A POLICY FORUM LIKE NO OTHER
POLICY + RESEARCH = A POLICY FORUM LIKE NO OTHER

Monday, December 7 — Election Results: What They Mean for Employers and the Benefits Landscape

Tuesday, December 8 — The Full Picture: Retirement, Financial Wellness, and Health Benefit Considerations of Minorities in the U.S.

Thursday, December 10 — The Stand: Employer Approaches to Health Benefits Post-COVID-19
THANK YOU POLICY FORUM DEVELOPMENT TASK FORCE!

Vice Chair, PPAC,
Liz Varley, Ameriprise Financial

Task Force:
Nevin Adams, ARA
Chris Byrd, Wex Health
Jeanne de Cervens
Michael Doshier, T Rowe Price

Bob Doyle, Prudential
Kris Haltmeyer, Blue Cross Blue Shield Association
Joe Healy, PIMCO
Tom Johnson, Retirement Clearinghouse
Melissa Kahn, State Street Global Advisors
Gary Koenig, AARP

Chantel Sheaks, U.S. Chamber of Commerce
Mike Skinner, T Rowe Price
Michael Sowa, LGIMA
Jana Steele, Callan
Aron Szapiro, Morningstar

For information about joining, contact Betsy Jaffe at jaffe@ebri.org
LILLYWHITE AWARD WINNER HOWARD FLUHR OF THE SEGAL GROUP

Tami Simon, Senior Vice President, Segal

Howard Fluhr, Chairman Emeritus, Segal
ELECTION RESULTS: WHAT THEY MEAN FOR EMPLOYERS AND THE BENEFITS LANDSCAPE

Norm Ornstein, Resident Scholar, American Enterprise Institute

Jim Klein, President, American Benefits Council

Bill McInturff, Partner, Public Opinion Strategies

Moderated by: Chantel Sheaks, Executive Director of Retirement Policy, U.S. Chamber of Commerce
John Doe

Click this button to raise your hand

We will contact you through this chat window so that you can communicate your question(s) to us. Please note that you will be muted throughout the meeting.
National Update

December 7, 2020

PREPARED BY:
Bill McInturff, Partner
The forces that are shaping America:

- Intense Partisanship
- COVID-19
- Lack of Optimism about our Future
- Profound Generational Change
- National Dialogue about Racial Equity
- 2020 Presidential Election and its aftermath
The key to understanding our current politics...intense partisanship that is not going to fade after this election.

**Share of Democrats who say**
“The Republican Party has been taken over by Racists”

78%

**Share of Republicans who say**
“The Democratic Party has been taken over by Socialists”

81%

Source: PRRI, Oct. 2020
COVID-19: Just Some of the Impact

• A 25-point drop in people saying the economy was “excellent” or “very good” in just 24 days from mid-March until early April.

• April had the single largest one month drop in consumer confidence since tracking first began on this measure in the mid-1950s.

• A “lion and lamb” moment: In April, the same percentage of Republicans and Democrats agree the federal government needs to expand its role in the economy in response to COVID-19.

• Highest unemployment since The Great Depression.

• Now, 71% of people say they personally know someone who has had COVID-19.

• Highest percentage of 18-29-year-olds living with a parent since 1940.
COVID-19: Dramatic change in attitude towards the role of the federal government.

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Lend Me A Hand</td>
<td>38%</td>
<td>57%</td>
</tr>
<tr>
<td>Leave Me Alone</td>
<td>54%</td>
<td>36%</td>
</tr>
</tbody>
</table>

If you could send just one of the following two messages to the federal government right now, would it be “lend me a hand” or would it be “leave me alone”?

Source: Fox News National Survey of 1,000 Registered Voters, Conducted August 9-12, 2020
Americans overwhelmingly support providing benefits to businesses, individuals and those who are unemployed.

Please indicate whether you would support or oppose the following responses to the Coronavirus pandemic.

