

TESTIMONY BEFORE THE UNITED STATES CONGRESS
ON BEHALF OF THE

NATIONAL FEDERATION OF INDEPENDENT BUSINESS



Statement for the Record of Joshua Phelps
Owner and President of Winchester Metals, Inc.

Before the

United States House Committee on Ways and Means Health Subcommittee

Health Subcommittee Hearing on Health at Your Fingertips: Harnessing the Power
of Digital Health Data

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National Federation of Independent Business
555 12th Street, NW Suite 1001
Washington, DC 20004

Chairman Buchanan, Ranking Member Doggett, and Members of the Subcommittee:

Thank you for the opportunity to testify today and share my story.

My name is Joshua Phelps. I am the president of Winchester Metals, Inc., a third-generation, family-owned welding, processing, and fabrication company in Winchester, Virginia. Our company's roots trace back to my great-grandfather, who, in 1917, fled persecution in Russia and started a new life—and a new business—in America, ultimately settling in Winchester.

Today, I'd like to share how small businesses like mine are leveraging wellness programs and digital health tools to take control of employee health outcomes and why this matters to the future of health care in America.

Health Coverage vs. Health Care vs. Health

For more than 25 years, I've been responsible for managing our company's health insurance plan. This is one of the largest line items on any business's income statement, so it requires careful attention. As anyone involved in this endeavor will tell you, it can be a long, tedious, and often depressing six or eight weeks each year until the plan is finalized and presented to your team.

I've experienced firsthand how confusing, expensive, and unpredictable this process can be, especially in smaller markets with limited options. Each year, it's the same frustrating exercise: request a few proposals, negotiate marginal savings, and brace for premium increases. Meanwhile, more than half of insured Americans still get their coverage through their employer.

Employer-sponsored insurance is the largest source of health coverage in the U.S., covering over 160 million Americans.¹ This is why most businesses, regardless of size, need to find ways to offer this benefit to compete for talent, remain competitive, and grow their business.

But here's the disconnect: Health coverage is not the same as health care, and neither is it the same as health. The people we employ, with whom we often spend more time each week than with our own families, deserve to be healthy and enjoy

¹ <https://www.kff.org/health-policy/101-employer-sponsored-health-insurance/?entry=table-of-contents-who-is-covered-by-employer-sponsored-health-insurance>.

life fully. Employers can and should be playing a larger role in health training and education.

A Proactive Approach to Employee Wellness

About a decade ago, I decided to stop simply reacting to rising costs and start thinking proactively about employee health. I was frustrated with the traditional wellness programs offered by commercial insurance carriers, which often consisted of little more than questionnaires or online videos in exchange for small deductible discounts. These programs rarely addressed the root causes of poor health or helped individuals form new, healthy habits.

My decades-long personal passion for health and wellness helped shape our company's new direction. I partnered with a local health coach to build a custom wellness initiative for our team. We hosted monthly, voluntary, 30-minute on-the-clock sessions to teach practical health concepts, such as how to read nutrition labels, understand portion sizes, cook healthy meals at home, and recognize the impact of exercise on mental health, among other topics. We've never required participation, tracked results, or added pressure. Instead, we focused on creating a culture of curiosity, empowerment, and long-term habit change.

We've also held friendly competitions—from step challenges to hydration tracking—and even launched a multi-company step challenge, with the winning company earning a team lunch funded by the others.

Several years ago, we added another layer by partnering with a local direct primary care (DPC) practice. We now fully cover the cost of DPC membership for employees, regardless of which plan they choose. Today, roughly half of our covered employees use DPC for their primary care, and no employee has dropped the service after enrolling. DPC has been a game changer. It provides timely, relationship-based care, and employees report a better experience with fewer barriers to access.

I'm often asked how we measure success. The truth is—we don't, at least not in the traditional sense. Insurance carriers offer limited claims data, and changing providers can erase historical trends. More importantly, the actual value of wellness is in what never happens: the heart attack we help prevent, the chronic disease we delay, the emergency room trip that doesn't occur. These outcomes are hard to quantify, but incredibly meaningful.

We frequently hear stories from employees about the impact these initiatives are having. One employee started grocery shopping with a focus on ingredients. Another began meal prepping at home. Others have started workout routines and stuck with them. These personal milestones, while unmeasurable, tell us we're making a difference.

Bringing the Conversation to Other Employers

In 2021, I co-founded the podcast "Health Team Healthy Business" to encourage and support other small business owners in implementing wellness strategies. We've interviewed sleep experts, therapists, physical trainers, nutritionists, and more, and we now host an annual in-person wellness summit for HR professionals and employers. Several attendees have gone on to launch their own wellness programs, and the feedback has been overwhelmingly positive.

Small employers aren't looking for new mandates—we're looking for new tools. Programs like ours work well because they're flexible, community-based, and tailored to our workforce. Employers need better access to valuable, real-time data; access to innovative models, such as direct primary care; and the freedom to innovate and integrate technology without one-size-fits-all rules. Federal policies that encourage transparency, flexibility, and innovation in health data, without new unnecessary red tape, can help us build on that success.

Ultimately, empowering employers to focus on health, not just health coverage, is one of the most promising and underutilized strategies we must employ to improve outcomes, reduce costs, and build a healthier workforce.

Thank you for the opportunity to share our story. I welcome your questions.