

HEALTH

Comparing Healthcare Reform Proposals

The three major healthcare reform proposals are similar in many respects, but the Senate Finance Committee remains the biggest question mark. The committee is contemplating a range of key aspects, including whether or not to include a public insurance plan option; if there should be an employer mandate; and whether a tax on employer-provided health benefits should be used to help pay for the trillion-dollar legislation. Below is a broad comparison of the three proposals' requirements.

	Senate Finance Committee	Senate HELP Committee	House Proposal
Individual Mandate	Requires all individuals to have health insurance. Creates a health insurance exchange where individuals can purchase coverage, with subsidies for those with incomes up to 300 percent of the federal poverty level. Tax penalties for non-compliance would apply, with exceptions for financial hardship.	Requires all individuals to have health insurance. Creates state-based health insurance exchanges where individuals can purchase coverage, with subsidies for those with incomes up to 400 percent of the federal poverty level. Tax penalties for non-compliance would apply, with exceptions for financial hardship.	Requires all individuals to have "acceptable health coverage." Creates a health insurance exchange where individuals can purchase coverage, with credits available for those with incomes up to 400 percent of the federal poverty level. Tax penalties for non-compliance would apply, with exceptions for financial hardship.
Employer Mandate	Uncertain. Firms with payrolls of \$500,000 or more may have to provide coverage to employees or pay a tax. The proposal also provides tax credits for small employers that purchase health insurance.	Requires employers that do not offer adequate insurance to pay a fee of \$750 annually per uninsured full time employee; employers with 25 or fewer workers would be exempt. Provides tax credits for small employers that purchase health insurance.	Employers must offer coverage to employees or else pay 8 percent of payroll into a health insurance exchange trust fund. Provides tax credits for small employers that purchase health insurance.
Insurance Proposals	The inclusion of a public plan managed by government is possible , but the committee is searching for an alternative compromise , such as health insurance co-operatives. Meanwhile, insurers could not reject applicants on the basis of pre-existing conditions, nor deny renewal of coverage.	Would create a public plan option to compete with private insurance offerings, to be administered by local entities. The plans would reimburse healthcare providers at rates comparable to privately negotiated rates . Insurers could not reject applicants on the basis of pre-existing conditions, nor deny renewal of coverage.	Creates a public plan to compete with private insurance, subject to the same regulations as private plans and funded only by the plan's own premiums. As with the Senate proposals, insurers could not reject applicants on the basis of pre-existing conditions , nor deny renewal of coverage.

Sources: CBO, Senate Finance and HELP Committees, House Education and Labor Committee, Associated Press, Kaiser Family Foundation.