NAR Issue Summaries

Insurance / Health Insurance Reform

NAR Committee:

Insurance Committee

What is the fundamental issue?

Congress should provide high-quality, low-cost health coverage options for small businesses and self employed individuals, including real estate professionals.

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

REALTORS®and other self-employed individuals can face significant financial burdens when they purchase health insurance or seek needed medical care. The ACA made significant changes to insurance company underwriting and rating practices to address access to health insurance meeting minimum benefit requirements.Rising health care costs, however, continue to be an issue for those who are not able to take advantage of the ACA premium tax credits that reduce the cost of coverage for low- and moderate-income households.

NAR Policy:

Supports improving access to affordable health insurance options for self-employed individuals and small employers, including allowing bona fide trade associations to offer association health plans (AHPs) to NAR members. NAR's health advocacy efforts are guided by the following public policy principles:

1. The Nation and its health care system are best served by having all citizens covered by health insurance.
2. Health care coverage and/or insurance should be made available to all.
3. Individuals should have health care coverage that is continuous, i.e. allows for no gaps in coverage.
4. Individuals should have the ability to choose their preferred health insurance plan from an array of policy options that offer choices in the scope of covered services and policy costs.
5. Health care coverage should enhance health and well-being by providing preventive health services and chronic disease management services.
6. The health care delivery system must provide cost effective, quality care in an efficient and timely manner in order to be affordable and sustainable for society. Cost containment, therefore, must be a component of any reform effort.
7. A “single payer” health care system in which the government pays for and allocates health care services should be opposed.
8. Employers should not be required to offer employee health insurance programs.

Opposition Arguments:

Opponents of federal efforts to address health insurance reforms believe that insurance is the rightful

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purview of state governments. Since the passage of the McCarren-Ferguson Act, state governments have had the responsibility for insurance market regulation.

Legislative/Regulatory Status/Outlook

Before the Affordable Care Act, NAR surveys showed that 28-33 percent of REALTORS® were uninsured. As a result, NAR has long advocated for health insurance reforms to help self-employed individuals and small employers, including small business health options plans (SHOP), small business health plans (SBHPs), and association health plans (AHPs).

Affordable Care Act Reforms

The Affordable Care Act (ACA) changed insurance practices to ensure access to health insurance with minimum benefits. Insurance companies can no longer deny coverage based on health status, preexisting conditions, past claims, age, gender, line of work, or other factors. The ACA limits pricing factors to residence, age, number of covered individuals, coverage level, and tobacco usage. While the ACA helped, 10-15 percent of NAR members remain uninsured. High deductibles and narrow provider networks also continue to be an issue.

Association Health Plans

While continuing to support key ACA protections, NAR is advocating for Association Health Plans (AHP) to allow bona fide trade associations to offer high-quality, low-cost health coverage options to their members. Here is a brief overview of NAR's efforts:

- On June 21, 2018, the Department of Labor broadened the definition of “employer” to include self-employed individuals and small employers in AHPs under the Employee Retirement Income Security Act. NAR supported this rule.
- On March 28, 2019, the U.S. District Court for the District of Columbia ruled parts of the rule unlawful, including the “working owner” provision. The Department of Labor appealed.
- On November 14, 2019, the D.C. Circuit Court of Appeals heard the appeal. NAR supported the appeal, but the Biden administration withdrew it.
- On April 29, 2024, the Department of Labor rescinded the 2018 AHP rule. NAR opposed this and filed comments to highlight that AHPs offer high-quality, low-cost health coverage to small businesses and self-employed individuals, including real estate professionals.

NAR supports the Association Health Plans Act to restore access to AHPs for small employers and self-employed individuals and will continue to advocate for policies that improve access to affordable health care options.

Current Legislation/Regulation (bill number or regulation)

US HR 2528: Association Health Plans Act

Insurance / Health Insurance Reform

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