

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.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Self-Insurance Protec-*
5 *tion Act”.*

6 **SEC. 2. FINDINGS.**

7 *Congress finds the following:*

8 (1) *Small and large employers offer health ben-*
9 *efit plan coverage to employees in self-funded arrange-*
10 *ments using company assets or a fund, or by paying*
11 *premiums to purchase fully-insured coverage from a*
12 *health insurance company.*

13 (2) *Employers that self-fund health benefit plans*
14 *will often purchase stop-loss insurance as a financial*
15 *risk management tool to protect against excess or un-*
16 *expected catastrophic health plan claims losses that*
17 *arise above projected costs paid out of company as-*
18 *sets.*

19 (3) *Stop-loss coverage insures the employer spon-*
20 *soring the health benefit plan against unforeseen*
21 *health plan claims, does not insure the employee*
22 *health benefit plan itself, and does not pay health*
23 *care providers for medical services provided to the*
24 *employees.*

1 (4) *Employer-sponsored health benefit plans are*
 2 *regulated under the Employee Retirement Income Se-*
 3 *curity Act of 1974.*

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

8 (6) *Both large and small employers that choose*
 9 *to self-fund must also be able to protect company as-*
 10 *sets or a fund against excess or unexpected claims*
 11 *losses and States must reasonably regulate stop-loss*
 12 *insurance to assure its availability to both large and*
 13 *small employers.*

14 **SEC. 3. CERTAIN MEDICAL STOP-LOSS INSURANCE OB-**
 15 **TAINED BY CERTAIN PLAN SPONSORS OF**
 16 **GROUP HEALTH PLANS NOT INCLUDED**
 17 **UNDER THE DEFINITION OF HEALTH INSUR-**
 18 **ANCE COVERAGE.**

19 *Section 733(b)(1) of the Employee Retirement Income*
 20 *Security Act of 1974 (29 U.S.C. 1191b(b)(1)) is amended*
 21 *by adding at the end the following sentence: “Such term*
 22 *shall not include a stop-loss policy obtained by a self-in-*
 23 *sured group health plan or a plan sponsor of a group health*
 24 *plan that self-insures the health risks of its plan partici-*
 25 *pants to reimburse the plan or sponsor for losses that the*

1 *plan or sponsor incurs in providing health or medical bene-*
2 *fits to such plan participants in excess of a predetermined*
3 *level set forth in the stop-loss policy obtained by such plan*
4 *or sponsor.”.*

5 **SEC. 4. EFFECT ON OTHER LAWS.**

6 *Section 514(b) of the Employee Retirement Income Se-*
7 *curity Act of 1974 (29 U.S.C. 1144(b)) is amended by add-*
8 *ing at the end the following:*

9 *“(10) The provisions of this title (including part 7 re-*
10 *lating to group health plans) shall preempt State laws inso-*
11 *far as they may now or hereafter prevent an employee ben-*
12 *efit plan that is a group health plan from insuring against*
13 *the risk of excess or unexpected health plan claims losses.”.*

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