposals, and commitments regarding the increasing costs of care in the United States. And while health policy proposals continue to face partisan gridlock in Congress, legislators on both sides of the aisle agreed that health insurance premiums have risen exponentially, while increasing rates of prior authorization denials hamper patient access to care. Republican and Democratic lines of questioning also revolved around [increasing consolidation](#) in the health care space, with many pointing to the fact that several of the insurers invited also own Pharmacy Benefit Managers (PBMs), physicians' groups and systems, and pharmacies. Insurer executive compensation also emerged as a topic of interest for both parties, with several Members requesting justification behind salaries and bonuses in excess of tens of millions of dollars being awarded to CEOs amidst rising premiums and increasing uninsured rates nationwide. Of note, PBM reform has been a topic of discussion at previous health care hearings, and several proposals recently advanced to the Senate via the House-passed [FY 2026 HHS appropriations package](#). Although PBM reform appears positioned to pass, a series of questions revolved around PBM's relationship with contracted Group Purchasing Organizations (GPOs) and their role in managing health care costs.

Despite agreement on the fact that health care costs are increasing, there was partisan disagreement in many of the factors driving such increases. Many GOP Members alluded to what they viewed as failed outcomes of the Affordable Care Act (ACA), such as increasing premiums, a lack of provider selection, and perverse incentives among insurance brokers. Republicans on both committees pointed to proposed extensions of the expired ACA enhanced premium tax credits (PTCs) not as a solution to, but as a driver of further premium increases later down the line. Democrats however pointed to tax credit extensions as a lifeline, especially for small business owners and older Americans not yet eligible for Medicare. Republicans alluded to potential cost-saving solutions within President Trump's recently released "[Great Healthcare Plan](#)," such as direct contributions to Health Savings Accounts (HSAs) and greater transparency into insurance pricing and fees. House Democrats took time to call out both the lapsed ACA credits and funding cuts associated with the [One Big Beautiful Bill](#) as policies that will exacerbate rising prices.

Witnesses from the major insurers were careful to position themselves as open to and accommodating of increased congressional oversight but also defended many of the policies they've put in place used to control costs. Insurers agreed that unwieldy prior authorization requirements could restrict patient access, and several spoke to existing efforts to remove or expedite prior authorization barriers where appropriate. When faced with questions regarding insurer profit,

witnesses spoke to the fact that a majority of ACA premiums are also reinvested into patient care, as required by the law's medical loss ratio provision, and to the fact that insurer profit margins are relatively thin when compared to other components of the health care system. While insurance was the focus of the hearings, witnesses addressed external drivers of increasing costs, such as pharmaceutical list prices, hospital revenue and consolidation, private equity investment, and overall price increases and inflation across all sectors of the economy. Several insurers, including United Healthcare, shared commitments to increase the use of value-based care (VBC) agreements to align profit incentives with offering quality, comprehensive care. United Healthcare also committed to reinvesting profits among their ACA lines of business back into lowering patient premiums while the ACA tax credits remain expired.

AMCP believes that value-based payment arrangements are a critical tool for promoting patient access to high-quality, affordable care. The Medicaid VBPs for Patients Act ([S. 1637](#)) is one solution to increasing the use of VBCs in Medicaid by codifying the existing multiple best price rule. This ensures that Medicaid plans only cover high-cost treatments, like cell and gene therapies, that are effective. Rep. Adrian Smith (R-NE) and CVS Health Chairman David Joyner also shared support for the Ensuring Community Access to Pharmacist Services (ECAPS) Act ([H.R. 3164/S. 2426](#)), which would allow Medicare to reimburse for pharmacist-administered services such as testing and vaccinations. This bill recognizes the important role that pharmacists play as frontline health care providers, especially in rural or underserved areas where the pharmacy is the nearest point of care.

Witnesses:

- Stephen Hemsley, CEO, UnitedHealth Group – [Testimony](#)
- David Joyner, Chairman and CEO, CVS Health – [Testimony](#)
- Gail Boudreaux, President and CEO, Elevance Health – [Testimony](#)
- David Cordani, President, CEO, and Chairman of the Board, The Cigna Group – [Testimony](#)
- Paul Markovich, President and CEO, Ascendium – [Testimony](#)
- Ellen Allen, Executive Director, West Virginians for Affordable Health Care (E&C witness only) – [Testimony](#)
- Reshonda Young, Owner, TnK Health and Nutrition (W&M witness only) – [Testimony](#)

Committee Leadership:

Energy & Commerce:

