

Ron Wyden

AMENDMENT NO. _____ Calendar No. _____

Purpose: To adjust the annual fee on health insurance providers based on the amount by which premiums increase or decrease relative to other providers.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 3590

AMENDMENT NO 3116

To : By Wyden modify
To: Amdt. No. 2786 mbers
employ-

Ref 5 Page(s) and

GPO: 2008 45-603 (psac)

Ordered to lie on the table and to be printed
AMENDMENT intended to be proposed by Mr. WYDEN to ^(for himself, Ms. COLLINS and Mr. BAYH) the amendment (No. 2786) proposed by Mr. REID

Viz:

- 1 On page 2028, strike lines 9 and 10 and insert the
- 2 following:
- 3 (3) EFFICIENCY ADJUSTMENT BASED ON PRE-
- 4 MIUM INCREASES.—
- 5 (A) IN GENERAL.—The portion of the fee
- 6 determined under paragraph (1) with respect to
- 7 a covered entity for a calendar year which is at-

1 tributable to net premiums written shall be
2 multiplied by an amount equal to the sum of—

3 (i) 50 percent, plus

4 (ii) the applicable percentage.

5 (B) APPLICABLE PERCENTAGE.—The ap-
6 plicable percentage is a percentage determined
7 by the Secretary in the following manner:

8 (i) The applicable percentage for the
9 covered entity with the lowest per-capita
10 premium change shall be 0 percent.

11 (ii) The applicable percentage for the
12 covered entity with the highest per-capita
13 premium change shall be 100 percent.

14 (iii) The applicable percentage for
15 each other cover entity shall be based on
16 the degree to which the per-capita pre-
17 mium change for such covered entity is
18 greater than the covered entity with the
19 lowest per-capita premium change, except
20 that in determining such amount the Sec-
21 retary shall ensure that the aggregate fees
22 for all covered entities under this section
23 for the calendar year (after application of
24 this subsection) is equal to
25 \$6,700,000,000.

1 (iv) Notwithstanding clause (iii), the
2 Secretary may reduce the applicable per-
3 centage for a covered entity (but not below
4 zero) with respect to any calendar year if
5 the Secretary determines that the amount
6 of the per-capita premium increase for
7 such entity was primarily due to govern-
8 ment restrictions on rates, but only to the
9 extent that the amount of the per-capita
10 premium increase was due to such govern-
11 ment restrictions, as determined by the
12 Secretary. In the case of any reduction
13 under the preceding sentence, proper ad-
14 justment shall be made to the applicable
15 percentages for other covered entities de-
16 scribed in clause (iii) such that the aggre-
17 gate fees for all covered entities under this
18 section for the calendar year (after applica-
19 tion of this subsection) is equal to
20 \$6,700,000,000. In no case shall any ad-
21 justment cause the applicable percentage
22 for any covered entity to exceed 100 per-
23 cent.

24 (C) PER-CAPITA PREMIUM CHANGE.—For
25 purposes of this paragraph—

1 (i) IN GENERAL.—The term “per-cap-
2 ita premium change” means, with respect
3 to any calendar year, the excess of—

4 (I) the per-capita premium
5 amount for the such calendar year,
6 over

7 (II) the per capita premium
8 amount for the preceding calendar
9 year.

10 (ii) PER-CAPITA PREMIUM AMOUNT.—
11 The term “per-capita premium amount”
12 means, with respect to any calendar year,
13 the total amount of net premiums written
14 with respect to health insurance for any
15 United States health risk for such calendar
16 year divided by the number of United
17 States health risks which are covered
18 under such net written premiums.

19 (iii) REPORTING.—

20 (I) IN GENERAL.—Each covered
21 entity shall include in the report re-
22 quired under subsection (g) the num-
23 ber of United States health risks
24 which are covered under net written

1 premiums with respect to health in-
2 surance.

3 (II) PENALTY.—The rules of
4 subsection (g)(2) shall apply to the in-
5 formation required to be reported
6 under subclause (I).

7 (4) SECRETARIAL DETERMINATION.—The Sec-
8 retary shall calculate the amount of each covered en-
9 tity's fee for any calendar year under this sub-
10 section.