



Moving Forward After Collapse of Healthcare Reform

By Harrison Stone

The GOP's "skinny" ObamaCare repeal bill, officially known as the Health Care Freedom Act, was defeated 49-51 on July 28 after Republican Senator John McCain and two GOP colleagues voted against it.

"It's time to move on," Senate Majority Leader Mitch McConnell said after the bill came up just one vote short of passage.

For Senate Republicans, Senator McConnell's words likely point to tax reform as the next legislative arena for the GOP. For now the Affordable Care Act remains the law of the land, and Republicans and Democrats called for bipartisan debate aimed at updating that law shortly after Friday's vote.

"We must now return to the correct way of legislating and send the bill back to committee, hold hearings, receive input from both sides of aisle, heed the recommendations of the nation's governors, and produce a bill that finally delivers affordable health care for the American people," Senator McCain said in a statement after the vote. "We must do the hard work our citizens expect of us and deserve."

It would be encouraging to see Congressional Members coming together in a bipartisan manner to fix our nation's ailing health care system.

Until that occurs or Congress manages to pass revised GOP health care reform, employers will need to remain focused on providing ACA-compliant health benefits to their workforce.

Benefits advisers will likewise continue to keep compliance requirements top-of-mind when working with organizations to structure suitable benefits packages.

What about plan participants? They remain rightfully concerned about both immediate and long-term health care costs.

In a recent ConnectYourCare [study](#), 63 percent of participants said their biggest retirement concern was paying for health care costs rather than other expenses like housing, vehicle payments, and travel.

Health savings accounts (HSAs) continue to be the most effective tool for empowering end users to save for these health care expenses.

This is why expansion of HSAs was a common element present in all Republican proposals – from the original American Health Care Act to the most recent Health Care Freedom Act and everything in between.

Some of the proposed policy changes that would have enhanced HSAs included empowering users to pay for insurance premiums with tax-free distributions; increasing the annual contribution limit; allowing catch-up contributions to the same account by spouses; and defining over-the-counter medications as eligible expenses.

While finding room on the agenda would be difficult, nothing precludes Congressional leaders from revising the rules governing HSAs as a small step forward in larger health care reform.

This would put more focus on the participants, providing them with greater control of their health care spending and savings.

Americans deserve a health care system that is sustainable and driven by consumer choice. I remain confident that is the direction of the future.

For now, employers and brokers must continue to help employees make the most of HSAs as they exist today through education around the capabilities of these accounts and the savings opportunities they present.

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