

Health Insurance Reform

October 26, 2022

According to NAR member surveys, nearly two-thirds of the membership obtain their health insurance coverage through a spouse's employer-sponsored health plan, Medicare, or a health plan purchased in the Affordable Care Act's (ACA's) individual market. Ten to fifteen percent, however, remain uninsured.

NAR has long-advocated for affordable, high quality health insurance options to be available to real estate professionals. This includes our continued advocacy to change Federal law to allow self-employed individuals to participate in Association Health Plans (AHPs). NAR is also a founding member of a broad industry coalition working (1) to protect and promote AHPs under Federal and State laws and (2) to identify affordable health insurance alternatives for small employers and self-employed individuals alike.

Below is a progress report on NAR's continued efforts to fight for access to high quality, low cost health insurance options. Also discussed is activity among state and local REALTOR® associations and recent efforts undertaken by Congress and the Biden Administration to increase and expand the ACA's premium subsidies.

Federal AHP Efforts

In June 2018, the Department of Labor (DOL) issued Federal regulations that would have allowed self-employed individuals to access health coverage through AHPs. Unfortunately, in March 2019, a U.S. District Court invalidated these regulations preventing self-employed individuals from further enrolling in AHP plans.

Despite this very disappointing setback, NAR's coalition has continued to vigorously advocate in the Courts, Congress and the Administration to reinstate the rule. Most recently, [NAR submitted testimony](#) before the Congressional Healthy Future Task Force on how AHPs can make health care more affordable for real estate professionals. We have also been highlighting [NAR's 2022 member survey](#) highlighting where coverage gaps continue to exist.

Providing access to more affordable health coverage also continues to be a top NAR talking point with members of Congress and candidates heading into the mid-term elections this year. NAR's coalition is already gearing up for 2023 when we will be re-engaging the Administration and working with a new Congress to enact legislation to allow self-employed individuals to join AHPs. Please stay tuned.

State & Local Activity

NAR continues to support state and local association efforts to identify additional health insurance options for members. In some cases, state/local Associations are working with agents and brokers to enroll members in an ACA-compliant individual market plan through an ACA Exchange or outside of an Exchange. Other associations allow agents and brokers to market non-ACA-compliant plans and/or short-term medical or other limited benefit plans. More recently, several associations are exploring whether their



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members can access a health plan sponsored by a labor union or a health plan offered through a captive insurance arrangement. In each of these cases, associations are assessing the benefits available and relevant legal risks with providing such benefits to members, with NAR's help as needed.

ACA Subsidies

While NAR continues to advocate for AHPs, there has been some progress in helping individuals and families better afford ACA Exchange Plans. On August 16, 2022, President Biden signed into law the *Inflation Reduction Act* which extended through 2025 the ACA's "enhanced premium subsidies."

- For individuals and families below 400% of the Federal Poverty Level (FPL) (about \$55,000 for a single person and \$110,000 for a family of four), the law increases subsidies for ACA Exchange Plans. For the low-income, this could result in a \$0 health plan.
- For middle-income individuals/families, the subsidies do phase out, but on average, could cover around 80% of the individual/family premium.
- Above 400% of FPL, individuals/families are only required to pay 8.5% of their income toward an ACA Exchange Plan. This could help cover 60-70% of the premium between 400% and 600% of FPL but may not be attractive to higher income individuals/families.

Importantly, to access these subsidies, the individual/family must purchase an individual market plan through an ACA Exchange and cannot be offered an affordable/minimum value employer-sponsored plan. Please also note that these subsidies are temporary unless Congress approves another extension before the end of 2025.

Conclusion

NAR will continue to vigorously advocate for high-quality, low-cost health insurance options – whether through AHPs, under the ACA, or qualifying under State laws. Together with the broad industry coalition, we will continue to work with Congress, the Administration, and through the courts to represent NAR members on a top member priority.

