

June 27, 2017

## **SENATE VOTE DELAYED UNTIL AFTER JULY 4<sup>TH</sup> RECESS – AMENDMENT TO SENATE REPUBLICAN HEALTH CARE BILL -- CBO ALSO RELEASES SCORING OF THE BILL**

Today Senate leadership announced that the vote on the **Better Care Reconciliation Act of 2017** (BCRA) will be delayed until after the July 4<sup>th</sup> recess because differences remain among different wings of the Senate Republicans.

In addition, on June 26, 2017, Senate Republican leadership released its first changes to the BCRA.

Further, the CBO released its scoring of the BCRA on June 26, 2017 (which does not take into account of the June 26 changes to the BCRA made by Senate Republican leadership).

### **WAITING PERIOD FOR THOSE WITH GAPS IN COVERAGE**

One of the substantive amendments to the discussion draft of the BCRA relates to gaps in coverage. The original Senate bill repealed the individual mandate but left nothing in its place to encourage healthy people to enroll in the individual market. (The House's AHCA includes a 30% premium surcharge in the first year of coverage after a gap in coverage of 63 days or more).

The new Senate amendment allows an insurer in the individual market to impose a waiting period of six months on an enrollee who had had a gap in coverage of 63 days or more during the preceding 12 months. An individual who applied for coverage during the annual open enrollment period or during a special enrollment period would have to wait six months from the date of application to enroll in coverage.

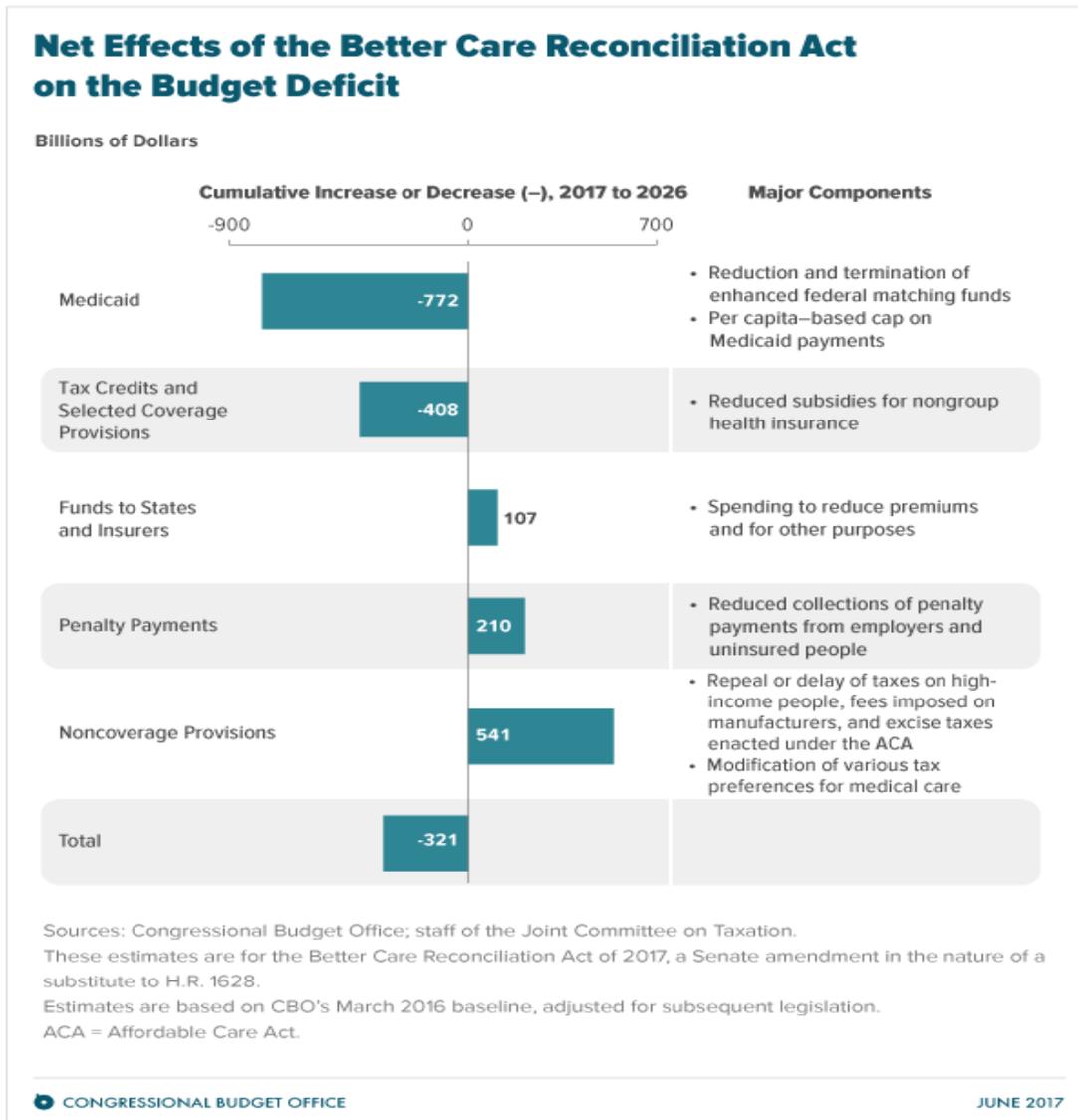
However, the waiting period does not apply to newborns or to children adopted or placed for adoption before reaching the age of 18 if an application is submitted within 30 days of the date of birth or adoption.

### **CBO AND JCT COST ESTIMATE FOR THE BCRA**

On June 26 the Congressional Budget Office (CBO) and the staff of the Joint Committee on Taxation (JCT) released their scoring of the BCRA discussion draft.

- **An estimated 22 million more people would be uninsured by 2026 under the BCRA than under the ACA**
  - In 2018, 15 million more people (68% of the 22 million total over 10 years) would be uninsured under BCRA than under the ACA — primarily because the penalty for not having insurance would be eliminated
  - The increase in the number of uninsured people relative to the number projected under current law would reach 19 million in 2020 and 22 million in 2026.

- In later years, it is estimated that other changes in the legislation — lower spending on Medicaid and substantially smaller average subsidies for coverage in the non-group market—would also lead to increases in the number of people without health insurance.
- By 2026, among people under age 65, enrollment in Medicaid would fall by about 16 percent and an estimated 49 million people would be uninsured, compared with 28 million who would lack insurance that year under current law.
- **Enacting the BCRA would reduce federal deficits by \$321 billion over the 2017-2026 period**
  - See the table below





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Please contact me if you have any questions.

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