

House Republicans Unveil Draft Healthcare Reform Legislation

March 9, 2017

The House Energy and Commerce and Ways and Means Committees introduced two bills on March 6, 2017, collectively entitled the American Health Care Act. The Energy and Commerce bill primarily addresses Medicaid and other state-based program funding issues while the Ways and Means bill focuses on the Affordable Care Act's (ACA) fees and taxes, insurance subsidies, and other provisions that directly affect employer-provided health coverage. It's important to note what these bills are and what they aren't. The bills do not represent the complete repeal of the ACA or the final word on what the American Health Care Act may look like when finished. These are reconciliation bills intended to repeal and replace portions of the ACA by a simple majority vote in a way that would not be subject to a blocking filibuster in the Senate if brought to a vote. The trade-off is reconciliation bills are limited to making changes to a law (e.g. the ACA) that directly affect the federal budget. As a result, these bills are limited in scope to those ACA provisions that collect revenue through fees or taxes, such as the individual and employer mandates, and ACA provisions that result in federal spending including the Medicaid expansion and insurance subsidies in the public health insurance marketplace. ACA provisions that do not directly involve revenue or spending such as the dependent coverage to age 26 and other health plan design mandates, the essential health benefits rules, and Form 1094/1095 reporting are unaffected. For details about how the American Health Care Act would affect employer-provided health coverage, please see our [article](#) on HB Health and Welfare. [Energy and Commerce bill](#) [Ways and Means bill](#)