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Employee Benefits Compliance

New Year and Renewed Healthcare Focus: An Overview of The Great Healthcare Plan

Introduction

On January 15, the White House unveiled [The Great Healthcare Plan](#) (the Plan), a broad set of policy goals intended to lower prescription drug costs, reduce insurance premiums, increase price transparency, and redirect federal healthcare funds directly to individuals rather than insurers. At this stage, the proposal reflects policy direction rather than enacted law, and any meaningful changes would depend on Congressional action. The Plan does, however, provide some insight on the Administration's healthcare related priorities and strategies for 2026 and beyond, and we review the key components below.

The Great Healthcare Plan

Lowering Prescription Drug Costs

Lowering prescription drug prices is a central goal of the Plan, with the Administration seeking to align U.S. prices with the lowest prices paid in other developed countries through voluntary agreements with drug manufacturers. To support this effort, the Administration has applied direct pressure on pharmaceutical manufacturers, including formal requests to reduce prices and public statements indicating that additional measures, such as most-favored-nation pricing or drug importation policies, may follow if voluntary reductions do not occur. These efforts are paired with tariff-related incentives and expanded access to direct-to-consumer (DTC) purchasing through the TrumpRx platform, which allows individuals to buy certain medications outside traditional insurance and PBM arrangements.

Employer Plan Sponsor Impact: The DTC approach does not change existing pharmacy plan requirements, but it is an alternative way for employees to purchase certain prescription drugs, which could trigger employee questions and impact expectations, especially from employees enrolled in high-deductible health plans (HDHP) who generally pay the full cost of medications until the deductible is satisfied.

In addition, the DTC availability of GLP-1 drugs for weight loss is already prompting employers to consider certain novel approaches, including excluding those drugs from plan coverage and reimbursing employees who purchase those drugs directly. For employers considering that type of program, note that any reimbursement of employee costs typically occurs through a separate arrangement—usually a health reimbursement arrangement (HRA), which is a health plan unto itself—rather than through the main group health plan. For more information on this topic see our Compliance Insight [Compliance Considerations with GLP-1 Cost Containment Strategies](#) and listen to our latest Compliant with Alliant podcast episode, It's Okay, It's an HRA! Compliance Issues with Direct-to-Consumer GLP-1 Strategies available on [SoundCloud](#), [Apple Podcasts](#) and [Spreaker](#).

Reducing Insurance Premiums

Another goal of the Plan is to bring down insurance premiums by addressing certain longstanding practices the Administration has identified as contributing to higher costs.

Employer Plan Sponsor Impact: From an employer's perspective, efforts to lower premiums are more likely to promote what is already a heightened focus on how group health plan service providers are paid, rather than through immediate premium reductions, which would generally be a matter of state law. Recent federal enforcement activity and proposed changes point to greater attention on service provider pricing arrangements to ensure these practices support real value for the plan. For employers that sponsor ERISA-covered health plans, especially considering recent litigation trends, this means reviewing vendor contracts, confirming fees are clear and reasonable, and keeping records of how vendors are selected and monitored. Employers may also receive more questions from employees comparing employer coverage with Marketplace options as the impact of subsidy elimination raises individual premiums. For more ERISA fiduciary duties, see our [Webinar on ERISA Fiduciary Duties in the New ERA of Class Action Litigation](#) and listen to the Compliant with Alliant podcast episode, Phonetical Fun: Pharmacy and Fiduciary (Duties) available on [SoundCloud](#), [Apple Podcasts](#) and [Spreaker](#), and ask your Alliant representative about our ERISA Fiduciary Toolkit.

Increasing Price Transparency

The Plan signals renewed emphasis on price transparency and enforcement of existing hospital and health plan Transparency in Coverage rules, with a focus on plain-language disclosures and accountability. These statements reflect enforcement priorities, not new disclosure obligations for employer sponsored group health plans.

Employer Plan Sponsor Impact: The practical impact here will likely be increased scrutiny of existing transparency obligations and vendor oversight. While compliance with these obligations, including the posting of Machine-Readable-Files (MRFs) and the availability of cost-estimator tools, is largely handled by carriers, TPAs, and PBMs who have access to the required data, employer plans remain responsible with Transparency in Coverage requirements. As enforcement increases, transparency compliance is likely to be viewed less as a technical posting and disclosure requirement and more as an ongoing oversight obligation, requiring employers to monitor vendor performance and ensure consistency across participant access points. Accordingly, employers should be engaged with their carriers, TPAs, and PBMs to ensure they are properly and adequately complying with transparency obligations on behalf of the employer's plan. For a detailed discussion of these requirements and other Transparency rules, see our Compliance Insight [Transparency Rules and Surprise Billing Protections](#) and [Transparency Deadlines and Compliance Checklist](#).

Redirecting Federal Healthcare Funds to Individuals

A central proposal of the Plan is to redirect federal healthcare subsidies—those that were the subject of last year's government shutdown—away from insurers and instead provide those funds directly to individuals, primarily through health savings accounts (HSA), with the stated goal of increasing individual control over healthcare spending.

Employer Plan Sponsor Impact: Under current federal law, however, HSAs are individually owned accounts with statutory contribution limits designed to pay for qualified medical expenses and operate in conjunction with high deductible health plans (HDHPs), not as a mechanism to finance insurance coverage itself. HSAs generally cannot be used to pay health insurance premiums except in narrow, statutorily defined circumstances.

Additionally, eligibility to contribute to an HSA is currently limited to individuals enrolled in qualifying HDHPs and without disqualifying coverage, and annual contributions are limited based on an annual indexed amount and prorated based on months of eligibility. Any meaningful expansion of HSAs would require Congressional action, rather than simple administrative rule making. Absent legislative action, HSAs will likely remain a supplemental savings vehicle rather than a replacement for employer sponsored coverage or premium assistance.

For more information see our [HSA FAQ](#) and Compliance Insight on [HSAs and HDHPs](#).

Conclusion

It is difficult at this stage to predict what will happen with The Great Healthcare Plan, especially in an election year, but we will continue to monitor the Administration's efforts here. In addition, we will watch for any Congressional action as a result of the Plan, and report on plan sponsor implications accordingly.

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