



The 2020 Election and Its Impact on Employee Benefits and HR

November 5, 2020

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Agenda

Welcome

Election: Where We Are Today

Congress and Chemistry

Health Policy Agenda

Retirement Policy Agenda

Health and Retirement Deeper Dive Webinar – November 12

Today's Presenters



Kathy Bakich
SVP & Practice Leader,
National Compliance,
Health



Jim Klein
President, American
Benefits Council



Tami Simon
SVP & Global Corporate
Consulting Leader



Serena Simons
SVP & Practice Leader
National Compliance,
Retirement

Election

Where We Are Today

- **Presidential race**
- Legal challenges
 - Deference to states
 - But maybe less so if states changed the rules
- **Congress: Democrats underperformed**
 - **Senate:** 23 vs. 12 opportunities
 - **House:** Likely GOP **gain** of 8 to 10 seats
- At least one (possibly two) Senate seats to be decided in January



Congress and Chemistry

- Post-election “lame duck” session
- Imperative for further COVID-19 relief
- After inauguration: Senate confirmation of executive branch officials
- Klein’s Chemical Formula:
 - $D(WH) + D(HOR) - R(S) = RRRRRRRRRR^{10}$
- Corollary: Substitute R (WH) results in same chemical reaction



Time to Get Your Opinion

Which ONE of the following sources do you believe your participants/employees trust the most to provide affordable, high-quality health insurance coverage?

1. Plans provided by employers
2. Plans provided by the federal government
3. Plans provided by their state government (e.g., public exchanges)
4. Plans purchased in the individual health insurance market

Health Policy Agenda

ACA

- SCOTUS: *California v. Texas*
 - Constitutionality of the law
 - Potential outcomes (Note: Court of Appeals decision)
 - Timing?
- Significant impact regardless of election outcome
 - Upheld: Build upon ACA
 - Struck down: Greater Democratic pressure for government role
 - Glass half-full? Bipartisan agreement on limited ACA measures
 - Support for the individual market
- Will the group health plan mandates be impacted by this decision?



Health Policy Agenda

Other Initiatives

- Surprise billing
- Transparency
- Prescription drugs
 - Costs
 - Importation
- Mental health parity
- *Bostock* case



Time to Get Your Opinion

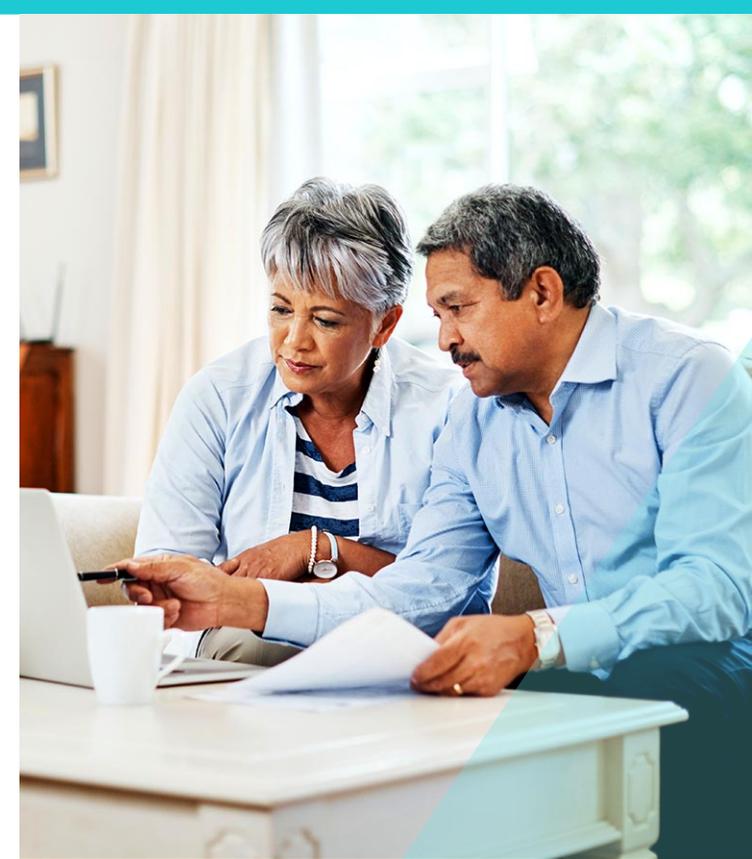
Which ONE of the following sources do you believe your participants/employees trust the most to help them achieve a secure retirement?

