

Rep. Tom Price Nominated to HHS Secretary

On November 29, President-elect Donald Trump announced he will nominate House Budget Chairman Tom Price (R-GA) to head Health and Human Services. Congressman Price, a Georgia Republican and orthopedic surgeon, is one of the most vocal opponents of the Affordable Care Act (ACA) and his nomination sends a strong signal that the ACA will be significantly diminished under the Trump Administration. In addition to the ACA, Price has also suggested that restructuring Medicare and Medicaid are also on Congressional Republicans' near-term agenda.

Price's nomination may also signal a threat to the continuity of the income tax exclusion for employer-provided benefits. In the current Congress, Price proposed limiting the exclusion to \$20,000 for a family or \$8,000 for an individual.

To catch a glimpse of Congressman Price's philosophy on health policy, here are a few highlights from HR 2300 Empowering Patients First Act, the ACA "repeal and replace" bill Price co-authored in the last Congress:

- Provide refundable, age adjusted tax credits to those who purchase health insurance through the individual market. Credit amounts tied to the average cost of insurance on individual market adjusted for inflation.
 - \$1,200 for those between 18 and 35 years of age
 - \$2,100 for those between 35 and 50 years of age
 - \$3,000 for those who are 50 years and older
 - \$900 per child up to age 18
- Allow individuals enrolled in employer subsidized group health plans to opt out and receive a credit instead.
- Allow for income tax exclusion for health care coverage up to \$20,000 for a family and \$8,000 for an individual.
- Provide incentives for employers to adopt automatic enrollment and defined contribution options.

Obviously, a great deal of uncertainty still remains as to the specific direction and timing of any changes to the employee benefits and health insurance landscape as we know it. We will continue to monitor the activity in Washington and notify you of developments as they occur.