

SENATE HEALTH, EDUCATION, LABOR AND PENSIONS (HELP) COMMITTEE
LEGISLATION

Facts are from the base text of this legislation and not as amended

The Senate HELP Committee passed their bill on July 15 by a party-line, 13-10 vote. I did not support this legislation. The following summarizes the key points of the legislation:

Cost: About \$1.2 trillion over 10 years which includes a Medicaid expansion.

Revenue-raisers: Not included. The HELP Committee does not have jurisdiction over revenue.

Mandates on individuals: Individuals must have insurance, enforced through tax penalty with waivers for Indian tribes, if you live in a state without an exchange, religious conscience exemption or if no affordable coverage is available in your state. The penalty is 50% of the price of an average individual or family health plan.

Mandates on employers: Employers must provide insurance to their employees or pay a penalty of \$750 for each full time employee and \$350 for each part time employee for employers with 26 or more employees.

Subsidies: Individuals and families with annual income up to 400 percent of poverty level (\$110,280 for a family of four in Alaska/\$54,120 for an individual) would get sliding-scale subsidies to help them buy coverage. The subsidies would begin in 2013.

New Gateway or Health Exchange: This would be open to individuals and small employers.

New Federal Board: A Medical Advisory Council makes recommendations regarding allowable benefits and minimum qualifying coverage. The new benefit package would be the basic benefit package offered in the exchange.

Government Insurance Package: A new government plan available through the insurance exchanges would be set up and run by the Secretary of Health and Human Services. The reimbursement rate would be set by the Secretary and will be no more than the market rate but can be set much less and likely will be set at the Medicare rate based on the House plan.

Medicaid Expansion: The federal-state insurance program for the poor would be expanded to cover all non-elderly individuals with incomes up to 150 percent of the federal poverty level. This Committee has no jurisdiction over Medicaid, thus there are limited details about when the Medicaid provisions would be implemented.