

- Committee on Finance -
ESTIMATED REVENUE EFFECTS OF VARIOUS HEALTH PROPOSALS

Fiscal Years 2010 - 2019

[Billions of Dollars]

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
I. Financing Plan Proposals													
1. 35% excise tax on health coverage in excess of \$8,000/\$21,000 indexed for inflation by CPI-U; levied at insurer level; employer aggregates and issues information return for insurers indicating pro-rata portion of the excise tax; nondeductible; high 17 state transition relief.....	tyba 12/31/12	---	---	---	5.4	17.1	23.4	30.8	38.6	45.8	53.7	22.5	214.9
2. Limit flexible spending accounts in cafeteria plans to \$2,000 [1].....	tyba 12/31/12	---	---	---	1.8	2.5	2.5	2.5	2.4	2.4	2.4	4.3	16.5
3. Eliminate deduction for expenses allocable to Medicare Part D subsidy.....	tyba 12/31/10	---	0.3	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.6	1.5	4.0
4. Conform the definition of medical expenses for flexible spending accounts to the definition of the itemized deduction for medical expenses (including prescription purchases of over-the-counter medicines).....	tyba 12/31/09	0.4	0.4	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.7	2.3	5.4
5. Increase the penalty for nonqualified health savings account distributions to 20% [2].....	[3]	[4]	[4]	[4]	0.1	0.1	0.1	0.2	0.2	0.3	0.3	0.2	1.3
6. Additional requirements for section 501(c)(3) hospitals.....	tyba DOE	----- <i>Negligible Revenue Effect</i> -----											
7. Corporate information reporting.....	pma 12/31/11	---	---	0.4	3.3	2.0	2.1	2.2	2.3	2.4	2.5	5.6	17.1
Total of Financing Plan Proposals		0.4	0.7	1.3	11.5	22.6	29.1	36.8	44.6	52.0	60.2	36.4	259.2
II. Industry Fees Proposals													
1. PHARMA fee.....	1/1/10	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	8.6	17.2
2. Health insurance providers fee.....	1/1/10	2.7	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	19.5	40.5

Provision	Effective	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-14	2010-19
3. Medical device manufacturers fee.....	1/1/10	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	14.9	29.9
4. Clinical laboratories fee.....	1/1/10	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	2.8	5.6
Total of Industry Fees Proposals		7.9	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	45.8	93.2
III. Other Tax Proposals													
1. Employer W-2 reporting of value of health benefits.....	DOE	----- <i>Negligible Revenue Effect</i> -----											
2. Permit the purchase of long-term care insurance through flexible spending arrangements [5].....	tyba 12/31/10	---	-0.2	-0.3	-0.3	-0.4	-0.4	-0.4	-0.5	-0.5	-0.6	-1.2	-3.6
Total of Other Tax Proposals		---	-0.2	-0.3	-0.3	-0.4	-0.4	-0.4	-0.5	-0.5	-0.6	-1.2	-3.6
NET TOTAL		8.3	10.0	10.5	20.7	31.7	38.2	45.9	53.6	61.0	69.1	81.0	348.8

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding.

Legend for "Effective" column:

DOE = date of enactment

pma = payments made after

tyba = taxable years beginning after

[1] Estimate includes interaction with other proposals.

[2] Estimate included in *A Preliminary Analysis of the Senate Finance Committee's Coverage Specifications*, July 14, 2009, from the Congressional Budget Office to the Committee on Finance health staff.

[3] Effective for disbursements made during taxable years starting after December 31, 2009.

[4] Gain of less than \$50 million.

[5] Estimate includes interaction with proposal to limit flexible spending accounts in cafeteria plans to \$2,000.