

bailey benefit news

This update is sent periodically to keep you informed of employee benefit plan issues that may impact your organization.



Health Care Reform Update

Late Sunday night, Congress passed the Senate's health reform bill "Patient Protection and Affordable Care Act" (H.R. 3590). Moments after passing the bill, members of Congress voted on a companion bill, HR 4872, which contained a number of "fixes" to the Senate's original bill. These "fixes" were pre-negotiated deals made during the previous weeks that made the bill more palatable to Democratic members of Congress.

The next step in the process of finalizing a health care reform bill is for President Obama to sign the Patient Protection and Affordable Care Act, thus enacting the bill into law. At the same time, the Senate will begin the process of passing the House changes. This will likely take place sometime this week. In order for the bill to pass, fifty-one Senators must vote for the bill. In the event of a tie, the President of the Senate, Vice President Biden, will cast the deciding vote. If there are any changes made to the companion bill within the Senate, the bill must then go back to the House for their vote. The final bill must be identical and passed by both the House and the Senate before being signed into law by President Obama.

The timing of the companion bill, HR 4872, is the unknown. If the Senate passes the House bill as is, it is likely that we could have a final version of the health care reform bill in the next few weeks.

Bailey & Company has been following and analyzing the varying bills throughout this entire process. There are a few changes within the bill that will need to be made in the near future, however, most of the changes do not take effect until 2014. In fact, for most of our clients, we anticipate this bill will have minimal impact on the benefit programs offered to their employees.

We will be working diligently with our legal counsel on provisions contained within the Senate bill as well as the companion bill. We will do this as quickly as possible and then we will host a seminar on health care reform. We will also be evaluating the impact of the bill on your company as well as making recommendations on what change is needed for your organization to comply.

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