

**Comparison Between H.R. 1628
as Passed by House of Representatives and Amendment by Senators
Graham, Cassidy, Heller, and Johnson***

Medicaid:	Graham-Cassidy	House Passed Bill
Enhanced Federal Medical Assistance Percentages (FMAP)	Ends enhanced FMAP after 2020 and transitions FMAP to 80 percent in 2018-2019. Repeals the Medicaid expansion and allows states to use funding under the Market-based Health Care Grant Program for this population.	Ends enhanced FMAP after 2020 except for grandfathered Medicaid beneficiaries without a lapse in coverage
Medicaid Funding	Converts Medicaid to per-capita funding based on five different groups of elderly, blind/disabled adults, children, expansion adults, and other adults. Per-capita amount in each group is based on state-selected data for 8 consecutive quarters from FY14-FY2017. Base year amounts are then inflated by CPI-Medical (CPI-Medical +1 for aged and disabled) through 2024 and CPI-U starting in 2025. Also includes \$5 billion in public health emergencies from 2020-2024 that is excluded from per capita cap and block grant amounts.	Converts Medicaid to Per-Capita funding based on CPI-Medical (CPI-Medical +1 for aged and disabled populations). Allocations assessed based on eligibility group. Same provision on New York.
Medicaid Block Grant Funding	Allows states to go to block grant funding for nonelderly non-disabled adults and/or expansion adults beginning in 2020. States may require cost sharing up to 5 percent of family income.	Allows states to go to block grant funding for children and non-expansion adults or only for non-expansion adults
Work Requirements	Allowed for nondisabled, non-elderly, nonpregnant individuals to be eligible for Medicaid. States that implement these requirements would receive 5 percent extra federal funding	Allowed for nondisabled, non-elderly, nonpregnant individuals to be eligible for Medicaid. States that implement these requirements would receive 5 percent extra federal funding
Eligibility	Allows states to conduct eligibility redeterminations every 6 months (or more frequently) for expansion adults. Hospitals can no longer offer presumptive eligibility and states cannot offer presumptive eligibility to expansion population, repeals 3-month retroactive coverage requirement.	Same except no provision on the redeterminations.
Essential Health Benefits (EHBs) in Medicaid	States can repeal EHBs in Medicaid for those under the Alternative Benefit Plan (ABPs)	States can repeal EHBs in Medicaid for expansion populations and Alternative Benefit Plans (ABPs)

Insurance Provisions**Graham-Cassidy****House Passed Bill**

Insurance Provisions	Graham-Cassidy	House Passed Bill
Cost-Sharing Subsidies	Funding through December 31, 2019 and then states could use their block grant funding under the Market-based Health Care Grant Program for this purpose and that funding would end in 2026.	Funding through December 31, 2019
Premium Subsidies (currently available for those at 100-400% the Federal Poverty Level (FPL))	Remain the same from 2018-2019 except that no funds can be used to purchase a plan that covers abortion. Repealed in 2020. After 2020 would be subject to block grant funding under the Market-based Health Care Grant Program and that funding would end in 2026.	Modified tax credits in 2018-2019 and then in 2020 is replaced with a new tax credit that is a flat rate based on age and is reduced \$100 per every \$1,000 that a person makes over \$75,000 or joint filers over \$150,000 and the credits can be combined for families up to \$14,000. Same prohibition on abortion coverage.
Small Business Tax Credit	Ends December 31,2019. Cannot use tax credit from passage – expiration for any plan that includes abortion coverage (except in cases of rape, incest, or to save the life of the mother).	Same
Parental Coverage of Children to age 26	No change	Same
Age Rating	Starting in 2019, default age rating goes from 3:1 to 5:1 unless states adopt a new standard	Starting in 2018, default age rating goes from 3:1 to 5:1 unless states adopt a new standard
Essential Health Benefits (EHBs)	States can modify under a waiver	Allows state waivers to modify or eliminate EHBs as well as the actuarial value of the benefits (consumers can be required to pay more)
Pre-Existing Conditions	States can modify under a waiver	Would let states opt out of community rating and charge those with pre-existing conditions more if: the state waiver is approved, the state limits the increased premium to one year, the individual went without insurance for more than 63 days, and the state does not charge the 30 percent fee for lapse of insurance
Annual and Lifetime Limits on EHBs	States can modify under a waiver	Same
Cost Sharing Limits on EHBs	States can modify under a waiver	Same
Medical Loss Ratio (MLR)	States can modify under a waiver	No change from current law

Insurance Provisions Cont.**Graham-Cassidy****House Passed Bill**

1332 Waivers	Allows states that participate in the Market-based Health Care Grant Program to waive several provisions including EHB requirements and pre-existing condition limitations.	States can modify age rating, EHB requirements, and allow states to charge those without insurance who have a pre-existing condition more for one year (without the 30 percent fee)
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Insurance Provisions**Graham-Cassidy****House Passed Bill**

Health Savings Accounts (HSAs)	<p>Can be used to pay premiums for a qualified high-deductible health plan that does not include abortion coverage.</p> <p>Also allows HSAs to be used for direct primary care services (including NPs).</p>	Does not include allowing HSAs to be used to purchase an insurance plan
Small Business Health Plans	Creates small business health plans to allow employers and self-employed individuals to group together to purchase insurance coverage.	Not included
State Stability Funding	<p>\$35 billion over 2 years provided in a federal short-term reinsurance program for insurers.</p> <p>Also includes the Market-based Health Care Grant Program to fund high-risk individuals purchasing non-group coverage, cost-sharing subsidies, premium subsidies, Medicaid funding (both for the current-law Medicaid expansion adult population and up to 20 percent for traditional Medicaid population), and other purposes. Funding is over \$1.176 trillion from 2020-20206</p>	\$138 billion Patient and State Stability Fund
Catastrophic Insurance Plans	Available to anyone on the Exchanges (not just young and certain other individuals) but the premiums may be higher because risk pool rating requirements will apply to these plans starting in 2019.	None

Taxes and Mandates:	Graham-Cassidy	House Passed Bill
Individual Mandate	Repealed	30 percent premium penalty for one year if a lapse of 63 days in coverage
Employer Mandate	Repealed	Repealed
ACA Taxes	Repeals the tax on over-the-counter medications, tax on HSAs, Medical Device tax, and the prior elimination of the deduction for retiree drug plans.	Repeals most ACA taxes and delays the tax on high cost employer insurance plans (Cadillac Tax) until 2025.

Misc. Provisions	Graham-Cassidy	House Passed Bill
Planned Parenthood Funding	No funding for one year	No funding for one year
Opioid Crisis Funding	No funding provided	\$15 billion over 10 years
Home and Community Based Services	\$8 billion demonstration program from 2020-2023	Not included
Community Health Centers	\$422 million in 2017	\$422 million in 2017

CBO Cost Estimate (10 Years)	Graham-Cassidy	House Passed Bill
Deficit Reduction	No CBO estimate currently available but according to the Kaiser Family Foundation, would reduce federal funding to states by \$160 billion from 2020-2026 and \$240 billion in 2027 if funding is not renewed	\$119 billion
Number of <u>Additional Uninsured</u> Individuals v Current Law	No CBO estimate currently available but according to the Brookings Institute, would reduce the number of insured Americans by at least 21 million by 2026	14 million more in 2018 19 million more in 2020 23 million more in 2026
Market Stability v Current Law		More non-group market instability starting in 2020 due to waivers
Premium Costs v Current Law		20 percent higher in 2018 5 percent higher in 2019 2020 and later would depend on state waivers

***As of September 22, 2017**