## H.R. 1628 – The American Health Care Act Implementation Timeline

### 2016

**Repeal of ACA Taxes**
- Repeal of insurance mandate for individuals and employers

### 2017

**Repeal of ACA Taxes**
- Cadillac tax on high-cost employer plans suspended effective 2017 for tax years 2020 through 2025
- Taxes on health insurers and pharmaceutical manufacturers, excise tax on medical devices
- Chronic care tax
- Tanning tax
- 3.8% tax increase on unearned income for high-income taxpayers

**Repeal of HSA Limits**
- Provision excluding costs for over-the-counter drugs from being reimbursed through a HSA account
- Provision increasing tax on HSA distributions that are not used for qualified medical expenses

**Other ACA Repeal**
- Annual limits on FSA contributions
- Annual limit on deductions for salary in excess of $1 million
- Income threshold for medical expense deduction reduced from 10% to 5.8%

**Medicaid**
- Enhanced match for expansion population only provided to states that expanded as of March 1, 2017.

### 2018

**Tax Credits**
- Modify age rating limit to permit variation of 5:1. States may adopt different ratios beginning in 2020
- Premium subsidies become available for off-exchange plans
- Late enrollment penalty is effective for special enrollment periods

**State Stability Fund/FIRSP**
- Funding becomes available for grants to states or for a default reinsurance program
- Federal Invisible Risk Sharing Program funding begins, to run until 2026

**Medicaid**
- Safety net funding for non-expansion states
- DSH funding reinstated for non-expansion states

**Prevention and Public Health Fund**
- Fund is eliminated; remaining funds are rescinded at the end of fiscal 2018
2019

**Tax Credits**
- Late enrollment penalty for 2019 plan year
- Modification of premium tax credits to increase amount for younger adults and reduce for older adults, January 1, 2019

**Benefits**
- Requirement for plans to be offered at specified actuarial values /metal levels sunset

**Medicaid**
- Lowers eligibility for 6-19 year olds from 138% to 100% of FPL

2020

**Tax Credits**
- Replaces ACA income-based tax credits with a flat credit adjusted for age
- States may begin to adjust 5:1 age rating bands
- Repeal standards for actuarial values
- Repeal premium and cost sharing subsidies

**State Stability Fund/FIRSP**
- $15 billion of funds for maternity, newborn care, mental health and substance use disorders

**Benefits**
- States may apply for waivers to re-define essential health benefits

**Medicaid Funding**
- Federal Medicaid funding capped using 2016 as a base year; state choice of per capita cap or block grant
- Sunset enhanced FMAP for expansion population as of January 2020 except for beneficiaries enrolled as of December 2019
- Reinstate DSH for expansion states

**Health Reimbursement Arrangements (HRA)**
- Taxpayers enrolled in HRAs that apply to non-group coverage will have tax credit reduced by the amount of the HRA benefit

2023

**Repeal of ACA Taxes**
- Medicare payroll tax (HI) rate increase on high-wage individuals