



COUNCIL FOR AFFORDABLE HEALTH COVERAGE

Republican ACA Repeal & Replace Proposals

	<u>H.R. 3762</u> <u>(2015 Budget</u> <u>Reconciliation)</u>	<u>Empowering</u> <u>Patients First Act</u> <u>(Tom Price)</u>	<u>A Better Way</u> <u>(Paul Ryan)</u>	<u>Patient CARE Act</u> <u>(Burr, Upton,</u> <u>Hatch)</u>	<u>Patient Freedom Act</u> <u>(Cassidy, Collins)</u>	<u>Obamacare</u> <u>Replacement Act</u> <u>(Rand Paul)</u>
Tax Credits/ HSAs for Individual Market	<p>Repeals provisions relating to premium tax credits, Cost-Sharing Reductions, and eligibility determinations, effective after December 31, 2017.</p> <p>Repeals tax on HSAs.</p>	<p>Age-adjusted tax credits:</p> <ul style="list-style-type: none"> • \$900 to age 18 • \$1,200 ages 18-35 • \$2,100 ages 35-50 • \$3,000 ages 50+ <p>Deposits unused tax credits in HSAs. Increases allowable HSA contribution, allows spouses to contribute.</p>	<p>Age-adjusted tax credit (unspecified).</p> <p>Deposits unused tax credits in HSAs. Incentives to expand the use of HSAs (unspecified).</p>	<p>Age-adjusted tax credits for those under 300 percent of FPL (gradually reducing from 200 to 300 percent of FPL):</p> <ul style="list-style-type: none"> • 18-34: \$1,970 for individual, \$4,290 for family • 35-49: \$3,190 for individual \$8,330 for family • 50-64: \$4,690 for individual \$11,110 for family <p>Allows HSA funds to be used for COBRA coverage. Allows spouses to make catch-up contributions.</p>	<p>Allows states to choose between:</p> <ol style="list-style-type: none"> 1) Keeping the ACA coverage structure with funding equal to 95% of current premium tax credits, CSRs, and Medicaid expansion; 2) Enacting a new “Roth HSA” market-based system that would grant states greater flexibility in coverage structure and provide funding equal to 95% of current premium tax credits, CSRs, and Medicaid expansion, distributed as a universal tax credit on a per-person basis into new Roth HSAs. 3) Designing an alternate state system without ACA’s federal funding. 	<p>Provides individuals with the option of a tax credit up to \$5,000 for contributions to an HSA.</p> <p>Removes the annual limit on maximum allowable HSA contributions.</p> <p>Eliminates HSA requirement to enroll in high deductible plans.</p> <p>Allows HSAs to be used to cover the cost of insurance premiums, prescription drugs, and over-the-counter drugs.</p>

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Insurance Exchanges	Not addressed.	Repeals ACA's insurance exchanges. Allows for tax credits to be available through multiple portals, including private exchanges; no enrollment through public portals.	Repeals ACA's insurance exchanges. Allows for tax credits to be available through multiple portals, including private exchanges.	Repeals ACA's insurance exchanges.	Not directly addressed; likely dependent on which health reform option states select.	Not addressed.
Individual and Employer Mandates	Eliminates penalties for the individual and employer mandates, while keeping requirements in place.	Repeals individual and employer mandates.	Repeals individual and employer mandates.	Repeals individual and employer mandates.	Repeals individual and employer mandates in states that options #2-3. States that choose option #2 can opt to create a default catastrophic health into which they could automatically enroll uninsured residents (premiums covered by the universal tax credit) as a replacement for the individual mandate.	Repeals individual and employer mandates.
Guaranteed Issue/Pre-Existing Conditions	Not addressed.	Guaranteed issue only for individuals who maintain continuous coverage. Individuals with coverage gaps may be subject to medical underwriting.	Guaranteed issue only for individuals who maintain continuous coverage. Individuals with coverage gaps may be subject to medical underwriting.	Guaranteed issue only for individuals who maintain continuous coverage. Individuals with coverage gaps may be subject to medical underwriting.	Maintains prohibition of pre-existing condition exclusions (unspecified).	Provides a two-year open enrollment window with guaranteed issue for individuals with pre-existing conditions to obtain coverage. After the first two years, restores HIPAA protections for continuous coverage in the group market.

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High-Risk Pools	Not addressed.	Federal funding for state high-risk pools (\$3 billion/3 years).	Federal funding for state high-risk pools (\$25 billion/10 years).	Federal funding for state high-risk pools (unspecified).	Not addressed.	Not addressed.
Tax Treatment of ESI	Not addressed.	Limits tax-exclusion up to \$8,000 for an individual and \$20,000 for a family.	Limits tax-exclusion at a high threshold (unspecified).	Limits the tax exclusion at \$12,000 for an individual and \$30,000 for a family.	Not addressed.	Preserves the ESI tax exclusion and allows individuals to also deduct the cost of their health insurance from income and payroll taxes.
ACA's Taxes and Fees	Repeals ACA's taxes, on drugs, devices, and insurance. Repeals the Medicare tax increase.	Repeals ACA's taxes, on drugs, devices, and insurance. Repeals the Medicare tax increase.	Repeals ACA's taxes, on drugs, devices, and insurance. Repeals the Medicare tax increase.	Repeals ACA's taxes, on drugs, devices, and insurance. Repeals the Medicare tax increase.	Preserves the ACA's taxes and fees to maintain funding for coverage expansions in options #1-2.	Not directly addressed.
Interstate Insurance Markets and Insurance Pooling	Not addressed.	Plans allowed to sell in secondary states, but must adhere only to regulations in the primary state only. Allows association pools and interstate compacts.	Allows sale and purchase of plans across state lines. Allows association and individual pools and interstate compacts.	Allows sale and purchase of plans across state lines. Allows association pools and interstate compacts.	Not addressed.	Plans allowed to sell in secondary states, but must adhere only to regulations in the primary state only. Allows association and individual pools.

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Medicaid Expansion	Repeals the Medicaid expansion beginning in 2018.	Rescinds the Medicaid expansion and enhanced FMAP federal funding.	Limits Medicaid expansion to current states and phases down enhanced FMAP starting in 2019. Eliminates the 23-percentage point increase in the enhanced FMAP for CHIP funding. Permits reduced eligibility thresholds and enrollment freezes for expansion adults.	Rescinds the Medicaid expansion and enhanced FMAP federal funding.	Medicaid expansion states that choose option #1 (keeping the ACA) would continue to receive 95% of funding for the current expansion structure. Medicaid expansion states that choose option #2 (Roth HSA) can elect to receive 95% of funding for the expansion as part of the universal tax credit provided through the new Roth HSAs or leave the current expansion structure in place. Non-Medicaid expansion states that choose option #2 would still receive 95% of funding under the Medicaid expansion as part of the universal tax credit provided through the new Roth HSAs.	Not directly addressed.
Medicaid Financing	Repeals the Medicaid DSH allotment reductions.	Not addressed.	Allows states to choose between a block grant option or a per capita cap allotment. Per capita caps across four categories: aged, blind and disabled, children, and adults. States can adopt work requirements and enrollee premiums.	Per capita cap allotment based on the patient's health status, age, and life circumstances. States granted greater flexibility in program design.	Not addressed.	Provides new flexibilities to states in Medicaid plan designs. Allows states to test new coverage rules under Medicaid and other programs without requesting a waiver from HHS.