

CONGRESS SHOULD REPEAL THE Health Insurance Tax (HIT)

Unless the HIT is Repealed, Consumers, Seniors, and Employers Will Pay More

Repealing the HIT will help to lower premiums, prevent further disruption, and ensure market stability.

Full repeal of the HIT is one of the quickest and easiest ways to lower health care costs and will:

- Relieve benefit pressure on seniors for 2018 which they will feel in the early fall of 2017.
- Relieve premium increases in the commercial insurance markets for 2018 which are being priced now and will build throughout 2017.

What Is the HIT?

- The HIT is a multi-billion dollar annual tax – created by the Affordable Care Act – on health insurance premiums.
- It increases the cost of health insurance for millions of Americans, small businesses, and State Governments.

Who Pays the HIT?

- Over the course of a decade a typical family health insurance policy is increased by \$5,000 due to the HIT.
- Nearly 50% of the tax falls on Americans earning between \$10,000 and \$50,000 per year and on government programs like Medicare and Medicaid.

Medicare Advantage

Approximately 25% of the HIT falls on Medicare Advantage and Part D plans.

To beneficiaries, this means:

- An additional \$350 in premium costs per year in Medicare Advantage.
- An additional \$17 per year in Part D premiums.

Medicaid

The Tax on Medicaid is estimated to cost States \$1,530 per enrollee over a decade, and has the effect of the Federal government taxing the States

Employers, individuals and families

Employers, individuals and families purchasing coverage on their own bear 60% of the HIT burden.

The HIT costs:

- Small employers \$210 per employee
- Families an extra \$530 per year.

Congress should repeal the HIT to help protect consumers, seniors, and employers from paying even higher premiums.