- Health Subcommittee Chair Morgan Griffith (R-VA) – [Opening Statement](#)
- Health Subcommittee Vice Chair Diana Harshbarger (R-TN)
- Subcommittee Ranking Member Diana DeGette (D-CO)
- Full Committee Chair Brett Guthrie (R-KY)
- Full Committee Ranking Member Frank Pallone (D-NJ) – [Opening Statement](#)

Ways & Means:

- Full Committee Chair – Jason Smith (R-MO) – [Opening Statement](#)
- Full Committee Ranking Member – Richard Neal (D-MA) – [Opening Statement](#)
- Health Subcommittee Chair Vern Buchanan (R-FL)
- Health Subcommittee Ranking Member – Lloyd Doggett (D-TX)

Energy & Commerce Question & Answer Highlights:

Subcommittee Chair Morgan Griffith (R-VA) – Should there be more insurance competition and competition in the insurance model?

Mr. Hemsley – It is a competitive market but we're open to it.

Chair Griffith – How do you reimburse larger vs smaller hospital systems? Does consolidation affect competition in the marketplace?

Mr. Cordani – Each system is unique, not higher for larger and lower for smaller. More choice and competition lead to increased affordability, consolidation lowers affordability.

Mr. Hemsley – Our motivation for purchasing smaller systems is to drive value-based healthcare. Value-based care systems get better and more continuous care to patients.

Chair Griffith – Do ACA loosening of validation requirements/increased shadow enrollees lead to fraud

Mr. Hemsley – We believe there should be increased oversight of the insurance market.

Subcommittee Ranking Member Diana DeGette (D-CA) – Mr. Cordani, your company offers ACA and employer-based plans. System-wide work is needed to improve the ACA, though. ACA premium support is calculated on the lowest premiums in the market, so plans have to compete on price. Premium support is help to the middle class. When people can't afford insurance, is it worse for the patient or insurer?

Ms. Allen – It would be far worse for the patient.

Chair Brett Guthrie (R-KY) – Congressional Budget Office says ACA enhanced PTC expiration would increase premiums. If the PTCs were extended, would Obamacare bids in my district increase or decrease?

Ms. Boudreaux – Premiums reflect the underlying costs.

Chair Guthrie – So they increase, correct? Does the medical-loss ratio (MLR) cap the dollars you can maintain based on premiums?

All witnesses – Yes.

Chair Guthrie – So under MLR requirements, the more premiums increase means your profits increase?

All witnesses – Our ACA plans have performed poorly in recent years, negating any profit increases that may result from MLR requirements.

Chair Guthrie – How do you explain the vertical integration of your companies? Does that encourage competition?

Mr. Hemsley – It brings more value, better care coordination, and better use of data to improve the care experience.

Ranking Member Frank Pallone (D-NJ) – The President's Great Healthcare Plan says we should omit ACA premium extensions and put more money in patients' pockets via health savings accounts. Would access to an HSA help?

Ms. Allen – Frankly, it's insulting. A \$2,000 contribution wouldn't help someone with \$2,000 premiums.

Ranking Member Pallone – For ACA plans, what are patients telling you about their coverage?

Mr. Markovich – Certain patients have seen premiums increase substantially. One member said his premiums would increase from \$1,600 to \$5,000 per month and had to switch his family to a bronze plan while he remains uncovered.

Subcommittee Vice Chair Diana Harshbarger (R-TN) – The failures of Obamacare and insurance companies sit at the center of our health system. As a pharmacist, there's real concern when a single company controls pricing, coverage determinations, and reimbursement through vertical integration. Independent pharmacies are underwater and can't be reimbursed correctly. What prevents your companies from steering patients to your own pharmacies?

Mr. Hemsley – There are a number of factors. The objective is to provide better value to the consumer. There are many regulations that prevent this.

Mr. Joyner – Our combination of businesses helps to address the challenges of fragmented healthcare.

Vice Chair Harshbarger – Some financial filings show United Healthcare paying billions to AARP, who is supposed to be an independent nonprofit. AARP also lobbies Congress and supports policies that benefit larger insurers. Why does United pay AARP and what do they get in return?

Mr. Hemsley – We've had a longstanding relationship with AARP and serve their members.

Rep. Raul Ruiz (D-CA) – I've treated many uninsured patients. What does a growing uninsured population do to a hospital?

Mr. Markovich – Hospitals have to accept ER patients by law and are often not reimbursed for this care. They then seek revenue from other sources by negotiating higher reimbursement from the plan. Plans are then forced to raise prices or premiums. Uninsured individuals then see lower life expectancy and are sicker.

