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December 16, 2025

Dear Representative,

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, I write in strong support of H.R. 6703, the *Lower Health Care Premiums for All Americans Act*. This legislation would increase choices and affordable options available to small businesses and their employees. **A vote in favor of H.R. 6703 will be considered an NFIB Key Vote in the 119th Congress.**

Small businesses are in the middle of a full-blown health care crisis. Since the turn of the century, small employers have seen their premiums increase by over 120%, and a recent study shows that 98% of small business owners fear that they will not be able to afford to offer health benefits to their employees within the next five years.¹ Small businesses know the current trajectory is not sustainable and Congress must address these major challenges.

H.R. 6703 would help reverse these trends by codifying tools available to help small business owners pay for health coverage. The legislation would also expand the menu of health care options for small business owners and bring transparency and accountability to Pharmacy Benefit Managers (PBMs).

In a recent NFIB member ballot, 84% of NFIB members said that individuals should be able to pay insurance premiums with tax-preferred dollars.² H.R. 6703 would allow for this by writing Custom Health Option and Individual Care Expense (CHOICE) arrangement plans into the tax code. These plans allow for a small business owner to set a budget to contribute pre-tax dollars towards their employees' healthcare expenses each month. From there, the employee would be able to use these tax-advantaged dollars to structure their health care around their needs.

A 2023 survey revealed that 79% of small employers indicated that they were interested in joining an association health plan (AHP).³ AHPs would allow small businesses to band together and leverage their purchasing power similar to larger groups. Currently, businesses must be

¹ NFIB, Addressing the Health Insurance Affordability Crisis for Small Businesses, 2025.

<https://www.nfib.com/wp-content/uploads/2025/02/Health-Care-Coverage-Policy-Paper-07.pdf>

² *Mandate*, vol. 571, NFIB Member Ballot, August 2017, *Should individuals be allowed to use tax-preferred dollars (from Health Savings Accounts, Flexible Spending Accounts, and Health Reimbursement Arrangements) to pay for health insurance premiums? (Yes: 84% No: 7% Undecided: 9%)*.

³ NFIB Health Insurance Survey - 2023 - <https://strgnfibcom.blob.core.windows.net/nfibcom/Health-insurance-surveyNFIB.pdf>

part of the same industry to be in an AHP together, and the environment is extremely restrictive to self-employed individuals. This bill would remove these barriers and broaden the scope of small businesses who are eligible to join an AHP.

81% of NFIB members feel that Congress should pass legislation to rein in healthcare consolidation and anti-competitive business practices.⁴ Today, three of the nation's largest Pharmacy Benefit Management companies own over 80% of the market share.⁵ This has led to anti-competitive practices to manipulate higher earnings for these companies, all while small businesses struggle to afford their premiums each month. The *Lower Health Care Premiums for All Americans Act* would require PBMs to release detailed information on certain business practices. This will empower small business owners with transparency and allow PBMs to be held more accountable for their actions.

NFIB strongly supports H.R. 6703, the *Lower Health Care Premiums for All Americans Act*, **A vote in favor of H.R. 6703 will be considered an NFIB Key Vote in the 119th Congress**

Sincerely,

A handwritten signature in dark ink, appearing to read "Adam Temple". The signature is stylized with a large initial "A" and a cursive "T".

Adam Temple
Senior Vice President for Advocacy
NFIB

⁴ *Mandate*, vol. 582, NFIB Member Ballot, March 2023, *Should Congress pass legislation to rein in healthcare consolidation and anti-competitive business practices?* (Yes: 81% No: 7% Undecided: 11%).

⁵ Adam J. Fein, *The 2025 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers*, March 2025.