



October 2, 2026

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Senate Finance Committee Request for Information, "Health Coverage That Works For Everyone"

Dear Ranking Member Wyden:

The Center for American Principles (CAP) appreciates the opportunity to respond to the Committee's Request for Information on Americans' health coverage. Our comments address Section 2, Part II (prior authorization) and Section 3, Part III (Medical Loss Ratio reform).

Americans fund health insurers through their premiums, their paychecks, and their taxes. They deserve to know where that money goes and whether it is actually paying for care. Holding insurers accountable for how they spend premium dollars and how they treat patients should be common ground. We urge lawmakers from both parties to start there, with targeted reforms that strengthen transparency and oversight rather than expanding the federal government's role in running health coverage.

Bring Medical Loss Ratio rules into the modern market

The MLR requirement was designed as a simple guardrail: insurers must put at least 80 to 85 percent of premium revenue toward medical claims and quality improvement, or rebate the difference. Similar standards now reach Medicare Advantage and Medicaid managed care. The trouble is that the insurance market has shifted dramatically in recent years.

Today's largest insurers are sprawling, vertically integrated behemoths. Many have acquired physician practices, the middlemen that manage drug benefits, and the pharmacies and home care businesses their own members use. When an insurer pays a company it owns, that payment can be booked as medical spending, even if much of it becomes profit elsewhere in the same corporate family. As the RFI notes, intercompany eliminations made up roughly a third of one major insurer's revenue last year.

This matters for patients, too. When one company controls the plan and the entities that review and deliver care, the cost of prior authorizations, claim reviews, and denials can stay inside the corporate family while being credited toward the ratio. The RFI itself raises concern that utilization management is being classified as quality improvement. In practice, patients' premiums can end up funding the process that second-guesses their own doctors.

Congress should close these gaps by:

- Standardizing MLR filings so every category of claimed care spending is itemized, with affiliate and non-affiliate payments reported separately and subject to routine audits.
- Making insurers list their subsidiaries and affiliates and report the dollars flowing to each, so those payments can be checked against market rates.
- Tightening the definition of quality improvement activities so only spending with measurable, evidence-based results qualifies.

Rein in runaway prior authorization

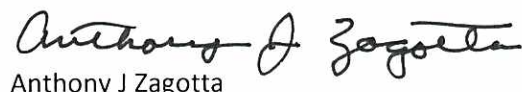
Prior authorization has grown far past its intended purpose. Insurers now apply it routinely to imaging, procedures, prescriptions, and ongoing treatment for chronic conditions, often for services they approve nearly every time. The American Medical Association's latest physician survey found that practices handle about 40 prior authorization requests per physician each week. That is time taken away from patients, and the delays lead to abandoned treatment and worse outcomes.

Insurers [pledged in 2025](#) to scale back prior authorization and speed up decisions. That acknowledgment is welcome, but voluntary pledges cannot be enforced and can be quietly walked back. Patients should not have to rely on promises.

Congress should set clear, enforceable rules that include firm deadlines for decisions, review by qualified clinicians in the relevant specialty, plain-language explanations for every denial, and real consequences for insurers that repeatedly delay or deny care later found to be necessary. These guardrails protect patients without dictating how insurers manage costs.

CAP respectfully urges the Committee to make insurer transparency and accountability a priority. Modernizing MLR rules and reining in abusive prior authorization would protect patients and help ensure that taxpayer and premium dollars go toward care, without expanding government control over health coverage.

Sincerely,



Anthony J Zagotta

President

tony@centerforamericanprinciples.org

www.centerforamericanprinciples.org