

Key Provisions in the House-passed AHCA and Senate-proposed Substitute BCRA

	House Bill (AHCA)	Senate Bill (BCRA)
Tax Credits and HSAs	<ul style="list-style-type: none"> Provides advanceable premium tax credits adjusted for age, ranging from \$2,000 to \$4,000 per individual up to \$14,000 family cap for individuals making less than \$115,000 (gradual reduction after incomes of \$75,000) Enrollee bears risk of premium increases (defined contribution) Enhances value of Health Spending Accounts (HSAs) 	<ul style="list-style-type: none"> Advanceable and refundable tax credits based on ACA structure, but adjusted for age and benchmarked to a 58% AV qualified health plan (equivalent to a plan with coverage between catastrophic and Bronze in ACA terminology) Federal government bears risk of premium increases (defined benefit) Tax credits available for individuals between 0%-350% of federal poverty level Tax credits only available for plans purchased on the Marketplace Waivers could be used to allow tax credits to be used outside of the Marketplace
Marketplaces	<ul style="list-style-type: none"> Plan years 2018-2019: premium tax credits available for plans purchased on and off Marketplaces; tax credits for plans purchased off Marketplaces are not advanceable 	<ul style="list-style-type: none"> Plan years 2018-2019: Current law premium tax credits and cost-sharing reduction (CSR) payments appropriated CSRs eliminated after 2020
Mandates	<ul style="list-style-type: none"> Eliminates individual and employer mandate tax penalties, effective January 1, 2016 	<ul style="list-style-type: none"> <i>Same as House bill</i>
Insurance Reforms	<ul style="list-style-type: none"> Guaranteed issue at standard rates only for individuals who maintain continuous coverage, defined as no gap in coverage greater than 63 days in past 12 months Individuals with coverage gaps pay penalty in individual market (30% of premium) for 12 months starting in plan year 2018 for special enrollments and plan year 2019 for open enrollment Allows 5:1 age rating beginning in 	<ul style="list-style-type: none"> Guaranteed issue at standard rates only for individuals who maintain continuous coverage, defined as no gap in coverage greater than 63 days in past 12 months Individuals with coverage gaps face six-month or longer waiting period for coverage effective on or after January 1, 2019 Allows 5:1 age rating beginning in plan year 2020 (<i>same as House bill</i>)

	House Bill (AHCA)	Senate Bill (BCRA)
	<p>plan year 2020 and provides states with the option to adjust as early as plan year 2018</p> <ul style="list-style-type: none"> Repeals ACA metal-level requirements 	
Waivers	<ul style="list-style-type: none"> Permits states to apply for limited waivers of Essential Health Benefits (EHB) and community rating provisions 	<ul style="list-style-type: none"> Loosens 1332 waiver requirements to make it easier for states to make changes
Medicaid Expansion	<ul style="list-style-type: none"> Maintains Medicaid expansion for states that have already expanded but eliminates enhanced federal funding effective CY 2020 for all but grandfathered enrollees (if they maintain continuous coverage after December 31, 2019) Terminates EHB requirement for expansion adult coverage Reduces mandatory coverage for children age 6–19 from 138% to 100% of FPL Sunsets enhanced federal match for new expansions effective March 1, 2017 	<ul style="list-style-type: none"> Maintains Medicaid expansion for states that have already expanded but eliminates enhanced federal funding effective CY 2021 Enhanced funding is phased out over three years (2021–2023), reverting to standard matching rate in 2024 <i>Other provisions same as House bill</i>
Medicaid Financing	<ul style="list-style-type: none"> Aggregate cap on state Medicaid spending starting in FY 2020 Per capita caps on spending across five categories are trended forward either by medical CPI (children, expansion adults and other non-elderly/non-disabled/non-expansion adults) or by medical CPI plus one percentage point (elderly and 	<ul style="list-style-type: none"> Aggregate cap on state Medicaid spending starting in FY 2020 Uses state-chosen eight consecutive quarters between first quarter of FY 2014 and third quarter of FY 2017 as the base House growth rate maintained through 2024; beginning in 2025 the trend factor is reduced to the growth of CPI for all eligibility

	House Bill (AHCA)	Senate Bill (BCRA)
	blind/disabled groups) <ul style="list-style-type: none"> • Uses FY 2016 as base year to establish a target spending amount for FY 2019; DSH payments excluded under cap; UPL payments included under cap; treatment of waiver payments unclear • State option of block grants for children and non-disabled adults trended forward by CPI-U 	groups <ul style="list-style-type: none"> • States are subject to a further adjustment if their spending is above or below average, by eligibility group, compared to other states • Blind and disabled children under age 19 are excluded from the cap • Creates a quality bonus pool to promote “programmatic efficiency” (+/- 2%)
DSH	<ul style="list-style-type: none"> • ACA DSH cuts repealed beginning in FY 2020 • Non-expansion states exempt from cuts beginning in FY 2018 	<ul style="list-style-type: none"> • Does not repeal DSH cuts for expansion states • Non-expansion states exempt from DSH cuts beginning in FY 2018 • Additional DSH funding for non-expansion states
Revenue-Raising Taxes	<ul style="list-style-type: none"> • Eliminates most revenue raisers in 2017, including prescription drug tax • Repeals additional Medicare tax in 2023 • Cadillac tax delayed until CY 2026 	<ul style="list-style-type: none"> • <i>Similar to House bill except for effective dates and eliminated the AHCA deduction change</i>
Abortion Coverage and Planned Parenthood	<ul style="list-style-type: none"> • Prohibits using tax credits to purchase plans that cover abortion • Prohibits for one year any Medicaid, CHIP, Maternal and Child Health Services Block Grant, and Social Services Block Grant funding for Planned Parenthood 	<ul style="list-style-type: none"> • Prohibits using tax credits to purchase plans that cover abortion • Prohibits for one year any Medicaid, CHIP, Maternal and Child Health Services Block Grant, and Social Services Block Grant funding for Planned Parenthood