



AMERICAN BENEFITS  
COUNCIL

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## NEWS RELEASE

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*Nationwide poll reveals:*

### **Voters reject ACA replacement proposals that would tax employer-sponsored health benefits**

WASHINGTON, DC – “A nationwide poll of voters confirms that Congress would be making a huge mistake – as a matter of both policy and politics – if they replace the Affordable Care Act (ACA) with a plan that taxes employer-sponsored health coverage,” American Benefits Council president James A. Klein said today. “Congress needs to stabilize the individual insurance marketplace and not destabilize employer-sponsored benefits that covers ten times as many Americans,” said Klein.

When Americans receive their health care coverage through an employer, the cost of that coverage is not treated as taxable income or wages to the employee – the cost of the coverage is “excluded” from an employee’s taxable income. Numerous Republican health reform proposals – including their “A Better Way” blueprint – suggest capping the exclusion, which would increase taxes on millions of middle class Americans.

“The highly successful and stable employer-sponsored health insurance system covers 177 million Americans and longstanding tax policy protecting employees from taxes on this benefit is a big reason why,” Klein said.

Public Opinion Strategies, a nationally respected public polling firm, conducted a nationwide online survey of 600 registered voters from January 4-6, 2017. These findings indicate that voters are extremely dubious about the proposed cap on the exclusion. [A PowerPoint slide deck with the full results](#) is now available, **embargoed until 10 p.m. Eastern Time on Tuesday, January 31.**

Key findings include:

1. **When given arguments for and against the cap, voters rejected the arguments for the cap by a two-to-one margin.** (Slide 12)
2. **Voters are more likely to support their representatives' re-election if the representative opposes the cap.** This support for representatives who oppose the cap is true across voters' party affiliation or what party holds the seat. (Slide 10)
3. **In voters' minds, the worst potential outcomes of the cap are the most likely to happen, and vice-versa.** Voters were generally dubious of assumptions that the cap proposal would lead to reduced costs, higher wages and expanded coverage; but they expressed concern that it would lead to less employer coverage, fewer choices and higher out-of-pocket costs. (Slide 15)

"Taxing health benefits doesn't save money, it simply shifts costs to working families," Klein concluded. "This data reinforces what voters have said time and time again: don't tax our health care."

For more information on employee benefits policy matters, or to arrange an interview with Klein, contact Jason Hammersla, Council senior director of communications, at [jhammersla@abcstaff.org](mailto:jhammersla@abcstaff.org) or by phone at 202-289-6700 (office) or (202) 422-4652 (cell).

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*The American Benefits Council (the Council) is a national nonprofit organization dedicated to protecting and fostering privately sponsored employee benefit plans. The Council's members are primarily large multistate U.S. employers that provide employee benefits to active and retired workers and their families. The Council's membership also includes organizations that provide employee benefit services to employers of all sizes. Collectively, the Council's members either directly sponsor or provide services to retirement and health plans covering millions of Americans.*