

Legislative Brief

Will Congress Repeal Health Care Reform?



On March 23, 2010, President Obama signed historic health care reform legislation – the Patient Protection and Affordable Care Act (PPACA) – into law. Even before its enactment, controversy surrounded the health care reform law. The law continues to be at the center of partisan debate, especially with the recent changes in Washington.

In November 2010, Republicans took control of the House of Representatives. As promised, efforts to repeal the health care reform law followed soon after. So far, these efforts have not been successful, facing the challenge of a Democrat-controlled Senate and the promise of a veto by President Obama.

Tailor Made Benefit Solutions is monitoring the health care reform debate and will alert you to any significant changes in the law.

Attempts to Repeal the Health Care Reform Law

In January, the House passed repeal legislation by a vote of 245 to 189, with three Democrats crossing the aisle to vote with their Republican colleagues. The Senate also voted on repeal in February. However, that attempt was defeated, with Senators voting along party lines. Sixty votes were required for repeal; the measure failed 47 to 51.

It is possible that further attempts to repeal the health care reform law will be introduced in Congress. If any of these attempts are successful, Tailor Made Benefit Solutions will provide you with information on the status of the law.

Potential Health Care Reform Changes

Because full repeal of the health care reform law will be difficult, Republicans have indicated that they will use other strategies to prevent the law from being fully implemented in its current form. These strategies include replacing, rather than repealing, parts of the law, or repealing the law “piece by piece,” using approaches like blocking funding or regulations.

Provisions of the law that may be revised or repealed include:

- The requirement for businesses to report payments in excess of \$600 on a Form 1099;
- The employer responsibility provisions, which provide that employers can face penalties for not providing a certain level of health coverage to employees;
- The individual responsibility requirement, which imposes penalties on individuals who do not obtain coverage;
- The Cadillac Plan tax on high-cost, employer-sponsored health plans;
- The tax on manufacturers of medical devices; and
- Cuts to Medicare.

Republicans have also suggested changes to the planned health insurance exchanges, which will take effect in 2014, to give states more power in designing the exchanges. However, members of the GOP have also said that they may want to keep some of the law's provisions that are popular with consumers. Some experts have warned that keeping some parts of the law while repealing others may not be practical.

Democrats are standing behind the health care package and some exit polls show that the public is split on whether health care reform should be repealed. However, party leaders, such as President Obama and Senate Majority Leader

Legislative Brief

Will Congress Repeal Health Care Reform?

Harry Reid (D-Nevada) have indicated a willingness to revise some portions of the law, especially if changes will bring faster and more effective reform to the health care system.

What's Next?

Despite the various attempts to repeal the law, and potential future changes, the health care reform law as we know it is the law. Employers and health plan sponsors should make sure they are implementing the requirements as they become effective. If any changes are made to parts of the law that have already taken effect, there will likely be time for employers and plan sponsors to put changes into place.

Tailor Made Benefit Solutions will continue to update you on developments related to the health care reform legislation.

This Tailor Made Benefit Solutions Legislative Brief is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice.

Content © 2010-2011 Zywave, Inc. Images © 2000 Getty Images, Inc. All rights reserved.

EAS 11/10/; 2/11