



SIIA Sets Course for Next Round of Health Care Reform

In early December, members of the Self-Insurance Institute of America's (SIIA's) Government Relations Committee (GRC) met in Washington, D.C. to debrief on election impacts, discuss potential health care reform policy changes ahead in 2017, and plan for key advocacy activities on behalf of the self-insurance industry. As a SIIA member driven committee, the GRC is tasked with providing guidance to professional staff regarding policy positions and related advocacy priorities.

With a unified Republican government taking office in January, Congress is already in the process of planning repeal and replace options surrounding the Affordable Care Act (ACA) that will be considered early next year. As part of this process, the incoming Trump Administration will likely defer to Congress in terms of what portions of the ACA to repeal, interim fixes to the Exchange markets prior to replacing, and what longer-term modifications and replacements will look like.

Given that congressional Democrats are likely not willing to repeal a large portion of the ACA, Republicans will use a process known as “budget reconciliation”, requiring a simple majority vote in the House and Senate. The key to this process is that legislation moved under reconciliation cannot be amended once passed out of committee. In addition, only provisions that impact spending or tax revenue can be included in any reconciliation draft, meaning that using such a legislative vehicle cannot repeal all of the ACA.

Thus, congressional leaders will likely use budget reconciliation to repeal a portion of the ACA, including the Cadillac Tax, employer mandate and HSA limits. Similarly, the new Administration will also use its regulatory power to reduce or eliminate various regulatory requirements. While the congressional repeal activity is expected to occur in the first two months of the year and include a two- to three-year transition period, Congress will not pivot immediately to a longer term effort to replace the ACA. Any replacement legislation, which will need to be hashed out between the House, Senate and Administration, is expected to follow a House Republican healthcare blueprint released earlier this year.

SIIA Government Relations Committee Discussions

At the direction of SIIA GRC Chairman Larry Thompson of Pomco, GRC members discussed key components of potential ACA replacement provisions being considered by Congress and their impacts on the self-insurance industry. It was concluded that most anticipated “replace” provisions would not directly affect our industry, thus the committee agreed that SIIA should take neutral position on many these provisions.

The committee did, however, identify several provisions that could potentially affect SIIA members determining that that the association should take proactive positions as follows:

- **Oppose** limiting the tax deduction for employer-based health plans;
- **Support** strengthening of wellness programs and the use of Health Savings Accounts;
- **Support** inclusion of SIIA’s Self-Insurance Protection Act language; and
- **Support** Association Health Plan provisions contingent that actual legislative language encourages self-insured AHPs and does not create any adverse consequences to the broader self-insurance marketplace.



SIIA’s board of directors subsequently approved the GRC policy recommendations at its meeting the following day.

The GRC also reviewed and approved a SIIA comment letter in response to proposed changes to the Department of Labor (DoL) 5500 form. The letter focuses on explaining why the DOL should not be requesting information related to stop-loss insurance arrangements.

With ACA-related policy direction now provided, SIIA is already preparing for 2017 - meeting with congressional staff, building relationships through the Self-Insurance Political Action Committee (SIPAC) and having technical conversations with our members. We continue to actively advocate before Congress and the Administration for self-insured and captive insurance arrangements.

This past year, the Self-Insurance Protection Act (SIPA) was included in the Republican healthcare framework and is in a good position to be included in any future health care legislation. With your help, SIIA continues to grow and strengthen our advocacy efforts, allowing us to hit the ground running in 2017 to ensure an employer-based self-insured marketplace remains growing and vibrant.

State Government Relations Activities

SIIA is also committed to advocating on the state level to improve state laws and regulations and the GRC discussed key developments in several states. Some discussion highlights are as follows:


In **Maryland**, SIIA provided critical information about stop loss to the Insurance Administration, which issued a generally favorable stop loss report to the legislature. In **New Mexico**, SIIA has been working to allow carriers to file stop new products

and rates without meeting ACA health insurance medical loss ratios. In **New York**, SIA continues the fight to re-open the stop loss market for groups of 51-100. Finally, in **Washington**, SIA members met with insurance department staff to address some concerns about recent regulatory guidance and the department will be re-examining its form and rate filing requirements early next year.

To hear more about SIA's activities on the state and federal levels related to health care reform, make your plans today to attend the Self-Insured Health Plan Executive Forum in Tucson March 28th and 29th. In addition, you can directly participate in our advocacy process as we return to Washington, D.C. on May 3rd and 4th for the SIA Legislative/Regulatory Conference. ■

If you have questions or would like to discuss SIA's policy activities in further detail, please contact Ryan Work, Vice President of Federal Government Relations (rwork@siia.org) or Adam Brackemyre, Vice President of State Government Relations (abrackemyre@siia.org).

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