**%Total Support**

- **83%**
  - Additional financial assistance to small businesses

- **77%**
  - Another round of direct stimulus payments to individuals

- **70%**
  - Expanded unemployment benefits

Source: Politico Seven Letter Insight 2020 Voter Priorities Survey
## Values by Generation ... 2019

<table>
<thead>
<tr>
<th>% Very Important</th>
<th>Gen Z/ Millennial (Ages 18-38) (36%)</th>
<th>Gen X (Ages 39-54) (24%)</th>
<th>Boomers/ Silent (Ages 55-91) (35%)</th>
<th>Net Difference (Gen Z/Millennial – Boomers/Silent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patriotism</td>
<td>42%</td>
<td>65%</td>
<td>79%</td>
<td>37%</td>
</tr>
<tr>
<td>Religion/Belief in God</td>
<td>30%</td>
<td>53%</td>
<td>67%</td>
<td>37%</td>
</tr>
<tr>
<td>Having children</td>
<td>32%</td>
<td>44%</td>
<td>54%</td>
<td>22%</td>
</tr>
<tr>
<td>Hard work</td>
<td>83%</td>
<td>94%</td>
<td>92%</td>
<td>9%</td>
</tr>
<tr>
<td>Money</td>
<td>36%</td>
<td>44%</td>
<td>44%</td>
<td>8%</td>
</tr>
<tr>
<td>Financial security</td>
<td>78%</td>
<td>82%</td>
<td>79%</td>
<td>1%</td>
</tr>
<tr>
<td>Community involvement</td>
<td>61%</td>
<td>68%</td>
<td>58%</td>
<td>3%</td>
</tr>
<tr>
<td>Tolerance for others</td>
<td>83%</td>
<td>79%</td>
<td>79%</td>
<td>4%</td>
</tr>
<tr>
<td>Self-fulfillment</td>
<td>72%</td>
<td>59%</td>
<td>59%</td>
<td>13%</td>
</tr>
</tbody>
</table>
Biden’s margins were entirely among voters younger than age 45.

And, for which of the following candidates will/did you vote for President...
While Trump dominated on voters concerned about the economy, crime and violence, guns, and abortion, Biden won those concerned about coronavirus, race relations, health care, and climate change.

Which one or two of these issues, were the MOST important to you in deciding how to vote for president?

<table>
<thead>
<tr>
<th>Issue</th>
<th>Trump</th>
<th>Biden</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guns (13%)</td>
<td>92%</td>
<td>4%</td>
<td>+88</td>
</tr>
<tr>
<td>Crime &amp; Violence (15%)</td>
<td>83%</td>
<td>10%</td>
<td>+73</td>
</tr>
<tr>
<td>Economy (40%)</td>
<td>74%</td>
<td>20%</td>
<td>+54</td>
</tr>
<tr>
<td>Abortion (13%)</td>
<td>73%</td>
<td>25%</td>
<td>+48</td>
</tr>
<tr>
<td>Immigration (10%)</td>
<td>54%</td>
<td>42%</td>
<td>+12</td>
</tr>
<tr>
<td>Health Care (18%)</td>
<td></td>
<td>75%</td>
<td>-54</td>
</tr>
<tr>
<td>Race Relations (21%)</td>
<td>13%</td>
<td></td>
<td>-71</td>
</tr>
<tr>
<td>Coronavirus (32%)</td>
<td>84%</td>
<td></td>
<td>-73</td>
</tr>
<tr>
<td>Climate Change (11%)</td>
<td>85%</td>
<td></td>
<td>-76</td>
</tr>
</tbody>
</table>
Now, thinking specifically about app-based rideshare and food delivery drivers, do you think they should be classified as employees or independent contractors?

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Dem</th>
<th>NPP</th>
<th>Rep</th>
<th>White</th>
<th>Voters of Color</th>
<th>Latino</th>
<th>Union HH</th>
<th>Non-Union</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Contractor</td>
<td>59%</td>
<td>46%</td>
<td>60%</td>
<td>81%</td>
<td>61%</td>
<td>56%</td>
<td>56%</td>
<td>55%</td>
<td>60%</td>
</tr>
<tr>
<td>Employee</td>
<td>36%</td>
<td>49%</td>
<td>33%</td>
<td>14%</td>
<td>30%</td>
<td>40%</td>
<td>39%</td>
<td>39%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Conducted October 23-29, 2020, N=3,300
Here are some policy directions based on these findings:

1. Continued significant COVID-19 federal relief package(s)

2. Continue the expansion of Medicaid/increase access

3. Guarantee coverage for pre-existing conditions

4. Relieve student loan pressure

5. PFML — increased demand

6. The tension between labor union interests and the new economy
ELECTION RESULTS: WHAT THEY MEAN FOR EMPLOYERS AND THE BENEFITS LANDSCAPE
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Norm Ornstein, Resident Scholar, American Enterprise Institute

