Health care bill needs additional changes to protect employer-sponsored benefits

WASHINGTON, DC – “To earn the support of the American Benefits Council and its 425 company members, any health care reform measure must protect and preserve the employer-sponsored coverage that benefits more than 177 million people nationwide,” American Benefits Council President James A. Klein said today. “The legislation now under consideration by the U.S. Senate represents a half-measure toward this goal, leaving additional important changes yet to be made.”

The so-called “skinny” version of Affordable Care Act (ACA) repeal legislation includes elimination of the current employer mandate penalties, but – unlike prior drafts – fails to delay or repeal the corrosive 40 percent “Cadillac Tax” on employer-sponsored coverage.

“The Council has long advocated for modifications to the ACA employer mandate and we applaud the move to reduce the associated burdens on employer sponsors, although we note that the penalties for employer reporting requirements still remain,” Klein said. “Likewise, we appreciate the strong bipartisan support for full repeal of the ‘Cadillac Tax,’ but we find it deeply regrettable that the political process has made it difficult to include this provision in a final bill.”

Klein concluded, “Throughout the health care debate, we have sought to advance the same underlying goals shared by stakeholders and lawmakers on both sides of the aisle: a thriving employer-sponsored system, a stable individual market for those without employer coverage and meaningful long-term reductions in health care costs,” Klein said. “We will continue to advocate for these goals until the last possible moment.”
For more information on health policy matters, or to arrange an interview with Klein, contact Jason Hammersla, Council senior director of communications, at jhammersla@abcstaff.org or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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The American Benefits Council is the national trade association for companies concerned about federal legislation and regulations affecting all aspects of the employee benefits system. The Council’s members represent the entire spectrum of the private employee benefits community and either sponsor directly or administer retirement and health plans covering more than 100 million Americans.