

ACA Repeal Bill Introduced by House Republicans

On March 6, 2017, Republicans in the U.S. House of Representatives introduced a bill designed to “repeal and replace the Patient Protection and Affordable Care Act.”¹ The bill would alter many of the reforms that comprise the 2010 landmark healthcare legislation, including the individual mandate and Medicaid expansion provisions. Highlights of the bill include:

- (1) Section 112: Codifies the 2012 decision *National Federation of Independent Business v. Sebelius* relating to making the Medicaid Expansion optional for states;²
- (2) Section 131: Repeals the subsidies provided to persons purchasing health insurance on the public individual market exchanges whose incomes fall between 100 percent and 400 percent of the federal poverty line;³
- (3) Section 132: Creates the “*Patient and State Stability Fund*,” which allows the U.S. Department of Health and Human Services (HHS) to provide funding to states for the following purposes:⁴
 - (a) “*Helping, through the provision of financial assistance, high-risk individuals who do not have access to health insurance coverage offered through an employer enroll in health insurance coverage in the individual market in the State, as such market is defined by the State (whether through the establishment of a new mechanism or maintenance of an existing mechanism for such purpose)*”;
 - (b) “*Providing incentives to appropriate entities to enter into arrangements with the State to help stabilize premiums for health insurance coverage in the individual, as such markets are defined by the State*”;
 - (c) “*Reducing the cost of providing health insurance coverage in the individual market and small group market, as such markets are*

defined by the State, to individuals who have, or are projected to have, a high rate of utilization of health services (as measured by cost)”;

- (d) “*Promoting participation in the individual market and small group market in the State and increasing health insurance options available through such market*”;
- (e) “*Promoting access to preventive services, dental care services (whether preventive or medically necessary), vision care services (whether preventive or medically necessary), or any combination of such services, as well as mental health and substance use disorders*”;
- (f) “*Providing payments, directly or indirectly, to health care providers for the provision of such health care services as are specified by [HHS]*”;
- (g) “*Providing assistance to reduce out-of-pocket costs, such as copayments, coinsurance, premiums, and deductibles, of individuals enrolled in health insurance coverage in the State*”;
- (4) Section 133 – Modifies the individual mandate provisions by allowing health insurers to penalize persons who lacked health insurance coverage for more than 63 days by instituting a premium surcharge “*equal to 30 percent of the monthly premium rate otherwise applicable*” to the beneficiary;⁵ and,
- (5) Section 135 – Alters the age-rating requirements for health insurance premiums by allowing states to determine applicable ratios.⁶

The bill, which is scheduled to be heard on Wednesday, March 8, 2017 by the Committee on Energy and Commerce within the U.S. House, may be found [here](#).⁷ A U.S. House summary of the bill may be found [here](#).

1 “Budget Reconciliation Legislative Recommendations Relating to Repeal and Replace of the Patient Protection and Affordable Care Act” Committee on Energy and Commerce, U.S. House of Representatives, March 6, 2017, <http://energycommerce.house.gov/sites/republicans.energycommerce.house.gov/files/documents/AmericanHealthCareAct.pdf> (Accessed 3/6/17).

2 *Ibid*, § 112(a).

3 *Ibid*, § 131.

4 *Ibid*, § 132.

5 *Ibid*, § 133.

6 *Ibid*, § 135.

7 “Markup of Markup of Committee Print, Budget Reconciliation Legislative Recommendations and H. Res. 154” U.S. House of Representatives, March 6, 2017, <http://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=105679> (Accessed 3/6/17).



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