

NAR Frequently Asked Questions

Health Insurance Reform

NAR ADVOCACY POSITIONS

Q-1: Did NAR support the health reform bills?

A: NAR did not take a formal position, for or against, the comprehensive health reform bills debated over the past two years.

Throughout the health care debate, however, NAR met regularly with Members of Congress and their staffs, as well as The Administration, to voice our concerns about the insurance underwriting, rating, mandate and coverage components different of proposed legislation. Additionally NAR testified and submitted testimony at congressional reform hearings, and submitted letters outlining our position on various proposals.

Copies of NAR's testimony and letters to Congress throughout the process can be found at www.realtor.org/healthreform under "NAR Takes Action."

Q-2: Did NAR support an individual mandate?

A: NAR had reservations about the individual mandate and has communicated those concerns to both the House and Senate throughout the reform debate. As self-employed individuals and small business owners, NAR's members have experienced first-hand how difficult it is in today's world to find affordable health insurance. Consequently, NAR worked hard to educate members of Congress on the potential unintended consequences of an individual mandate that does not take into account the fact that even with tax credit assistance, many individuals and families will not be able to afford the required coverage. Polling of NAR's members showed that members were split on the question of individual mandates, so NAR's Board of Directors took no formal position.

Q-3: Did NAR support an employer mandate?

A: No. NAR's Board of Directors adopted formal policy opposing the creation of a mandate for employers to provide health insurance for their employees. An employer mandate creates burdensome new costs for small businesses that are already strained in today's economy. An "employer mandate" could affect REALTOR® sales agents who employ assistants and broker/owners who employ

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salaried workers such as receptionists, bookkeepers, office managers, secretarial staff, transaction coordinators and the like. However, the Acts exempt small employers (under 50 employees) from the employer mandate.

Q-4. Did NAR oppose this new tax on capital gains and rents?

A. Yes. Despite the fact this provision was a last minute addition to HR 4872, the Budget Reconciliation Act, NAR expressed its opposition to the new tax provision to tax committee staffs and sent a strongly worded letter to Congress opposing the new revenue raiser.

Q-5: Did NAR support a health insurance Exchange?

A: Yes. Realtors® and the other self-employed workers know how difficult it is to find objective and comprehensive information that enables them to make informed decisions on the health insurance plan best suited to their needs. An Exchange will provide a one-stop shop where consumers could find a complete list and description of health insurance policies available in a given area. The Exchange is directed to make “apples to apples” comparisons of policies. It will also provide individual assistance to help Exchange participants find policies that best fit their particular circumstances.

An Exchange should reduce the administrative overhead and inefficiencies that presently contribute to the high cost of health insurance premiums in the individual and small group markets. To maximize the cost savings, NAR had suggested that the number of Exchanges be limited to one national Exchange or a limited number of regional Exchanges, rather than a system of 50 or more mini-Exchanges.

The Acts do set up a system of 50 state exchanges, but also allow for states to join together in compacts to allow for interstate pooling, and insurers to offer multi-state plans as NAR has advocated for in the past. The Acts also provide for a federal “backup” exchange, should states not create their own.

Q-6: Did NAR support the so-called public plan option?

A: No. NAR raised a number of concerns with a public plan option in its letters and other communications to the House and Senate. NAR’s correspondence pointed out

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that (1) markets function best when there is a level playing field between all providers of a given service, (2) it is extremely difficult, if not impossible, for private firms to compete with the federal government and (3) the potential for “crowding out” privately-provided insurance plans is a major concern to Realtors. We also stressed that the debate over a public plan option had the potential to derail much needed underwriting, rating and administrative reforms.

The Acts passed do not contain a public option.

Q-7: Did NAR support efforts to allow the federal government to determine what benefits would be required for the new Exchange insurance plans?

A: NAR recognized the problems created by 50 very different sets of state rules and supported the creation of a uniform, set of benefit mandates that would create efficiencies and encourage insurance companies to re-enter markets and thereby increase competition.

NAR strongly believes that care must be taken to ensure that benefit coverage requirements are crafted so that products are affordable and designed to meet the needs of a population that varies in its need for covered services.

NAR believes, given the proposed individual and employer mandates, any decisions as to what benefits are required must be made with input from those who will be required to purchase the product, i.e. individuals, the self-employed, as well as small and large employers. Without an affordable option, the best reform plan will fail to meet the needs of households for accessible coverage. For this reason, we believe that the self-employed and small employers must be included in body that would determine what benefits must be covered.

Q-8: Did NAR support “single payer” healthcare?

A: No. NAR does not support a “single payer” approach to healthcare. NAR has formal policy opposing a single payer approach and communicated that opposition to members of both the House and Senate. Single payer is a system in which the government manages all insurance regulation, utilization and payments. Under

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some single payer systems doctors themselves are employees of the system. Other single payer systems are more like a public-private operation in which doctors remain private practitioners but the government manages and regulates health care delivery. Medicare is a single payer system.

The Acts do not create a “single payer” system.

Q-9: Where can I go to get more information?

A: For more information and copies of all of NAR’s letters and statements to the Hill, please go to REALTOR.org’s Health Insurance Reform webpage, located at www.realtors.org/healthreform.