FLOURISHING FAMILIES:
HEALTH CARE

Putting Patients in Control

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INTRODUCTION

Healthcare costs have made up a growing share of family budgets for the past two decades, and the standard explanation—rising premiums—tells only part of the story. Since 2006, the average family premium has more than doubled, now sitting at $26,993, and has outpaced inflation by roughly 50%.[1] But for many families, deductibles are the more immediate concern, having risen to an average of $1,886.[2] The practical consequence is that more than half of American households lack sufficient liquid assets to cover their deductibles in any given year.[3] They pay high premiums for coverage, but the deductible means that they pay out of pocket for most routine care. Tackling healthcare affordability for families means providing solutions that give people control over their healthcare spending. Families deserve healthcare options that meet their needs, and increasingly those are best provided outside of traditional insurance models.

BACKGROUND: *How We Got Here*

After World War II, wage controls and tax policy pushed employers to offer health benefits, tying insurance to employment for most Americans.[4] The result is a system that separates individuals from the real costs of care, and has allowed insurance companies to silently pile on layer after layer of overhead expenses. Over time, more and more of those costs were shifted to employees, and the insurance cards they carry offer an illusion of coverage rather than meaningful

access to routine care. Many Americans who pay dearly for comprehensive coverage effectively have become cash payers for health care.

SOLUTIONS: *Paths Forward*

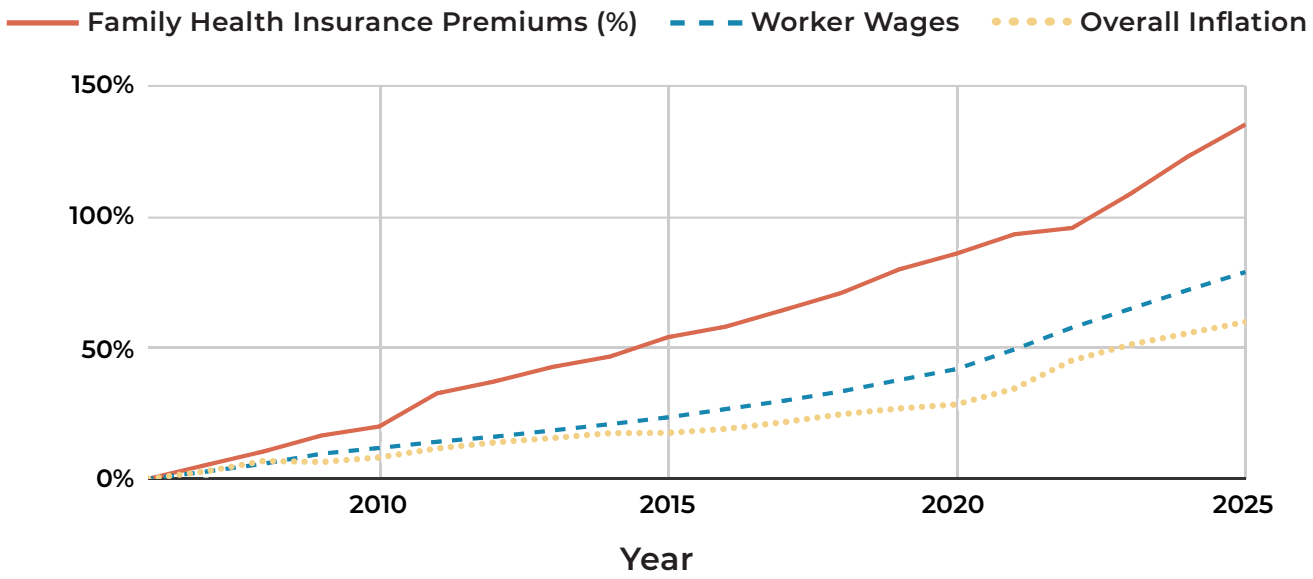
We need reforms that give families both transparent prices and practical ways to pay for routine care outside the traditional insurance system.

Congress should strengthen and enforce healthcare price transparency so families can compare costs before scheduling care. But transparency alone is not enough. Families also need the flexibility to choose lower-cost options rather than being locked into traditional health insurance models. Direct primary care (DPC), in which patients pay a simple monthly membership fee directly to a physician for routine primary care, paired with lower-premium major medical coverage, offers one such alternative.[5] Major medical coverage continues to protect families against unexpected medical expenses, while DPC provides routine primary care through a simple monthly membership rather than insurance billing. Together, they reduce administrative barriers, improve timely access to care, and can provide better value than traditional insurance models. Recent legislation has expanded the availability of health savings accounts (HSAs) and has allowed them to be used for DPC memberships.

