COMMITTEE ON
EDUCATION AND WORKFORCE
U.S. HOUSE OF REPRESENTATIVES
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November 18, 2025

The Honorable Daniel Aronowitz
Assistant Secretary
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Dear Assistant Secretary Aronowitz:

We congratulate you on your confirmation as Assistant Secretary for the Employee Benefits Security Administration (EBSA or agency) at the U.S. Department of Labor (Department or DOL). While we disagree on various issues, we hope that we may be able to find areas of common ground to ensure that EBSA under your leadership advances the interests of working Americans, rather than large corporations. To that end, we encourage you to take action to address an issue of tremendous importance to millions of American workers and their families who receive workplace health benefits—the wrongful denial of claims by group health plans and insurance companies.

Improper claim denials impose substantial health and financial hardships on individuals, leading to delays in necessary treatments, worsened health outcomes, and high out-of-pocket costs.[1] This is a large and growing problem for working Americans, prompting a number of investigations that have uncovered troubling practices by health plans and their service providers, which have been found to have conducted arbitrary, improper, and mass denials of health claims. For example, a 2023 ProPublica investigation found that Cigna constructed a claims review system that allowed "its doctors to instantly reject a claim on medical grounds without opening the patient file," spending, on average, just over a single second to review each claim.[2] Numerous other exposés have unveiled the lengths insurance companies will go to in order to avoid

[1] Karen Pollitz et al., *Consumer Survey Highlights Problems with Denied Health Insurance Claims*, KFF (Sept. 29, 2023), https://www.kff.org/affordable-care-act/issue-brief/consumer-survey-highlights-problems-with-denied-health-insurance-claims/.
[2] Patrick Rucker et al., *How Cigna Saves Millions by Having Its Doctors Reject Claims Without Reading Them*, ProPublica (Mar. 25, 2023), https://www.propublica.org/article/cigna-pxdx-medical-health-insurance-rejection-claims.

covering vital treatments and block consumers from obtaining documents regarding their denial.[3] In far too many tragic cases, denials lead to the unnecessary deaths of people who have earned benefits through their plan, but are nonetheless denied the care that could have saved their lives.[4]

As you are aware, the *Employee Retirement Income Security Act*[5] (ERISA) provides the EBSA Assistant Secretary with the authority, and the duty, to protect the health benefits of approximately 136 million American workers, retirees, and their families covered by group health plans subject to ERISA.[6] Accordingly, we encourage you to take decisive action to address health claim denials, and we would like to provide three specific recommendations for your consideration.

Recommendation 1: Implement long-delayed transparency requirements to collect data on health claim denials by insurance companies and group health plans.

The *Affordable Care Act*[7] (ACA) requires collection of important information from plans and insurers[8] and further requires the Department to issue regulations to harmonize certain group health plan reporting requirements with those that apply to plans offered through the Marketplaces.[9] Although the Department, along with the Departments of Health and Human Services and the Treasury, took incomplete steps forward in 2020 through the Transparency in Coverage final rules,[10] to date the ACA's requirement to collect "claims payment policies and practices", "data on the number of claims denied", and other related information remains unimplemented.[11] While the first Trump Administration previously abandoned efforts to more fully implement this provision, we hope that you will take a different tact in your role as Assistant Secretary by moving forward with a comprehensive rulemaking.

This could be accomplished without creating new infrastructure by building upon ERISA's existing annual reporting requirement,[12] known as the Form 5500, to improve data collection

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[3] *See, e.g.*, David Armstrong et al., *UnitedHealthcare Tried to Deny Coverage to a Chronically Ill Patient. He Fought Back, Exposing the Insurer's Inner Workings*, ProPublica (Feb. 2, 2023), https://www.propublica.org/article/unitedhealth-healthcare-insurance-denial-ulcerativecolitis; T. Christian Miller, *Big Insurance Met Its Match When It Turned Down a Top Trial Lawyer's Request for Cancer Treatment*, ProPublica (Nov. 7, 2023), https://www.propublica.org/article/blue-cross-proton-therapy-cancer-lawyer-denial; Maya Miller & Ash Ngu, *You Have a Right to Know Why a Health Insurer Denied Your Claim. Some Insurers Still Won't Tell You.*, ProPublica (Nov. 8, 2023), https://www.propublica.org/article/your-right-to-know-why-health-insurer-denied-claim.

