

Spending and Revenues in the House Tri-Committee Bill (H.R. 3200)*

Provisions that Reduce Tax Revenues or Increase Medicare/Medicaid Spending	(billions)	Provisions that Increase Tax Revenues or Cut Medicare/Medicaid Spending	(billions)
Tax Provisions		Tax Provisions	
<ul style="list-style-type: none"> • Individual subsidies • Small employer tax credits • Associated tax interactions with "Play or Pay" • Certain health benefits applicable to spouses and dependents extended to eligible beneficiaries 	<ul style="list-style-type: none"> -\$773.0 -\$53.0 -\$15.0 -\$4.0 	<ul style="list-style-type: none"> • Employer payments to Exchanges for employees who elect coverage through the Exchange • "Play-or-Pay" payments by employers • Payments by individuals who fail to maintain health insurance • Surtaxes on high income individuals • Deny deductions for over-the-counter drugs through HRAs, Health FSAs, HSAs, and Archer MSAs • Delay worldwide interest allocation until 2020 • Limit treaty benefits • Codify economic substance doctrine and impose penalties 	<ul style="list-style-type: none"> +\$45.0 +\$163.0 +29.0 +\$543.9 +\$8.2 +\$26.1 +\$7.5 +\$3.6
Subtotal: Provisions that Reduce Taxes	-\$845.0	Subtotal: Provisions that Increase Taxes	+\$826.3
Medicare/Medicaid Changes		Medicare/Medicaid Changes	
<ul style="list-style-type: none"> • Sustainable growth rate reform (physician payments) • Other changes to Medicare Part B • Revision of Medicare payments for geographic inequities • Quality bonus payments for MA Providers • Medicare rural access provisions • Medicare savings program/low-income subsidy • Miscellaneous Medicare improvements • Medical home pilot program • Payment incentive for selected primary care services • Coverage and waiver of cost-sharing for preventive services • Coverage of marriage and family therapist services and mental health counselor services • Extension of physician fees mental health add-on • Expanding access to vaccines • Comparative effectiveness research (effects on outlays) • Development of new quality measures • Medicare graduate medical education provisions • Medicaid/CHIP coverage expansions • Medicaid prevention provisions • Medicaid access provisions • Optional Medicaid coverage of low-income HIV-infected individuals • Extending Transitional Medicaid Assistance • Medicaid changes relating to Puerto Rico and territories • Extension of QI program • Reinsurance for Retirees • AIDS Drug Assistance • State grants for home visitation programs 	<ul style="list-style-type: none"> -\$228.5 -\$2.6 -\$8.0 -\$9.6 -\$2.5 -\$11.9 -\$4.9 -\$1.8 -\$6.4 -\$2.8 -\$0.5 -\$0.1 -\$1.5 -\$1.1 -\$0.3 -\$1.5 -\$438.0 -\$8.0 -\$1.7 -\$1.0 -\$2.4 -\$10.4 -\$1.4 -\$10.0 -\$0.8 -\$1.8 	<ul style="list-style-type: none"> • Skilled nursing facility payment update • Inpatient rehabilitation facility payment update • Incorporate productivity adjustments into market basket percentages for inpatient acute hospitals, SNFs, inpatient rehabilitation facilities, long-term care facilities, psychiatric hospitals and hospice • Payments to skilled nursing facilities • Medicare DSH payment adjustments • Incorporate productivity factor into market basket adjustments that do not already incorporate them • Medicare Improvement Fund • Hospital readmissions • Incorporate productivity adjustments into market basket percentages for home health services • Payment adjustments for home health care • Rental and purchase of power-driven wheelchairs • Payments for imaging services • Home health payment update for 2010 • Payment adjustments for home health care • Base MA payments on fee-for-service costs • Extension of Secretarial coding intensity adjustment authority • Eliminates MA regional plan stabilization fund • Elimination of Part D coverage gap and Part D drug discounts • Accountable care organization pilot program • Comparative Effectiveness Trust Fund • Medicare waste, fraud, and abuse provisions • Reduction in Medicaid DSH • Medicaid pharmacy reimbursement and prescription drug rebate provisions 	<ul style="list-style-type: none"> +\$26.0 +\$5.3 +\$101.6 +\$6.0 +\$10.2 +\$40.1 +\$22.3 +\$19.1 +\$14.9 +\$34.0 +\$0.8 +\$4.3 +\$7.7 +\$34.2 +\$156.3 +\$15.5 +\$2.0 +\$29.7 +\$2.0 +\$2.0 +\$1.3 +\$6.4 +\$18.0
Subtotal: Medicare/Medicaid Spending Increases	-\$756.7	Subtotal: Medicare/Medicaid Spending Cuts	+\$559.7
Total	-\$1,601.7	Total	+\$1,386.0

* Prepared by Washington Council Ernst & Young. Totals do not conform to CBO's overall estimate that the net effects of H.R. 3200 will increase the Federal budget deficit over the 10-year budget window by \$239 billion, due to various interactions among the bill's provisions that are not factored into this table.