

## NAR Issue Summary

# Business / Health Insurance Reform

### **What is the fundamental issue?**

Twenty-eight percent of REALTORS® are uninsured. As part of efforts to address the health insurance needs of members, NAR has advocated for reform of the health insurance markets that provide coverage to the self-employed and small employers for more than nine years. Among the legislative approaches that NAR has advocated are small business health options plans (SHOP), small business health plans (SBHPs) and association health plans (AHPs). NAR continued to represent the interests of the Realtor community in the recently completed comprehensive health reform debate.

### **I am a real estate professional. What does this mean for my business?**

Lacking affordable health insurance, many Realtors and other self-employed individuals are unable to seek necessary medical attention or face significant financial burdens when they or their dependents need medical care. Without changes, problems with the availability and affordability of health insurance will undermine the ability of Realtors to continue in their chosen careers.

### **NAR Policy:**

NAR supports health reform measures that address the access and affordability problems that the self-employed and small employers face when looking for health coverage. Solving the problem of the uninsured must be a top legislative/regulatory priority for the nation and states.

For more information, visit [www.realtor.org/topics/health-care-reform](http://www.realtor.org/topics/health-care-reform).

### **Legislative/Regulatory Status/Outlook**

While the House passed H.R. 0002, legislation to repeal the Affordable Care Act (ACA), in January 2011 on a party-line vote of 245-189 and continues to take up bills focused on changes to the individual components of the health reform bill, these measures have not found the needed support in the Senate.

On the regulatory front, federal agencies are working on drafting the regulations needed to create the regulatory framework that Congress provided in the bill's text. To date, the Department of Health and Human Services has issued numerous requests for comment and final rules, including those of particular interest to the small business community. These include requests for input into defining what the appropriate guidelines for the new health insurance Exchanges and grandfathered existing insurance plans are, as well as benefits will be required in insurance plans deemed to be in compliance with the ACA's essential coverage provisions. The Internal Revenue Service has issued guidelines for the small employer tax credits available now to those small firms that provide coverage to their employees. NAR submitted comments on the proposed rules for the Exchanges, grandfathered plans and signed on to a business coalition comment letter on the design of benefits and coverage summaries (SBC) required for all employer insurance plans.

Increasingly the most important parts of the implementation debate are taking place at the state level. The ACA placed much of the responsibilities on the states for creating the Exchanges that will serve as the new insurance marketplace for individual and small business insurance coverage. States have until mid-2013 to decide whether to create a state-run Exchange or allow the federal government to create and

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run the Exchange within their states. Realistically, however, the decision window is much smaller since states that take on the responsibility to build an Exchange must have it up and running by January 2014. To date, states have taken an array of approaches with some moving forward aggressively to create their Exchange and others deciding not to implement any of the health reform bill's provisions, including the Exchange. The National Conference of State Legislatures has a map showing the status of the issue in each state; it can be accessed at <http://www.ncsl.org/?tabid=21388>.

Finally, a number of federal court challenges have been heard by the judicial system. Some have been thrown out, while others have been successful or remain pending. On September 28, 2011, the Obama administration asked the Supreme Court to hear its appeal of a decision by a three-judge panel of the United States Court of Appeals for the 11th Circuit, in Atlanta, that struck down the individual mandate provisions of the law by a 2-to-1 vote. The Supreme Court agreed to take the case and heard three days of arguments in the spring of 2012 on the various components of the lawsuit. The Court subsequently announced its decision upholding the constitutionality of the Act's individual mandate which had been challenged.

Copies of NAR's letters, testimony and statements, as well as NAR's health reform Q&A document and additional information on the health reform bills, are available on Realtor.org at [www.realtor.org/topics/health-care-reform](http://www.realtor.org/topics/health-care-reform).

### **Current Legislation/Regulation (bill number or regulation)**

[US HR 1213](#)

[US HR 0002](#)

OCIIO-991-IFC, The Interim Final Rules for Group Health Plans and Health Insurance Coverage Relating to Status as a Grandfathered Health Plan Under the Patient Protection and Affordable Care Act

OCIIO-9989-NC, Request for Comments Regarding Exchange-Related Provisions in Title I of the Patient Protection and Affordable Care Act,

Notice of Proposed Rulemaking: Summary of Benefits and Coverage and the Uniform Glossary (76 Fed. Reg. 52442)

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