Bill McInturff, Partner, Public Opinion Strategies
Election Results: What They Mean for Employers & the Benefits Landscape

EBRI POLICY FORUM

James A. Klein
December 7, 2020
Political Landscape

- Possibility of bipartisanship?
- Likely two years, not four, to move the agenda
- By-products of legislative gridlock
  - Regulations
  - State/local action
- Opportunities for progress
What the Voters Think
POLLING QUESTION

PLEASE SHARE YOUR THOUGHTS
POLLING QUESTION
PLEASE SHARE YOUR THOUGHTS
More People Trust Employers for Health Care

Election Night Polling, 2018/2020: 800 Actual Voters

2018 Language: Which one of the following sources do you trust the most for high-quality health care coverage?

- Plans provided by employers: 48%
- Plans provided by the federal gov’t: 15%
- Plans purchased in the individual market: 20%
- Plans provided by your state gov’t: 10%

2020 Language: Which ONE of the following sources do you trust the most to provide affordable, high-quality health insurance coverage?

- Plans provided by employers: 39%
- Plans provided by the federal gov’t: 19%
- Plans purchased in the individual market: 21%
- Plans provided by your state gov’t: 12%
A Majority Trust Employers Most for Retirement

*Election Night Polling, 2018/2020: 800 Actual Voters*

- Plans provided by employers, through a pension or 401(k)-type plan: 47%
- Plans provided by the federal gov’t: 24%
- Plans provided by your state gov’t: 13%
- Financial products purchased by you individually: 5%

2018 Language: Which one of the following sources do you trust the most to help you achieve a secure retirement?

2020 Language: Which ONE of the following sources do you trust the most to help you achieve a secure retirement?
Health Policy
A majority of voter's support strengthening the employer-based system rather than separating insurance from people’s employment status

Which of the following do you think is the better way to improve health care coverage in this country…?

Strengthen the existing system so more people have employer-provided health insurance and fewer buy it themselves or get it from a government program

Separate health insurance coverage from people’s employment status, so more people buy coverage themselves or get coverage from a government program

*Source: Public Opinion Strategies, November 2020*
Health Policy Agenda

**Affordable Care Act**

- Decision in *California v. Texas* will dictate legislative and regulatory action
- At least three potential outcomes
  - Upheld: Build upon ACA
  - Struck down: Democratic pressure for expanded government role
  - Affirm Court of Appeals decision: Impact on employer mandate/reporting
Health Policy Agenda

Impact on Employer-Sponsored Coverage

- “Public Option” off-the-table
- Individual insurance market changes
  - Dismantle the “firewall”
  - Change definition of “affordable”
  - Link affordability to family coverage
  - Tie subsidies to “gold” plan, rather than “silver” plan
Retirement Policy
Retirement Policy Agenda

- Bipartisan tradition e.g. Portman/Cardin, Neal/Brady
- Mandatory auto enrollment and auto escalation
- Reduce threshold for part time employees to participate
- Expand the Savers Credit
- Larger catch-up contributions for workers age 60+
- “Matching” contributions for student loan repayments
Retirement Policy Agenda

- Increase minimum required distribution to age 75
- Data registry and possible safe harbor for missing participants
- Single employer funding reform
- Multiemployer plan reform
- Politically, the two efforts are linked
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
Revenue Raising Ideas

- Cap health benefit tax exclusion for high income earners
- Change the 401(k) deferral to a credit
- Cap aggregate savings in all retirement plans

Benefits Bargain

- $1.00 yields $4.45
- $1.00 yields $7.15
Q&A
TOMORROW’S EVENT

EBRI WINTER POLICY FORUM WEBINAR
DECEMBER 8, 2020
2:00–3:15 P.M.

The Full Picture: Retirement, Financial Wellness, and Health Benefit Considerations of Minorities in the U.S.

Featuring:
Craig Copeland, Senior Research Associate, Employee Benefit Research Institute
Jack VanDerhei, Director of Research, Employee Benefit Research Institute
Christina Cutlip, Senior Managing Director and Head of Client Engagement and National Advocacy, TIAA
Karen Moseley, President, Health Enhancement Research Organization
Aron Szapiro, Head of Policy Research, Morningstar, Moderator

Register at ebri.org
UPCOMING EBRI PROGRAMS

Retirement Spending Profiles: Findings from the Health and Retirement Study Webinar – January 27, 2021

May Policy Forum – May 13, 2021

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