

Hoyer: Reform Makes It Easier & More Affordable for Non-Profits to Offer Insurance to Employees

LANDOVER, MD – Today, Congressman Steny H. Hoyer (MD-5) met with local non-profits to discuss the impact of the Affordable Care Act. Hoyer was joined by a panel of experts – including Lois Lerner, Director of Tax-Exempt Organizations for the IRS; David Thompson, Vice President of Public Policy for the National Council on Non-profits; and Henry Bogdan, Director of Public Policy for the Maryland Association of Nonprofit Organizations – to discuss various policies in the law and how they will help non-profits in the Fifth District access affordable health care for their employees.

Below are Congressman Hoyer’s remarks as prepared for delivery:

“Last year, Congress passed long-needed reforms to our health insurance system. We stopped abusive behaviors by insurance companies – and we put Americans back in charge of their health care.

“Insurance companies can no longer discriminate against children with pre-existing conditions – a protection extended to everyone by 2014. You can no longer get ‘too sick’ for your insurance – the days of arbitrary annual and lifetime limits are over.

“Seniors are participating in a stronger Medicare program. The law extended Medicare’s solvency by 12 years and improved wellness benefits – allowing seniors to get free annual checkups and ending copays for preventive care.

“Small businesses – including non-profits – are gaining greater access to more affordable health care policies. Last year, a new small business tax credit took effect. This credit will help make health care more affordable for small businesses.

“As first drafted, this credit didn’t work for non-profits. So you contacted your representatives

and made suggestions about how it could work better. As a result, this new tax credit works for all small businesses – including non-profits. It is available to any nonprofit with fewer than 25 employees and average wages of less than \$50,000. It is a two-year credit, and for tax-exempt businesses, it is worth up to 25% between now and 2013 – and as much as 35% in 2014 and after. And it is refundable, so those of you who are tax-exempt can still claim it.

“The new law also creates state health insurance exchanges. Opening in 2014, these new health care marketplaces will function kind of like an Expedia or an Orbitz for health care. Today, when you want to buy a plane ticket, you go online. You can compare prices between all of the airlines. You can decide if you want to fly direct, or if you’re willing to have a layover to save a bit on price.

“The exchange will be like that: an open marketplace that will enable you to find the best plan for your needs at the best price for your business. Any nonprofit with fewer than 100 employees can go into the exchange. You can band together with other businesses and maximize your purchasing power to buy more affordable health insurance.

“The law also promotes personal responsibility, through provisions that help employers encourage their workers to be healthier. Non-profits are eligible for grants to start employee wellness programs. And, the law makes it easier to offer employees incentives to be healthier – such as lower co-pays or premium discounts.

“Now, I would be remiss if I didn’t spend a moment on a provision that I know is giving many of you heartburn – the new 1099 reporting requirement. I understand your concerns – and last summer, I voted to repeal it from the law. Congress agrees that it needs to be repealed – what we’re hung up on is how we pay for it. I believe that members of both parties need to work together to find a pay-for that we can all accept – and we’re working on that.

“On the whole, I think that the new health reform law will make it easier and more affordable for non-profits to offer insurance to your employees.”