Rep. Gus Bilirakis (R-FL) – I hear from constituents who experience delays and denials for specialty drugs. How can we fix this broken system to access medication? Would you rather spend \$1 for a prescription that prevents an adverse event or pay the hospital after the event?

Mr. Hemsley – We should advance market protections for continuation of care. Prior authorizations can be improved to occur on a real-time basis. We are very much oriented towards proactive and preventive care.

Rep. Bilirakis. – We know drugs like cell and gene therapies can reduce total disease costs by up to 30% for certain serious conditions, translating to billions in savings. But I also hear that these drugs are denied for coverage due to cost concerns. How do you approach coverage to high-impact treatments.

Mr. Cordani – Our coverage policies are determined employer-by-employer. We were the first to offer a program that took affordability risk from employers, charging them \$1 per member per month.

Rep. Debbie Dinhell (D-MI) – American moms are struggling to afford care for their family. Has your ACA plan worked for you?

Ms. Allen – I've been very happy with my plan, especially before the enhanced tax credits were removed. I've only had one medication denied.

Rep. Dingell – One third of claims to UHC are denied. Should patients spend the last days of their lives dealing with PA denials.

Mr. Hemsley – 99% of all care is covered, but we should do more to make PA process accurate and quick.

Rep. Buddy Carter (R-GA) – Insurers have raked in over \$10 trillion in the past 10 years. Insurance executive compensation also increases while Americans now owe \$220 billion in medical debt. How do you justify getting paid this much when patients struggle to afford premiums. And don't thank me for the question.

Mr. Joyner – My compensation was \$17 million last year, of which \$1.1 million was my base salary. I did return my bonus to the employee relief fund.

Rep. Carter – Have you ever looked a patient in the eye to tell them their care was denied? I'm the one who's looked patients in the eye as a pharmacist. President Trump's new health care plan puts patients in control. Can we count on you to support this plan?

Mr. Hemsley – We're open to any bipartisan solution. The President's plan has good ideas to be considered.

Rep. Kim Schrier (D-WA) – Medicare Advantage plans sometimes deny claims after services are rendered. United Health is the posterchild for MA abuse. If 80% of denials are ultimately overturned, why are you issuing denials in the first place?

Mr. Hemsley – We are trying to expedite the prior authorization process and are not trying to bank on patients not appealing their denials.

Rep. Mariannette Miller-Meeks (R-IA) – I think Americans should be made aware of PBMs and PBM GPOs. The largest PBMs have created rebate contracted entities called GPOs. PBMs claim these entities provide greater bargaining power for their clients, but recent federal oversight reports suggest the opposite. Are GPOs just a cover for PBMs to say that they've passed through 100% of rebates? What percentage of fees are retained by your GPO? Why are your GPOs headquartered outside the US?

Mr. Joyner – We pass through 99% of rebates to customers.

Mr. Cordani – We are a global company.

Rep. Lori Trahan (D-MA) – United determines the reimbursement rates to Optum-owned physicians. Where is the competitive pressure supposed to come from to keep prices down?

Mr. Hemsley – The structure is to drive more value and drive costs down by integrating these services together. There is substantive regulation on pricing.

Rep. Jay Obernolte (R-CA) – Mr. Markovich, Blue Shield contributed half a million dollars to Prop 50 in California, which is a partisan redistricting measure. Why would you wade into a political debate?

Mr. Markovich – We have a long history of contributing to both parties and try to support candidates who are thoughtful about healthcare policies. The contribution was to a fund that didn't have a specified purpose. Our plan didn't take a position on Prop 50.

Rep. Obernolte – Rural patients struggle with access to care. MA plans are increasingly removing critical access hospitals from their networks. Why is this the case and what can we do to improve it?

Mr. Hemsley – There's meaningful pressure on MA plans due to funding decisions from previous administrations. We're dedicated to providing adequate rural care and are trying to get rural care paid more effectively through pilot programs.

Rep. Jake Auchincloss (D-MA) – This week, the House will likely pass PBM reform. But the big insurers will now need a different way to retain profit and formed GPOs overseas. Investigations into GPOs found that secretive GPOs negotiate rebates and bring in tens of millions of dollars. How many employees does Emisar, United's GPO, employ?

Mr. Hemsley – I don't have a specific amount but several thousand employees.

Rep. Troy Balderson (R-OH) – CMS data shows that 2023 ACA enrollment was 19%, which jumped to 35% in 2024 due to enhanced PTCs. Fraud, waste, and abuse is more prevalent for federal exchanges than state exchanges, have you seen this?

