

 THE COUNCIL  
HealthCare **PULSE** 

**EMPLOYER-SPONSORED  
INSURANCE**

The employer-sponsored insurance market is the most effective system of delivering healthcare benefits in the United States, with more than 177 million Americans currently receiving their health insurance from their employer. Employee insurance premiums are currently untaxed. Adjusting this could be catastrophic to the employer-sponsored insurance system.

[Download our one-pager.](#)

**STABILIZATION OF  
THE INDIVIDUAL MARKET**

Current challenges in the individual health insurance market, if left unresolved, pose a systemic threat to the broader health insurance industry, including the stable and well-functioning employer-sponsored segment. A healthy individual market is important for all constituencies within the industry—U.S. businesses, employees and individual market enrollees.

[Download our one-pager.](#)

**Monday, July 24, 2017**

The Council's Government Affairs team and its legal counsel at Steptoe & Johnson discussed the outlook of the Senate's Motion to Proceed Vote for its revamped healthcare bill, which is scheduled for Tuesday, and the impact the passage or failure of that vote could have on Council member firms.

**Insights from DC**

The Council's Joel Wood reported that during a meeting with Speaker Ryan last week, the Speaker made it clear that [he isn't afraid to explore the employer exclusion from taxation of group health insurance benefits in a tax reform package](#) (it is the largest tax expenditure out there). The Speaker told Joel, however, that ESI is a healthcare issue, not a tax overhaul issue so according to Ryan, it's off the table...at least for now. Stay tuned.

**Motion to Proceed Vote**

A Motion to Proceed vote on the Senate healthcare overhaul is presumably set for Tuesday. Nothing has changed since last week—it still does not look like they have the votes to proceed to a floor vote. Some senators still don't know what they're voting on, and at least three senators already publically stated they will oppose the MTP. That number could increase.

---

**Contact Us**

Cheryl Matochik, *Senior Vice President, Strategic Resources & Initiatives*, 202.662.4424, [cheryl.matochik@ciab.com](mailto:cheryl.matochik@ciab.com)

Joel Kopperud, *Vice President, Government Affairs*, 202.783.4311, [joel.kopperud@ciab.com](mailto:joel.kopperud@ciab.com)

Joel Wood, *Senior Vice President, Government Affairs*, 202.783.4400, [joel.wood@ciab.com](mailto:joel.wood@ciab.com)

## What Will Senate Actually Vote On?

If the Motion to Proceed does pass, what will the bill look like? If it fails, will there be a reach across the aisle to reconstruct it? Senator John Thune said over the weekend that if the bill fails, it's not the end of repeal. One of our fears is they let ACA fail on its own because that does not bode well for some of our issues. We are watching very closely.

## What to Watch

Council members and their clients still need to worry about a [2020 implementation of the Cadillac Tax](#). If the Senate somehow gets to 51 votes this week, every senator, including Democrats, get to offer any amendment(s) they want. If that's the case, Sen. Dean Heller might work to resurface the Cadillac Tax. We continue to work on full repeal of this tax.

The more the Administration lets the markets implode, the more fuel they give to the left. [There is a single-payer, "Medicare for all" bill \(HR 676\) out there](#). CBO recently scored it at \$32 trillion. This is a real threat to the market.

The Administration just wants a "win" before recess. House is in session for one more week and the Senate will work for two more weeks.

## Other Developments: Flood Insurance

Last week, Sens. Mike Crapo (R-ID) and Sherrod Brown (D-OH), [introduced their blueprint](#) to reauthorize the National Flood Insurance Program through September 30, 2023.

The bill has many holes and does not address any of The Council's priority issues with respect to the NFIP (i.e., expanding private market participation, facilitating data sharing by FEMA with private carriers, the WYO program, or agent compensation). We remain hopeful that we will have greater opportunities on these issues moving forward.

## Next Call

Mark your calendar—our next Healthcare PULSE call will take place on **Monday, August 28 at 2:00 p.m. ET**.

## In the Meantime...

Sign up for our Healthcare in Transition newsletter by emailing Tish Carden at [patricia.carden@ciab.com](mailto:patricia.carden@ciab.com).

---

### Contact Us

**Cheryl Matochik**, Senior Vice President, Strategic Resources & Initiatives, 202.662.4424, [cheryl.matochik@ciab.com](mailto:cheryl.matochik@ciab.com)

**Joel Wood**, Senior Vice President, Government Affairs, 202.783.4400, [joel.wood@ciab.com](mailto:joel.wood@ciab.com)

**Joel Kopperud**, Vice President, Government Affairs, 202.783.4311, [joel.kopperud@ciab.com](mailto:joel.kopperud@ciab.com)