

Side-by-Side Comparison (Part I)

	Senate Bill	House-Passed Bill
Universal Coverage	YES	YES
Individual Mandate	YES – Penalty would be the greater of \$750/individual <u>or</u> 2% of income.	YES – Penalty would be 2.5% of modified adjusted gross income up to the cost of the average national premium in the exchange.
Guaranteed Issue	YES	YES

Side-by-Side Comparison (Part II)

	Senate Bill	House-Passed Bill
Public Option	NO – In lieu of a public option, the bill would permit private insurers to offer national not-for-profit insurance policies that would be negotiated by the Office of Personnel Management (OPM). At least two national plans would be available in each state exchange.	YES – It would use negotiated rates rather than Medicare rates.
CO-OPs	YES – Authorizes \$6 billion in funding for the CO-OP program to foster the creation of non-profit, member-run health insurance companies that serve individuals in one or more states.	YES – Authorizes \$5 billion in start-up loans to establish CO-OPs.

Side-by-Side Comparison (Part III)

	Senate Bill	House-Passed Bill
Health Insurance Exchange	YES – Each state would be required to establish an exchange. Each exchange would provide qualified private health insurance plans as well as at least two national not-for-profit plans. Four tiers of products (60%, 70%, 80% and 90% actuarial values). Individuals and small employers (2-100 employees) will be eligible to purchase in the exchange.	YES – There would be a national exchange that would include the public option as well as qualified private plans. States would eventually be able to create their own certified exchanges, but the national exchange would serve as the foundation. Three tiers of products (from 70% , 75% and 95% actuarial values). Individuals and small employers (2-100 employees) will be eligible to purchase in the exchange.
Medical Loss Ratio (MLR)	85% for large group plans (100-plus lives) and 80% for small group (2-99 lives) and individual plans.	85% for all qualified health benefit plans.

Side-by-Side Comparison (Part IV)

	Senate Bill	House-Passed Bill
Premium Variance	YES – May only vary by family structure, community rating area, actuarial value of benefit, tobacco use and age (3:1 rate variation).	YES – May only vary by family structure, community rating area, actuarial value of benefit, and age (2:1 rate variation).
Credits	YES – Would be available on a sliding scale to subsidize individuals and families with incomes up to 400 percent of the federal poverty level (family of three = \$73,240). Only available inside of exchange.	YES – Would be available on a sliding scale to subsidize individuals and families with incomes up to 400 percent of the federal poverty level (family of three = \$73,240). Only available inside of exchange.
Expansion of Medicaid Eligibility	YES – Would be expanded to income levels up to 133 percent of poverty.	YES – Would be expanded to income levels up to 150 percent of poverty.

Side-by-Side Comparison (Part V)

	Senate Bill	House-Passed Bill
Role of Agent and Broker	YES – Agents and brokers are allowed the immediate right to enroll individuals and employers in any health insurance plan available in the state exchanges. Further, the Secretary of HHS would be required to establish procedures for agents or brokers to enroll employers in qualified health plans.	YES – Agents and brokers are allowed to sell both inside and outside of the national exchange and to sell the public plan.
Agent Commissions	No mention (removed a provision that would have given the Secretary of HHS the authority to establish a national commission schedule).	No Mention.
Agent Marketing Regulations	YES – The Secretary of HHS is given the responsibility to set marketing rules and regulations.	YES – The newly created Health Choices Commissioner is charged with setting marketing rules and regulations.

Side-by-Side Comparison (Part VI)

	Senate Bill	House-Passed Bill
Government Enrollment Programs	YES – Creates a “navigators” grant program that would award federal money to community organizations for the purpose of providing individuals assistance with consumer information, outreach, counseling, and enrollment. Allows insurance agents and brokers to participate in the program and requires all “navigators” to be licensed.	YES – Creates a new Small Business Administration grant program that would award federal money to non-profits for the purpose of providing small businesses with less than 100 employees assistance with consumer information, outreach, counseling, and enrollment.
Repeal of Anti-Trust Exemption	NO	YES – Repeals the anti-trust exemption for health insurers and medical malpractice insurers. The provision would also allow the Federal Trade Commissions (FTC) to investigate the business of (all) insurance.

Side-by-Side Comparison (Part VII)

	Senate Bill	House-Passed Bill
Employer Mandate	NO – But employers with more than 50 full-time employees who do not offer health insurance and have at least one employee who qualifies for a tax credit would have to pay a fee of \$750 for each full-time employee.	YES – Employers would have to pay 72.5% of the premium for individuals and 65% for families or pay a fee equal to 8% of payroll. Small businesses with payrolls less than \$500,000 per year would be exempt.
Small Business Tax Credits	YES – Only available for six years to employers with fewer than 25 employees and average wages of less than \$50,000. Maximum credit is 50% subsidy. Following the six year phase-in, the tax credits would be available to new businesses and firms offering health insurance through the exchange (same employee cap, wage limit and subsidy credit).	YES – Available to employers with fewer than 25 employees and average wages of less than \$40,000. Maximum credit is 50% subsidy.

Side-by-Side Comparison (Part VIII)

	Senate Bill	House-Passed Bill
New Taxes	YES – Would impose a new surtax on insurance companies who offer “Cadillac plans”, increases the Medicare payroll tax on wealthy individuals and families, and levies new taxes on insurance providers, drug makers, medical-device manufacturers and clinical laboratories.	YES – Would impose a new surtax of up to 5.4% on individuals as well as small businesses (Subchapter S Corporations) who file their income taxes as individuals and earn more than \$500,000/individuals and \$1 million/families.
New National Disability Insurance Program	YES – Would create a hybrid type of insurance – long term care assistance and disability – benefit is tied to inability to perform two or three Activities of Daily Living (ADLs) – benefit amount is varied based on the “scale of functional ability” with a \$50-75/day cash benefit.	YES – Would create a hybrid type of insurance – long term care assistance and disability – benefit is tied to inability to perform two or three Activities of Daily Living (ADLs) – benefit amount is varied based on the “scale of functional ability” with a \$50-75/day cash benefit.
Cost	\$871 billion over ten years (estimate)	\$1.2 trillion over ten years (estimate)