Ms. Boudreaux – We did see consistency between federal and state exchanges but are conscious of fraud, waste, and abuse and support efforts to control this.

Rep. Troy Carter (D-LA) – Should a licensed physician force patients through a step therapy requirement, especially if it's an insurers algorithm overriding a trained physician?

Mr. Joyner – Step therapy is an opportunity to increase savings for patients.

Rep. Michael Rulli (R-OH) – Do you believe that competition and free markets lead to affordability? Under the ACA, patients can't shop plans across state lines. What changes can Congress make to allow interstate competition?

Mr. Hemsley – We're open to any bipartisan proposals to lower costs.

Mr. Markovich – We must deal with state regulations which often differ significantly from state to state.

Rep. Marc Veasey (D-TX) - I want to discuss vaccines. Texas is at the center of a measles outbreak, despite the existence of a vaccine. Do you commit to covering ACIP-recommended vaccines prior to Secretary Kennedy's changes for 2026?

All witnesses – We cover all vaccines recommended and our policies have not changed for 2026.

Rep. Robin Kelly (D-IL) – One study found that United's use of AI coverage denials had an 80% error rate. What auditing do you use to ensure incorrect denials are avoided.

Mr. Hemsley – We use AI only for administrative purposes.

Ways & Means Question & Answer Highlights:

Chair Jason Smith (R-MO) – Which of your companies own or control a health insurance division? Do you also employ providers, or own any kind of medical practice or pharmacy? Do you own a PBM? Are you contractually obligated to increase shareholder value of your publicly traded company?

Mr. Hemsley, Ms. Boudreaux, Mr. Joyner, and Mr. Cordani – Yes.

Chair Smith – Last week, President Trump announced a framework for the Great Healthcare Plan. Will you commit to supporting legislation that echoes the president's calls for cracking down on fraudulent enrollment and excessive prior authorizations and care denials?

Mr. Hemsley – The ideas put forward could represent meaningful change. We're aligned on proposals to increase transparency and promote affordability.

Ranking Member Richard Neal (D-MA) – 98% of Massachusetts adults have health insurance, during a Republican governorship, Democratic state legislator and Democratic congressional delegation. This is what working together looks like. Ms. Young, what does the ACA premium increase mean for you?

Ms. Young – It affects my other cost considerations greatly. As a small business owner, I also have to save for my own retirement and now weigh that with health care costs.

Health Subcommittee Chair Vern Buchanan (R-FL) – What can we do to make health care more affordable?

Mr. Joyner – The health status of our population is not great, with prevalent chronic, preventable diseases proliferating. We also have an engagement problem, and structure incentives and use technology to keep members engaged.

Health Subcommittee Ranking Member Lloyd Doggett – Fraudsters take advantage of an inefficient system enabled by the Trump administration. President Trump has also used this system to pass further health care cuts. I call on Dr. Oz to come before this committee and testify to how CMS is combating fraud, waste, and abuse.

Rep. Adrian Smith (R-NE) – Mr. Joyner, thank you for mentioning the Ensuring Community Access to Pharmacist Services. That's one way we can increase access by utilizing the expertise of highly trained

medical providers. But I also think the ACA subsidies conceal the problem at hand. Do we assume that 35% of enrollees who've never used their plan are healthy enough to never see their doctors?

Ms. Boudreaux – I share your concerns regarding fraud. Our numbers show that 15% of our enrollment is from the exchanges.

Rep. Smith (NE) – I came across data that Cigna took a rate increase in 2024. In your Jan. 2025 earnings call, you returned \$8.4 billion to shareholders in stock buybacks. Can you give us some background?

Mr. Cordani – Your initial comment was relevant to our exchange business only. We've been in the ACA exchanges since 2014 and have only been profitable for two years. Our ability to buy back stock is based on prior divestitures of other entities.

Rep. Mike Thompson (D-CA) – I've supported MA, but some actions are concerning. Many of my veteran constituents are preyed upon by MA plans. Prior authorization requirements are also concerning. Many of your companies use AI algorithms. What are you doing about that?

Mr. Hemsley -We don't use AI for clinical purposes, only for administration.

Mr. Joyner – We do not use AI to deny care but are aligned on finding opportunities to improve the prior authorization process.

Ms. Boudreaux – We also do not use AI to deny care and have clinicians involved in decisionmaking.

Mr. Cordani – 95% of our commercial claims have no PA, but those that do use AI to get to a yes answer quickly. It is not used for denials.