[4] Gretchen Morgenson, *'Would he have lived?' When Insurance Companies Deny Cancer Care to Patients*, NBC News (Dec. 27, 2024), https://www.nbcnews.com/news/investigations/-lived-health-insurance-companies-deny-cancer-care-patients-rcna182611.

[5] Pub. L. No. 93–406 (1974).

[6] U.S. Department of Labor, *Annual Report to Congress on Self-Insured Group Health Plans* (Mar. 2025) at 5, https://www.dol.gov/sites/dolgov/files/EBSA/researchers/statistics/retirement-bulletins/annual-report-on-self-insured-group-health-plans-2025.pdf.

[7] Pub. L. No. 111–148 (2010).

[8] 42 U.S.C. § 18031(e)(3)(A).

[9] 42 U.S.C. § 18031(e)(3)(D).

[10] *Transparency in Coverage*, 85 Fed. Reg. 72,158 (Nov. 12, 2020), https://www.federalregister.gov/documents/2020/11/12/2020-24591/transparency-in-coverage.

[11] 42 U.S.C. § 18031(e)(3)(A)(i) and (v).

[12] 29 U.S.C. § 1024(a).

from group health plans. This is a longstanding recommendation of the Office of the Inspector General (OIG), who in 2016 found that EBSA currently lacks "the ability to protect the estimated 79 million participants in self-insured health plans from improper claims denials because EBSA lacked any primary knowledge of denials of health benefit claims in any of the plans under its oversight."[13] Critically, OIG also urged the Department to revise the Department's 1975 exemption from the Form 5500 for small health plans—a loophole that has resulted in the agency collecting reports from just 3 percent all ERISA-covered group health plans.[14] We have repeatedly urged the Department to move forward on this matter,[15] but to date, the Department has not finalized any regulations.

Even though there is no proposed rulemaking slated for the near future, we recognize that improving the Form 5500 remains on the Department's regulatory agenda.[16] As you consider rulemaking in this area, we urge you to look to the Proposed Rule issued by the Department in 2016, which would have greatly improved the Form 5500.[17] Had these changes been finalized, the Department would have ensured that all ERISA-covered group health plans file annual reports in a manner generally consistent with the recommendation of the OIG.[18] Additionally, the Proposed Rule would have created a new "Schedule J" for the Form 5500 that would have dramatically improved the Department's oversight of group health plans, including collection of necessary claims payment data such as the number of approved and denied claims, appeals, unpaid claims, and the annual dollar value of paid claims, among other information.[19]

Recommendation 2: Commit to fully enforcing the law and to ensuring that EBSA is adequately staffed to fulfill its mission.

As stated on the Department's website, "EBSA's mission is to ensure the security of the retirement, health, and other job-based benefits of America's workers and their families."[20] This

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[13] U.S. Department of Labor, Office of the Inspector General, *EBSA Did Not Have the Ability to Protect The Estimated 79 Million Plan Participants in Self-Insured Health Plans From Improper Denials Of Health Claims* (Nov. 18, 2016), https://www.oig.dol.gov/public/reports/oa/2017/05-17-001-12-121.pdf.
[14] U.S. Department of Labor, *supra*, note 6 at 5 ("The Department estimates that there were about 2.6 million ERISA-covered group health plans… [o]nly about 84,900 plans… filed a 2022 Form 5500").
[15] *See* Letter from Representatives Robert C. "Bobby" Scott and Mark DeSaulnier to the Honorables Julie A. Su and Lisa M. Gomez (Jun. 17, 2024), https://democrats-edworkforce.house.gov/imo/media/doc/labor_leaders_urge_dol_to_improve_transparency_for_consumers.pdf; Letter from Representatives Robert C. "Bobby" Scott and Frederica S. Wilson to the Honorable R. Alexander Acosta (May 22, 2019), https://democrats-edworkforce.house.gov/imo/media/doc/2019-05-22%20-%20Scott%20Wilson%20Letter%20to%20Acosta%20re%20Transparency%20Implementation.pdf.
[16] Improvement of the Form 5500 Series and Implementing Related Regulations Under the Employee Retirement Income Security Act of 1974 (ERISA) (Dep't of Lab. Spring 2025), https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=1210-AC01 [https://perma.cc/7KE3-RVPF].
[17] Proposed Revision of Annual Information Return/Reports, 81 Fed. Reg. 47,534 (July 21, 2016), https://www.federalregister.gov/documents/2016/07/21/2016-14893/proposed-revision-of-annual-information-returnreports.
[18] *Id*. at 47,536.
[19] *Id*. at 47,636.
[20] U.S. Department of Labor, Employee Benefits Security, *About EBSA*, https://www.dol.gov/agencies/ebsa/about-ebsa/about-us (last visited Aug. 16, 2025).

