

Senate Finance TPs

- \$900 billion over 10 years
- The legislation includes “cooperative” alternative to a public insurance plan. The bill does not include a “trigger”.
- Includes market reforms that would ban insurers from denying coverage for pre-existing conditions, caps out of pocket expenses and includes prevention and wellness provisions.
- Establishes an independent Medicare advisory commission that would make decisions on payments that would be automatically implemented unless overturned by a joint resolution.
- Expands the Medicaid program to cover all people earning up to 133 percent of the federal poverty level (FPL), it is unclear if the state or the federal government would be responsible for covering the expansion.
- Includes an individual mandate and provides sliding-scale subsidies for people earning from 133 percent up to 300 percent FPL.
 - Some protection will be provided for individuals with incomes from 300 percent to 400 percent of the poverty level (up to \$88,200 for a family of four), generally they should not have to pay more than 13 percent of their income in premiums.
 - Out of pocket expenses limited to 11,190 for a family; 5,950 for an individual.
- The proposal is not expected to have an employer mandate, but instead a “free rider” proposal that would not expressly require employers to provide insurance, yet would ask those who do not offer insurance to compensate the government for any subsidies provided to uninsured employees.

Offsets

- \$150 billion from phasing in competitive bidding in Medicare Advantage.
- \$155 billion from hospitals due to a productivity adjustment and lowering payments to disproportionate share hospitals.
- \$35 billion from the “Super MedPAC” proposal
- Possible requiring of co-pays for clinical lab services, which likely would save the government about \$23 billion.

Pharma –

- \$50 billion from Baucus deal calling for a Medicaid rebate expansion and excise taxes.
- \$6 billion from creating a pathway for generic biologics.

Insurers –

- \$180 + billion for taxes on high-cost plans.
- \$60 billion from insurers.

Mandates –

- \$300 billion from “free rider” provision (this could be less due to a policy change on Medicaid-eligible employees).
- \$29 to \$36 billion from an individual mandate.