Key Provisions in Senate-Passed Health Care Bill (H.R.3590)

**Medicaid expansion**
Expands Medicaid to cover families earning up to 133 percent of the federal poverty line, or about $29,300 for a family of four in 2009. The federal government would pick up 90 percent of the cost of the expansion, though some states such as Nebraska would see additional assistance. Nearly half of the estimated 31 million people who would gain health insurance coverage under the bill would do so through Medicaid.

**Insurance exchanges**
Establishes “exchanges” to serve as marketplaces for uninsured people to buy individual coverage, and provides $329 billion over a decade to subsidize the purchases. Insurance plans in the exchanges would be run by private health insurers, but would operate under new regulations prohibiting discrimination based on pre-existing conditions and limiting additional premium charges based on a person's age or health.

**Abortion**
Restricts insurance coverage of abortion to mimic existing federal laws. No insurer operating in an exchange would be required to cover abortion. Those that do must segregate federal subsidies from premiums paid by covered individuals to ensure that taxpayer dollars do not subsidize abortion. Women who desire coverage for abortion will have to make two premium payments to their insurer each month — one for abortion coverage, and another for all other medical services.

**National insurance plans**
Establishes a system of national, private insurance plans supervised by the Office of Personnel Management, the agency that administers federal employee health benefits. At least one of the national plans must be run by a nonprofit, and one must not offer abortion coverage. The bill also provides $10 billion to expand community health centers — government-funded clinics that provide medical and dental care, mostly in rural and low-income areas. The system is in lieu of a government-run insurance plan, or public option.

**Mandates on employers and individuals**
People would be required to have insurance or pay a penalty starting in 2014. Companies with more than 50 people would face a requirement to help provide coverage, as well. Companies that had at least one worker get coverage through the exchange would have to pay a $750 fine for every person they employ, if they did not offer affordable insurance. Smaller companies would eventually be able to get coverage through the exchange.

**Medicare provider cuts**
Authorizes nearly a half-trillion dollars in cuts to Medicare provider payments over the next decade, in order to fund other programs in the legislation. Payments to insurers who run a private sector version of Medicare known as Medicare Advantage are cut by $118 billion. Providers like hospitals would absorb $147 billion in reductions to future payment updates. Home health providers are cut $39 billion. And a new board with power to set many Medicare payment rates — other than those for doctors and hospitals — would eventually trim $28 billion from the program, according to the Congressional Budget Office (CBO).

**Taxes and revenue**
Would raise $150 billion over a decade by taxing high-cost insurance plans, the single largest revenue provision. Also raises tens of billions of dollars more with excise taxes on drug makers ($22 billion), medical device makers ($19 billion) and health insurance companies ($60 billion). Individuals making over $200,000 will also pay $87 billion more in taxes over the decade. In total the bill raises $398 billion in new taxes over a decade, according to the Joint Committee on Taxation.