is a vast responsibility, requiring the agency to oversee the benefits of more than 153 million Americans who are participants or beneficiaries in 801,000 retirement plans, 2.6 million health plans, and 514,000 other employee benefit plans.[21] Moreover, EBSA's responsibilities have grown dramatically in recent years with enactment of major, bipartisan legislation such as the *Setting Every Community Up for Retirement Enhancement (SECURE) Act*,[22] the *Securing a Strong Retirement Act (SECURE 2.0)*,[23] and the *No Surprises Act* (NSA).[24]

However, despite its enormous mission, the Trump Administration has devastated EBSA's workforce through dramatic cuts that have resulted in a decline in the agency's staffing of more than 20 percent.[25] Moreover, the Administration has called for even more cuts to EBSA in its Fiscal Year (FY) 2026 Budget, which would allow bipartisan funding through the NSA to expire and further cut EBSA's base appropriation, resulting in an effective cut of nearly $30 million below FY 2025.[26] When all is said and done, your agency is on course to see its workforce slashed to just 640 full time equivalents (FTEs) under the Administration's FY 2026 Budget[27] compared to its FY 2015 level of approximately 960 FTEs. [28] This will make it virtually impossible for the Department to fulfill its statutory duties and to protect workers who are wrongfully denied benefits by their health plans.

Moreover, recent announcements regarding the agency's commitment to its law enforcement role are troubling. In recent months, EBSA has signaled a shift away from enforcement of critical laws and regulations, such as the recent nonenforcement actions announced by the Department, along with the Departments of Health and Human Services and the Treasury, regarding the Final Rules under the *Mental Health Parity and Addiction Equity Act*[29] and important consumer protections against junk health insurance.[30] These trends are counter to EBSA's responsibilities, and as you take on your new role, we urge you to show leadership by firmly committing to

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[21] *Id*.
[22] Further Consolidated Appropriations Act, 2020, Pub. L. No. 116–94, div. O, 133 Stat. 3137 (2019) (codified in scattered sections of 29 U.S.C.).
[23] Consolidated Appropriations Act, 2023, Pub. L. No. 117-328, div. T, 136 Stat. 5275 (2022) (codified in scattered sections of 29 U.S.C.).
[24] Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, div. BB, tit. I, 134 Stat. 1182, 2759 (2020) (codified in scattered sections of 29 U.S.C.).
[25] Paul Mulholland, *EBSA Loses Over 20% of Staff from Resignations, Plan Sponsor Council of America* (Apr. 24, 2025), https://www.psca.org/news/psca-news/2025/4/ebsa-loses-over-20-of-staff-from-resignations/.
[26] *See* U.S. Department of Labor, Employee Benefits Security Administration, *FY 2026 Congressional Budget Justification* at 2, http://dol.gov/sites/dolgov/files/general/budget/2026/CBJ-2026-V2-01.pdf.
[27] *Id*.
[28] U.S. Department of Labor, Employee Benefits Security Administration, *FY 2025 Congressional Budget Justification* at 10, https://www.dol.gov/sites/dolgov/files/general/budget/2025/CBJ-2025-V2-01.pdf.
[29] Press Release, *Statement of U.S. Departments of Labor, Health and Human Services, and the Treasury regarding enforcement of the final rule on requirements related to the Mental Health Parity and Addiction Equity Act* (May 15, 2025), https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/mental-health-parity/statement-regarding-enforcement-of-the-final-rule-on-requirements-related-to-mhpaea.
[30] Press Release, *Statement of U.S. Departments of Labor, Health and Human Services, and the Treasury regarding short-term, limited-duration insurance* (Aug. 7, 2025), https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/short-term-limited-duration-insurance/stldi-statement-08-07-2025.

