



# MEDICAID 101

House Bill: American Health Care Act	Senate Bill: Better Care Reconciliation Act
<b>Congressional Budget Office Score</b>	
<ul style="list-style-type: none"> <li>● <b>23 million Americans</b> projected to lose coverage over the next decade and a <b>\$119 billion</b> federal budget deficit reduction</li> </ul>	<ul style="list-style-type: none"> <li>● <b>22 million Americans</b> projected to lose coverage over the next decade and a <b>\$321 billion</b> federal budget deficit reduction</li> </ul>
<b>Individual Mandate</b>	
<ul style="list-style-type: none"> <li>● Repeals the individual mandate but imposes a <b>30% surcharge on premiums</b> on individuals who allow coverage to lapse for longer than 63 days</li> </ul>	<ul style="list-style-type: none"> <li>● Repeals the individual mandate but makes individuals who allow coverage to <b>lapse for longer than 63 days wait six months</b> the following year to sign up again</li> </ul>
<b>Employer Mandate</b>	
<ul style="list-style-type: none"> <li>● Repeals the employer mandate</li> </ul>	<ul style="list-style-type: none"> <li>● Repeals the employer mandate and eliminates ACA-imposed penalties</li> </ul>
<b>Cost Sharing Reduction Subsidies</b>	
<ul style="list-style-type: none"> <li>● Repeals subsidies for out-of-pocket expenses <b>in 2020</b></li> </ul>	<ul style="list-style-type: none"> <li>● Repeals subsidies for out-of-pocket expenses <b>in 2020</b></li> </ul>
<b>Tax Cuts</b>	
<ul style="list-style-type: none"> <li>● Repeals taxes on high incomes, prescription drugs, medical devices, and indoor tanning; cuts total <b>\$276 billion over 10 years</b></li> </ul>	<ul style="list-style-type: none"> <li>● Repeals taxes on investment income, wages above \$200,000, medical devices, prescription drugs, and indoor tanning; cuts total <b>\$408 billion over 10 years</b></li> </ul>
<b>Medicaid</b>	
<ul style="list-style-type: none"> <li>● Allows states that have already expanded Medicaid to keep the expansion and federal funding until 2020; after 2020 new expansion enrollees matched at standard match rate</li> <li>● Uses the Consumer Price Index for</li> </ul>	<ul style="list-style-type: none"> <li>● Allows 31 states that expanded Medicaid to continue receiving federal funding through 2023 with reduced funding starting in 2021</li> <li>● Uses the general Consumer Price Index (CPI-U) to determine per capita caps for enrollees; allows states the option to take</li> </ul>

<ul style="list-style-type: none"> <li>Medical Care (CPI-M) for per capita caps</li> <li>Allows states to impose work requirements for some Medicaid beneficiaries; cuts total <b>\$834 billion over 10 years</b></li> </ul>	<ul style="list-style-type: none"> <li>federal funding for Medicaid in lump-sum block grants</li> <li>Cuts total <b>\$722 billion</b> over a decade</li> </ul>
<b>Pre-Existing Conditions</b>	
<ul style="list-style-type: none"> <li>Allows <b>states the option to waive the rule</b> restricting premium price differences based on pre-existing conditions; adds \$8 billion over five years to help people with pre-existing conditions</li> </ul>	<ul style="list-style-type: none"> <li>Keeps ACA requirement that says <b>insurers cannot deny coverage based on pre-existing conditions</b></li> </ul>
<b>Essential Health Benefits</b>	
<ul style="list-style-type: none"> <li>Allows <b>states the option to waive the benefit rules</b> and set up individual standards regarding essential health benefits, or basic sets of benefits that all insurers must offer</li> </ul>	<ul style="list-style-type: none"> <li>Keeps ACA requirement that says insurers must offer 10 categories of essential health benefits, but gives states the option to waive this rule; categories include maternity care, <b>mental health and substance use disorder services</b>, prescription drugs, hospitalization, emergency services, and outpatient care</li> </ul>
<b>Adults Under 65</b>	
<ul style="list-style-type: none"> <li>Allows plans the option to charge their oldest customers up to <b>five times as much</b> as younger ones, and allows states to waive that rule and establish a higher ratio if they so choose</li> </ul>	<ul style="list-style-type: none"> <li>Allows states the option to charge their oldest customers up to five times as much as younger ones</li> </ul>
<b>Premium Subsidies</b>	
<ul style="list-style-type: none"> <li>Premium subsidies would be distributed <b>by age instead of income</b> and location with a cap for higher earners</li> </ul>	<ul style="list-style-type: none"> <li>Lowers the threshold for people who can receive financial assistance <b>from 400% to 350% of the federal poverty level</b> and expands subsidies to Americans living below the poverty line</li> </ul>

Source: The Congressional Budget Office. H.R. 1628, *Better Care Reconciliation Act of 2017*. June 26, 2017. <https://www.cbo.gov/publication/52849>