1. Plans provided by employers, through a pension or 401(k)-type plan
2. Plans provided by the federal government
3. Plans provided by their state government
4. Financial products purchased by individuals

Retirement Policy Agenda

Defined Contribution

- Bipartisan tradition e.g. Portman/Cardin, Neal/Brady, Kind/Kelly
- Mandatory offer of a retirement savings plan
- Mandatory auto enrollment and auto escalation
- Reduce threshold for part time employees to participate
- Expand Savers Credit
- Larger catch-up contributions for workers age 60+
- Employer 401(k) contributions to “match” student loan payments
- Opportunity for other savings vehicles?
 - Biden/Harris proposal; existing state savings programs



Retirement Policy Agenda

Defined Benefit

- DC & DB
 - Data registry and possible safe harbor for missing participants
 - Increase Minimum Required Distribution to age 75
- Defined benefit plan funding reform
 - Single employer funding
 - Success (finally?) on multiemployer plan reform?
- Low interest rates impact

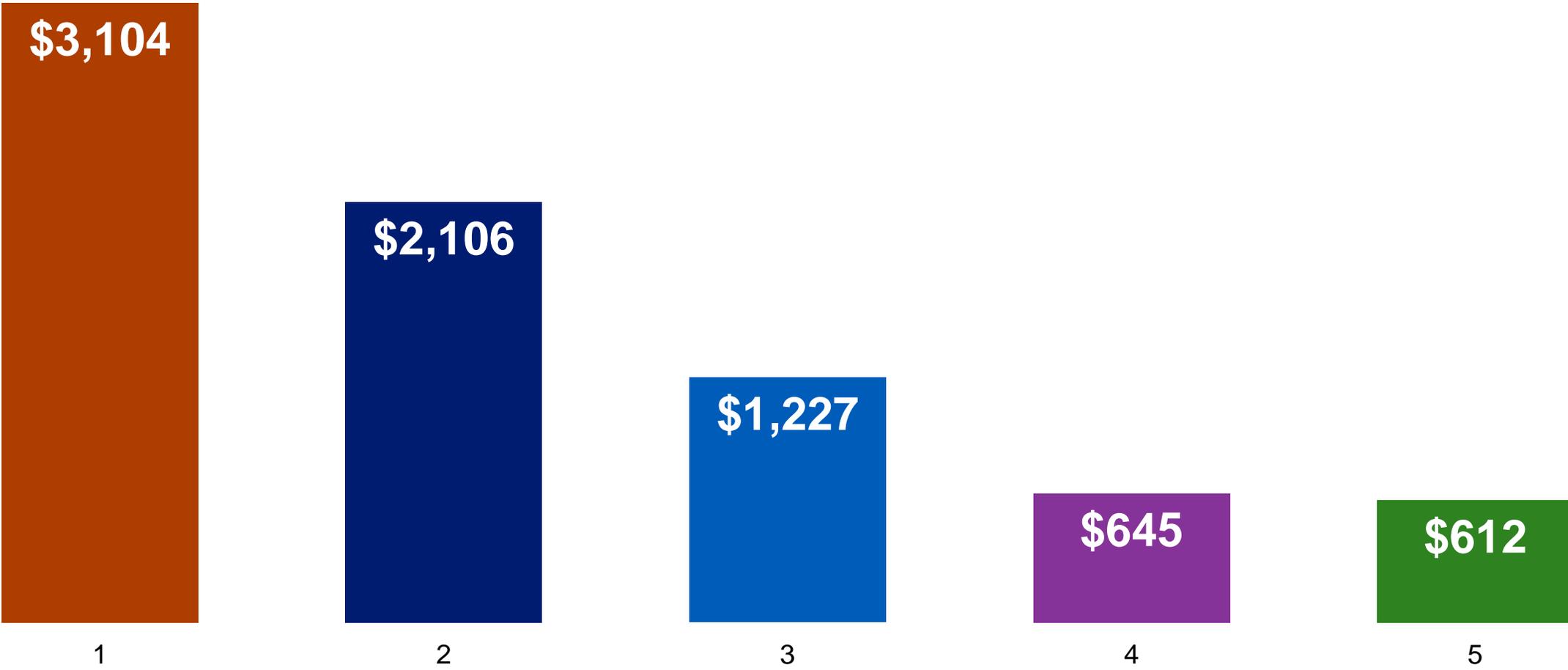
Time to Get Your Opinion

Do you believe your plan participants/employees would make contributions to any of the following benefits [select all that apply]:

