

CONGRESS MAY RUIN THE INSURANCE RISK POOL

POOL ANNOUNCEMENTS

Congress may cap the "employer exclusion," which allows employers to make tax-free contributions towards employees' health insurance. **Let's look at what could happen** if Congress starts taxing employer-sponsored plans.



BOB, 59
Manager



BARBARA, 58
Self-Employed

Bob's employer might stop offering insurance because of the new taxes. He and his wife Barbara would then **pay over \$1,100 per month** for a plan they'd buy on the individual marketplace – about **double what they paid for their work-sponsored plan**.¹ When Bob had job-based insurance, his share of the cost was much lower, because risk was spread among workers of all ages.



SARAH, 40
Small Business Owner

Sarah could find herself **paying thousands of dollars in new taxes** on her employees' health premiums. She might consider dropping coverage – but she should know that almost **half of workers say they'd quit** within a year if their employers stopped offering insurance.²



RACHEL, 27
Teacher

Middle-class Americans, not just the wealthy, would **pay more in tax**. Rachel's salary is modest, but the health plan provided by her school is very generous. So she could face a big tax hike. Rachel's not alone. **More state and local government employers would be exposed to taxes** on high-cost health plans **than finance firms**.³



¹<https://www.healthcare.gov/see-plans/#/plan/results> Based on a Silver plan for a 59-year old couple w/ low medical usage, \$100k combined income, living in Chester County, PA (zip 19352)

²<https://www.ahip.org/wp-content/uploads/2016/06/accnture-employer-beware.pdf>

³<http://inq.sagepub.com/content/48/4/322.long> pg 328