

Publications

Summary of Key Provisions of the American Health Care Act

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SERVICES

On May 4, the U.S. House of Representatives passed the American Health Care Act (“AHCA”, generally referred to herein as the “bill” in order to prevent confusion with the ACA), a budget reconciliation bill to repeal and replace the Affordable Care Act (“ACA”). The bill’s key provisions include:

- eliminating the individual shared responsibility and employer shared responsibility (the “mandates”) penalties;
- a package of insurance “market stabilizers,” including funding for state-based high risk pools, a continuous coverage requirement, and a 5:1 community rating provision with state flexibility;
- creating state waivers for age rating, essential health benefits (“EHBs”), and, where an individual’s coverage has lapsed, community rating;
- replacing the ACA premium subsidies with age-based tax credits of \$2,000-\$4,000 to help individuals pay for coverage;
- delaying the implementation of the Cadillac tax;
- eliminating various taxes and fees associated with the ACA; and
- reforming Medicaid.

Please see the attached memo for further information.