

**Provisions Timeline: *American Health Care Act***  
**House Energy & Commerce and House Ways & Means Committees Drafts**  
**March 6, 2017**

Enactment	<ul style="list-style-type: none"> <li>• \$422 million increase in Community Health Center funding in Fiscal Year (FY) 2017.</li> <li>• One-year funding freeze for Planned Parenthood as a “prohibited entity.”</li> <li>• Retroactive repeal of individual and employer mandate tax penalties to after Dec. 31, 2015.</li> </ul>
2018	<ul style="list-style-type: none"> <li>• Repeal of funding for Prevention and Public Health Fund for FY 2019 and beyond. Unobligated FY 2018 funds rescinded.</li> <li>• Eliminates Medicaid disproportionate share hospital (DSH) allotment cuts for non-expansion states for FYs 2018 and 2019.</li> <li>• Repeals tax percentage increase on unused health savings account (HSA) distributions as well as the adjusted gross income percentage for the medical-expense deduction and lowers the respective percentage and rate to pre-ACA levels.</li> <li>• Up to \$2 billion per year over four years in safety-net funding for non-expansion states beginning in calendar year (CY) 2018 through CY 2021. In CY 2022, the legislation provides up to \$1.9 billion.</li> <li>• \$15 billion for each of 2018 and 2019 for a Patient and State Stability Fund. Appropriations decrease to \$10 billion annually for 2020-2026. State match is phased in beginning 2020.</li> <li>• Eliminates the repayment limit on ACA’s income-based premium tax credit and adds age as an additional factor for determining credit amounts for tax years 2018 and 2019.</li> <li>• Repeals over-the-counter medications tax, health insurance tax, prescription medication tax, net investment tax, tanning tax, and the medical device tax.</li> <li>• Insurers will assess a 30% late-enrollment surcharge for all market entrants who went longer than 63 days without continuous coverage in 2018 via a 12-month lookback. The lookback will begin in benefit year 2019 open enrollment (November 2018).</li> <li>• For plan years on or after Jan. 1, 2018, the Secretary may implement a five-to-one age variation in health insurance premium rates, replacing the three-to-one age variation under the ACA.</li> </ul>
2019	<ul style="list-style-type: none"> <li>• Establishes per-capita-cap allotments based on FY 2016 data to set FY 2019 targeted spending for each of five enrollee categories. Targeted spending amounts are increased by the medical component of the consumer price index for urban consumers (CPI-M). Starting in FY 2020, any state with higher pending than specified targeted aggregate amount will be reduced the following year.</li> </ul>
2020	<ul style="list-style-type: none"> <li>• Provides age-adjusted tax credits for health insurance to cover five age groups, starting at \$2,000 for those in their twenties and increasing to \$4,000 for people in their sixties. The total tax credit for a family would be capped at \$14,000 and credits would gradually diminish for individuals earning more than \$75,000 and households earning more than \$150,000.</li> <li>• Reverts mandatory Medicaid income eligibility for poverty-related children back to 100% of the federal poverty level (FPL) from 133% mandated in the ACA after Dec. 31, 2019. States would be able to cover this population under the Children’s Health Insurance Program (CHIP).</li> <li>• Codifies optional Medicaid expansion for states up to 133% FPL with ACA enhanced match through Dec. 31, 2019. Enrollees prior to Dec. 31, 2019 remain at the enhanced match rate until they cycle off with a break in coverage of more than one month. After Jan. 1, 2020, the state can enroll newly eligible enrollees (non-pregnant childless adults) at the State’s traditional matching rate (FMAP). States may opt to cover above 133% FPL for expansion population through Dec. 31, 2019 but repeals this option in 2020 and beyond.</li> <li>• Repeals small business tax credit.</li> <li>• Repeals presumptive eligibility determination authority that was expanded in ACA. States still allowed to make presumptive eligibility determinations for children, pregnant women, and breast and cervical cancer patients.</li> <li>• Repeals state requirement to provide “essential health benefits” to Medicaid beneficiaries as of Dec. 31, 2019 and returns flexibility to the states to determine their respective definitions of essential benefits.</li> <li>• Repeals 6% bonus FMAP for community-based attendant services supports, reverting back to pre-ACA levels effective Jan. 1, 2020.</li> <li>• Repeals Medicaid DSH allotment cuts for FY 2020 and beyond.</li> <li>• Repeals cost-sharing subsidy program in ACA. Lawsuit related to subsidy (<i>House v. Price</i>) in abeyance.</li> </ul>
Beyond 2020	<ul style="list-style-type: none"> <li>• “Cadillac tax” delayed until Jan. 1, 2025.</li> </ul>