LIST OF SPECIFIC BILLS

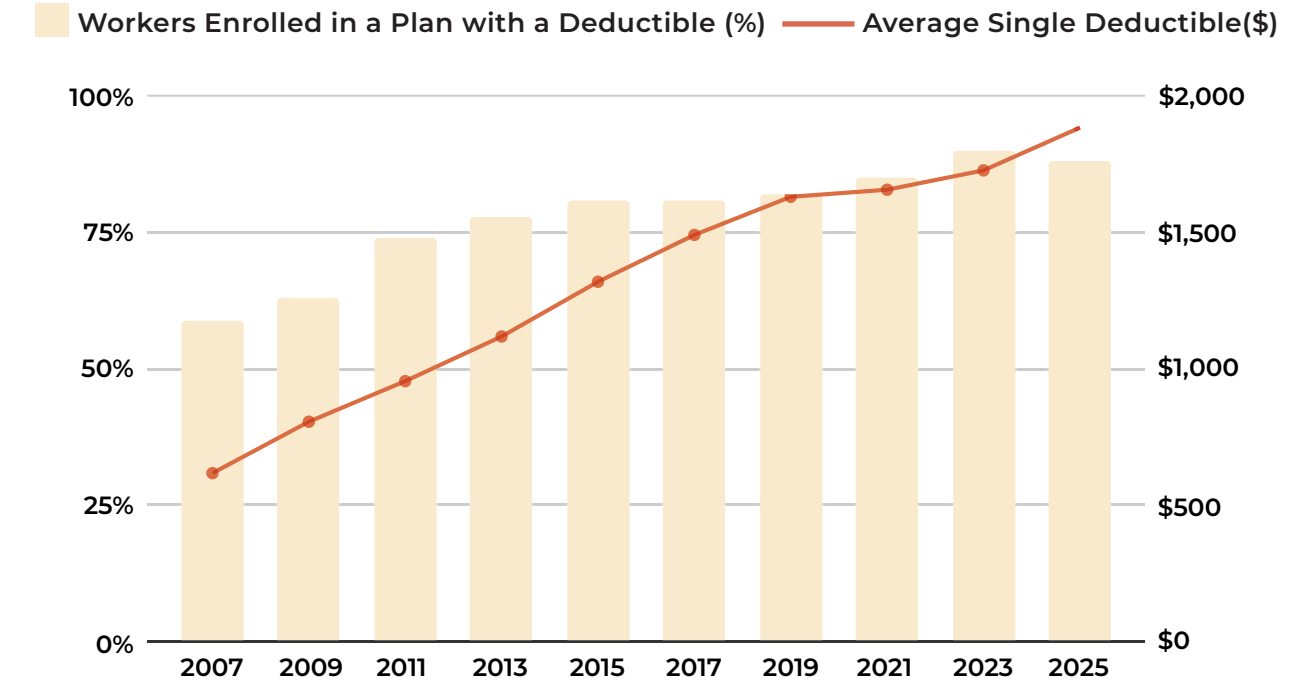
- **Patients Deserve Price Tags Act (S.355 / H.R.5582):** Strengthens federal price transparency requirements throughout the system, holding hospitals and insurers accountable through meaningful penalties for lack of compliance with price disclosure.[6] Still hasn't passed, despite bipartisan support.
- **No Surprises Act, 2020:** Includes the Advanced Explanation of Benefits provision,[7] which requires that patients be provided with upfront cost estimates before scheduling care, a requirement that remains unimplemented.[8]

Health Insurance Premiums Have Far Outpaced Wages and Inflation



Sources: "2025 Employer Health Benefits Survey." ***KFF,*** Oct. 22, 2025. https://www.kff.org/health-costs/2025-employer-health-benefits-survey/; "Average Hourly Earnings of All Employees, Total Private." ***Federal Reserve Bank of St. Louis,*** Jul. 2, 2026. https://fred.stlouisfed.org/series/CES0500000003; "$100 in 2006 → 2025 | Inflation Calculator." ***Official Inflation Data, Alioth Finance***, Jul. 21, 2026. https://www.in2013dollars.com/2006-dollars-in-2025?amount=100.

Deductibles: From the Exception to the Rule



Source: "2025 Employer Health Benefits Survey." ***KFF,*** Oct. 22, 2025. https://www.kff.org/health-costs/2025-employer-health-benefits-survey/#7f154076-0868-47fe-8f90-313402cae36c.

MISPERCEPTIONS VS. FACTS

MISPERCEPTION: Medical prices only differ because some places cost more to live in than others.
FACT: The same hospital often charges very different prices for the exact same services—such as lower limb MRI—depending on who's paying. Researchers studying a single common scan found wide price swings within a single hospital for identical care.[9]

MISPERCEPTION: Healthcare prices are already available.
FACT: Only 16.8% of hospitals comply with federal rules requiring price disclosure, and several years after being signed into law, the No Surprises Act, which would require insurance companies to provide Good Faith Estimates of what a service will cost before it is scheduled, still has not been implemented.[10]

MISPERCEPTION: Patients can't act on prices because healthcare decisions aren't made in advance.
FACT: Nearly 90% of outpatient services are non-emergency and can be scheduled in advance, exactly the circumstances in which price comparison is both possible and useful to consumers.[11]

BOTTOM LINE

Families flourish when they have access to high-quality, affordable health care that fits their needs. Policymakers should enforce price transparency laws while also allowing flexibility so that families can choose more affordable options outside the traditional health insurance framework.

ENDNOTES

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