1. Programs setting aside money for emergencies
2. Programs helping to pay down debt (e.g., credit card, student loans)
3. Eldercare expenses (e.g., transportation, medical coordination, nursing home consultation, legal documents)
4. Programs setting aside money for down payment and/or expenses to buy a home

Tax Expenditures 2020–2029

Projected Dollars in Billions



Source: U.S. Office of Management and Budget (OMB), *Analytical Perspectives, Budget of the United States Government, Fiscal Year 2021*

Want to Learn More?

Join our health and retirement deeper dive webinars on November 12

- **Health:** 12:00pm – 1:00pm ET
- **Retirement:** 1:15pm – 2:15pm ET

Register at segalco.com/consulting-insights

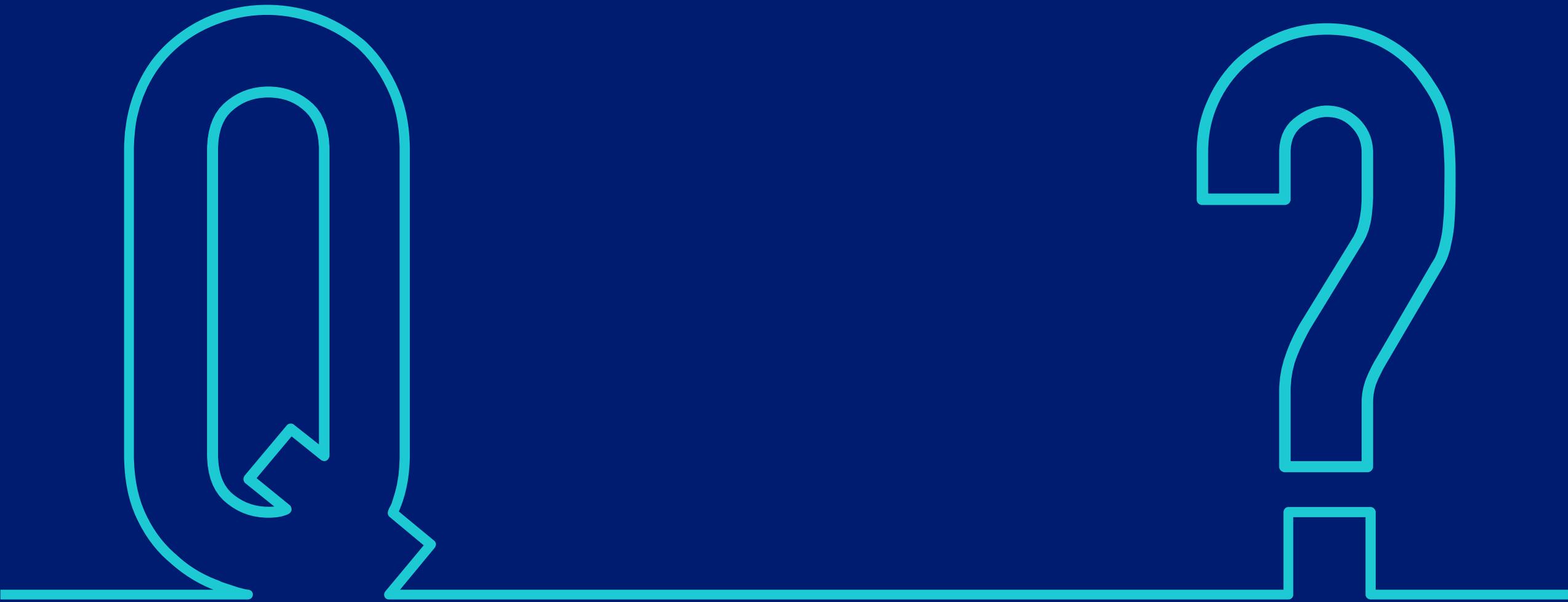


November 2, 2020

What We Know Now: Benefits and the 2020 Election

Join us on November 12 as we continue to examine the impact of the election on employee benefit plans and workers in 2020 and beyond.

[Register for the Webinar >](#)



Thank You