

BENEFITS INSIDER A Member Exclusive Publication

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WEB's **Benefits Insider** is a bi-monthly member exclusive publication providing the latest developments from Washington, DC, on matters of interest to employee benefits professionals. The content of this newsletter is being provided through a partnership with the American Benefits Council, a premier benefits advocacy organization, which provides its core content, and is edited by Christopher M. Smith, Employee Benefits attorney and Principal of Flexible Benefits Systems, Inc., <u>csmith@fbsi.com</u>.

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RECENT LEGISLATIVE ACTIVITY

Final Spending/Debt Limit Deal Mostly Sidesteps Benefits Issues

On October 16, lawmakers in the U.S. Senate reached agreement on <u>a measure</u> that would temporarily fund government operations through January 15 and raise the debt limit through February 7. The Senate approved the measure by a vote of 81-18 (with 25 Republicans joining the Democratic caucus). U.S. House of Representatives followed by approving the measure by a vote of 285 to 144 (with 87 Republicans joining the Democratic caucus) and President Obama signed the bill shortly after midnight on October 17. With the federal government re-opened, regulatory agencies have already begun building back up to full capacity.

Lawmakers had been considering a number of benefits provisions as part of the legislation, either as modest policy concessions or as federal revenue offsets.

For example, the measure **does** include a requirement that the U.S. Department of Health and Human Services (HHS) certify its ability to verify the incomes of those receiving subsidies for the purchase of health insurance within the Patient Protection and Affordable Care Act (PPACA) exchanges.

However, it appears that most of those provisions are not included in the final package. The measure *does not* include the following provisions that had been discussed:

- A delay in the collection of the Transitional Reinsurance Fee the per-enrollee fee on health insurance issuers and plan administrators (on behalf of self-insured group health plans) which will finance the transitional reinsurance program in 2014 through 2016;
- Delay or repeal of the PPACA medical device tax;
- A prohibition on providing members of Congress and their staff subsidies for health coverage that they are required to obtain through insurance exchanges;
- Extension of defined benefit pension plan funding stabilization measures included in the Moving Ahead for Progress in the 21st Century (MAP-21) Act of 2012; or
- An increase in Pension Benefit Guaranty Corporation (PBGC) premiums paid by defined benefit plan sponsors.

The measure establishes a procedure for convening a Senate-House conference on a budget resolution, with a December 13 deadline to reach a final compromise. It is possible that the benefits-related provisions (and others) could arise in these negotiations, especially if revenue offsets become necessary.

RECENT REGULATORY ACTIVITY – Nothing to Report This Period

RECENT JUDICIAL ACTIVITY – Nothing to Report This Period