American Benefits Council sets course for Year 2020 with strategic plan for health, retirement policy

Flexibility will be key to future of employer-sponsored benefits


“American businesses must be flexible to navigate intense global competition and manage diverse workforces. It only makes sense that employee benefits policy itself be flexible enough to accommodate the full range of employer approaches,” Boyd said.

“This strategic plan is the result of – and a guide to – a collaborative effort to deliver on the promise of employer-sponsored plans,” said Council President James A. Klein. “The business community, individuals and the government all have a stake in the continued success of the current system.”

A 2020 Vision projects that the employee benefits environment five years from now will be characterized by:

- Integration of personal health and financial well-being, rather than health and retirement benefits existing in separate silos
- Global competitiveness driving benefit plan design
- Emphasis on simplicity and predictability in benefit plan administration
- Maximum flexibility for employers and employees

The Council has developed five goals that will allow employer sponsored plans to thrive in this environment, focusing on sustainability, empowerment, value, innovation and technology. Connected to these goals are 46 specific policy recommendations that will help guide the
Council’s advocacy efforts over the long term. The plan has been approved unanimously by the Council’s Policy Board of Directors.

Specific recommendations include:

- Establishment of a new type of account that would allow large employers to support workers’ ability to obtain coverage through public exchanges.
- Repeal or modification of the high cost plan ACA excise tax, COBRA and the automatic enrollment mandate.
- Lowering to 45 the age at which individuals may make so-called “catch up” contributions to 401(k) plans.
- Allowing workers under age 62 to collect partial distributions from retirement plans while still working part-time, rather than forcing them into a rigid decision to be either a full-time employee or retired.
- A new regulatory paradigm for employee benefits that targets employers with poor performance rather than imposing the same administrative burdens on all plan sponsors.
- Adoption of a “presumption of good faith” standard that allows employers to use technology as it becomes available, rather than waiting for regulatory approval.

“While many of these recommendations are far-reaching and aspirational, all of them are rooted in policy debates that are imperative for Congress and the executive branch to address,” Boyd said.

“Ongoing implementation of the Affordable Care Act and the prospect of comprehensive tax reform will have profound implications for benefits policy,” Klein added. “This is our opportunity to not only inform policymakers, but to lead the way toward a more prosperous future.”

For more information on the Council’s strategic plan, or to arrange an interview with Council leadership or policy staff, please 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.