faithful execution of the Department's statutory mission "to foster, promote, and develop the welfare of the [nation's] wage earners…and assure [their] work-related benefits and rights."[31]

Recommendation 3: Take action to improve consumers' ability to appeal wrongfully denied health benefits.

As you are aware, ERISA requires all employee benefit plans to provide consumers who have been denied coverage of health benefits with a "reasonable opportunity… for a full and fair review" of their claim and provides the Department with broad rulemaking authority to implement this requirement.[32] Additionally, the Department, along with the Departments of Health and Human Services and the Treasury, has issued regulations implementing the ACA's requirement that consumers be provided with access to an external review process following an adverse benefit determination.[33] While these are important protections for consumers, additional action is needed to ensure plan participants have a meaningful right to challenge their denied benefits, and we encourage you to prioritize actions to do so.

As you consider action in this area, we encourage you to consult the Advisory Council on Employee Welfare and Pension Benefit Plans (ERISA Advisory Council or Council), which issued a report in December 2024 entitled *Group Health Plan Claims and Appeals*.[34] Many of the Council's recommendations—which were borne out of extensive review and deliberation—warrant consideration, including: "develop[ing] model language and model forms" to facilitate appeals, addressing "systemic abuses or failures to comply with procedural requirements" through enforcement actions, and clarifying the overly broad application of purportedly "ministerial" acts that currently shields corporate service providers from accountability as fiduciaries.[35] These changes would greatly increase accountability and facilitate participants' access to their earned benefits.

Moving forward, we also urge you to reverse the current posture of the Department with respect to the Council. As we wrote to the Secretary of Labor earlier this year, the Department took a number of actions to undermine the Council by delaying public release of its report, purging documents such as testimonies from consumer advocates from the Department's website, and, to date, failing to convene the Council for any of the four statutorily-mandated meetings.[36] These actions reflect a disregard for the contributions of this important council, and we hope you will approach this issue in a different manner than the current Department leadership.

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[31] 29 U.S.C. § 551.
[32] 29 U.S.C. § 1133.
[33] 29 C.F.R. § 2590.715-2719.
[34] Advisory Council on Employee Welfare and Pension Benefit Plans, Report to the Honorable Julie A. Su, United States Acting Secretary of Labor, *Group Health Plan Claims and Appeals* (Dec. 2024), https://www.dol.gov/sites/dolgov/files/EBSA/about-ebsa/about-us/erisa-advisory-council/2024-claims-and-appeals-procedures.pdf.
[35] *Id*. at 1-2.
[36] *See* Letter from Representatives Robert C. "Bobby" Scott and Mark DeSaulnier to the Honorable Lori Chavez-DeRemer (June 2, 2025), https://democrats-edworkforce.house.gov/imo/media/doc/scott_desaulnier_letter_to_dol_re_erisa_advisory_council.pdf.

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Thank you for your consideration of these recommendations. We look forward to the opportunity to discuss these recommendations with you at your earliest convenience and await any feedback you may have. We hope this can be the beginning of a constructive effort to address wrongful claim denials on behalf of American workers and their families. You may reach out to the Democratic staff of the Committee on Education and Workforce with any questions or response at EWDOversight@mail.house.gov or 202-225-3725.

Sincerely,

MARK DeSAULNIER
Ranking Member
Subcommittee on Health, Employment,
Labor, and Pensions

ROBERT C. "BOBBY" SCOTT
Ranking Member

cc: The Honorable Tim Walberg, Chairman, House Committee on Education and Workforce

The Honorable Rick W. Allen, Chairman, Subcommittee on Health, Employment, Labor, and Pensions, House Committee on Education and Workforce