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## bailey benefit news



### ACA Taxes Addressed in Budget Negotiations

Yesterday, the government shutdown ended with a three week extension of the federal budget. The Republicans were able to sway enough Democrats to vote for this extension by providing funding for the Children's Health Insurance Program (CHIP) for the next six years.

CHIP was created in 1997 to provide health insurance for low and middle-income children. The program has worked and the uninsured rate for children has fallen in half since the creation of CHIP.

The negotiations also included a temporary delay in three health care related Affordable Care Act taxes. The taxes were initially implemented to offset the cost of expanding insurance coverage but all three have been delayed or suspended previously.

The health care taxes addressed are a delay of the Cadillac Tax (the 40% excise tax on all high premium cost health plans) until 2022, a suspension of the health insurance tax which is tax included on all fully insured health programs for the 2019 calendar year and a two year delay of the medical device tax.

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