Mr. Markovich – We have not and will not use AI to deny care.

Rep. Mike Kelly (R-PA) – I introduced the Improving Seniors' Timely Access to Care Act, which would bring welcome reforms to Medicare Advantage and PA processes. It modernizes the approval process and has passed Ways and Means twice, as well as the entire House last Congress. It also has the support of CVS Health. I urge you all to review the bill.

Rep. John Larson (D-CT) – My colleagues mentioned that beneficiaries who aren't using services constitutes fraud. Can you discuss this?

Mr. Markovich – Roughly 20% of patients don't have a claim in a given year based on our statistics. We've worked with California for dual verification.

Rep. David Schweikert (R-AZ) – A MEDPAC report found that MA plans are charging 200% more than FFS insurers. The Medicare trust fund will also expire in six and a half years. Is this something your economists are concerned about?

Mr. Hemsley – I applaud your interest in this. MA is a very popular program with seniors, and we take issue with the MEDPAC report. We already pursue value-based care to hold providers accountable for the quality of their care.

Rep. Darin LaHood (R-IL) – What challenges are preventing United from lowering prices in negotiations despite your large bargaining power.

Mr. Hemsley – Our presence in the marketplace is leverageable in getting good value, but there is meaningful concentration in some markets on the delivery side. This puts a practical limit on what we can do economically.

Rep. Jodey Arrington (R-TX) – Mr. Hemsley, are the costs of Obamacare more or less than they began?

Mr. Markovich – In California it hasn't been dramatically different, but I can't speak to the rest of the country. Fraud is everywhere, but we've implemented dual-factor authentication to verify eligibility and reduce fraud.

Rep. Greg Murphy (R-NC) – Will each of you commit to allowing TrumpRx or CostPlus medications to go towards patient deductibles.

All – Yes.

Rep. Terri Sewell (D-AL) – What is United Healthcare doing to reduce prior authorization denials in rural communities that haven't expanded Medicaid?

Mr. Hemsley – We are pursuing a real-time processing effort, which is more administrative than clinical. We have a pilot running in four markets.

Rep. Ron Estes (R-KS) – Are there federal policies in place that cap your returns?

Mr. Hemsley – Yes, we're subject to a vast amount of regulatory oversight which caps our returns.

Rep. Lloyd Smucker (R-PA) – Do you acknowledge that consolidation in health care has not lowered costs?

Ms. Boudreaux – We take a whole health strategy, and there are other factors that have contributed to rising premiums.

Rep. Judy Chu (D-CA) – What can you do to remove the hurdles your organizations have put in place to accessing contraceptive care?

Mr. Hemsley – I was not aware of that situation, but we will abide by the law.

Mr. Markovich – The only reason that happened was due to human error.

Rep. Kevin Hern (R-OK) – What are you doing to simplify and improve the beneficiary experience?

Ms. Boudreaux – We've implemented plain language policies and are working to implement simplified and transparent policies. We're also sharing real-time data with caregivers.

Rep. David Kustoff (R-TN) – Mr. Joyner, can you justify charging \$6,600 for a drug that has a low-cost generic alternative?

Mr. Joyner – Back in 2023, there was cross-subsidized pricing. We have a new model that is closer to acquisition cost. We've created significant savings for the client.

Rep. Carol Miller (R-WV) – What effect do PBM pricing variations have on rural patients, especially when your company controls the pharmacy network and benefit structure?

Mr. Joyner - 500 drugs received price increases this year, representing \$25 billion in added costs for patients. The role the PBM plays is negotiating prices down for the consumer.

Rep. Brad Schneider (D-IL) – Would an increase in measles cases among children drive up the costs of care?

All witnesses – Yes.

Rep. Jimmy Panetta (D-CA) – We have bipartisan proposals to fix ghost networks in MA. My bill, the Real Health Providers Act would require MA plans to update provider directories annually and honor in-network prices for mistakenly listing providers they no longer accept. Would you support reining in ghost networks?

Mr. Hemsley – We'd be aligned in maintaining integrity in the networks.

Mr. Joyner – I think the providers have responsibility for updating networks too.

Rep. Max Miller (R-OH) – Do any of you believe that inefficient prior authorizations improve affordability?

Mr. Hemsley – No, they do not.

Mr. Joyner – Insurers and providers have a lot of work to do on this.

Ms. Boudreaux – We can improve data sharing among insurers.

Recordings:

[1/22/26 Energy & Commerce Hearing Recording](#)

[1/22/26 Ways & Means Hearing Recording](#)