



Health Care Bills Comparison Chart

August 12, 2009

Committees in Congress are currently working to bring meaningful health care reform for all Americans: Senate Health, Education, Labor and Pensions Committee (HELP), Senate Finance Committee and all of the three committees in the House with jurisdiction over health care: Ways & Means, Energy & Commerce and the Education and Labor Committee (House Tri-Committee). The Senate HELP Committee passed its bill, the *Affordable Health Choices Act*, on July 15, 2009 (no bill number yet). The House Tri-Committees each passed their respective versions of H.R. 3200, *America's Affordable Health Choices Act of 2009*, at the end of July. Differences in the three committees' bills are being negotiated over the August recess; it is expected that a final bill will be voted on by the full House when they return in September. The Senate Finance Committee is the only remaining committee that has not yet released its bill. The Committee has set a tentative deadline of September 15 to issue and vote on its bill. This bill must then be merged with the HELP Committee bill before it is considered by the full Senate. The following chart shows where each group stands on the health care issues of most importance to America's retirees.

Topic of Consideration	Senate HELP	Senate Finance	House Tri-Committee
Individual Mandate	Yes	Likely	Yes
Employer Mandate	Yes	No	Yes
Assistance for 55-64 Year Old Retirees	Yes	Yes	Yes
Part D Improvements (Doughnut hole)	N/A	Likely	Yes
Part D Improvements (Price Negotiation)	N/A	TBD	Yes
Low-income Subsidies	Yes	TBD	Yes
Public Option	Yes	No	Yes
Prohibits Pre-Existing Exclusions	Yes	TBD	Yes
Age Rating	2:1	5:1	2:1
Taxing Health Care Benefits	N/A	TBD	No
Long Term Care	Yes	Likely	Yes



Further details on the Senate HELP Bill:

- “Pay” or “Play” Requirement: Employers with greater than 25 employees who do not “play” (pay 60% of family premiums) are required to “pay” an annual fee of \$750 for each employee who is not offered coverage.
- Assistance for 55-64 Year Old Retirees: Employers who provide health insurance to retirees between the ages of 55-64 in states that have not yet established Gateways/Exchanges will be temporarily reimbursed for 80% of the cost between \$15,000 and \$90,000.
- The HELP Committee does not have jurisdiction over financing provisions, so there is no language in their bill regarding the taxation of benefits or Part D cost improvements.

Further details on the Senate Finance Bill:

- Employer Mandate: Likely to include a “free-rider” provision that would require employers that currently offer coverage to reimburse the government for employees who switch to insurance purchased through the exchange.
- Pre-Medicare: People ages 55 through 64 who do not have employer-sponsored insurance or Medicaid coverage could voluntarily enroll in Medicare beginning January 1, 2011.
- Doughnut Hole: Expected 50% discount on any brand-name drugs that they need during the coverage gap.
- Taxing Health Benefits: While the Finance Committee is no longer actively pursuing a proposal to tax workers’ health care benefits, it is looking at a tax on insurance companies and health plans on coverage that exceeds a premium cost of \$25,000 beginning in 2013. Such a tax would be passed onto employers and drive them to reduce benefit levels below this cost.

Further details on the House Tri-Committee Bill:

- “Pay or Play” requirement: Employers pay 65% of family premiums or pay a penalty based on payroll. Exempts small businesses with less than \$500,00 on payroll.
- Doughnut Hole: Contains a provision that will fill the doughnut hole over time.
- Price Negotiation: Schakowsky (D-IL) amendment accepted to allow Medicare to negotiate rates directly with pharmaceutical manufacturers to lower Part D drug prices.
- Public Option: Ross (D-AR) amendment accepted that would require the government to negotiate rates with insurance companies instead of the original plan of basing health care reimbursements on Medicare rates. This concession was agreed to in return for gaining the Blue Dogs support for H.R. 3200.
- Assistance for 55-64 Year Old Retirees: Allows a temporary reinsurance program for retirees 55-65.
- Long Term Care: Pallone (D-NJ) amendment accepted to Establishes the CLASS Independence Benefit Plan as a national, voluntary program for purchasing community living assistance service and support, and requires that the program be developed in an actuarially sound manner.

