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## House Committee on Ways and Means Passes American Health Care Act After Markup

The U.S. House of Representatives Ways and Means Committee began its markup of the American Health Care Act (AHCA) on the morning of March 8 and concluded in the early hours of March 9. The committee voted along party lines, 23-16, to advance its part of the bill to the House Budget Committee, which is expected to convene its markup of the legislation this week.

Throughout the Ways and Means Committee's markup, Democrats expressed dissatisfaction with being asked to move forward on considering the bill without knowing how many people would be covered (or would lose coverage) under the bill and how much the bill would cost, as the Congressional Budget Office had not yet released a cost estimate and coverage analysis at the time of markup. Rep. Lloyd Doggett, D-Texas, introduced an unsuccessful motion to postpone markup for one week to give the members additional time to review the bill and forthcoming cost estimate.

Rep. Richard Neal, D-Mass., noted that the bill was not just about health reform but was also the committee's first attempt at tax reform and thus should be viewed from that perspective as well.

Other amendments offered by committee Democrats addressed various topics from the release of President Donald Trump's tax returns to early Medicare buy-in to requiring assurances that the legislation would be fully offset and not add to the deficit. Rep. Linda Sanchez, D-Calif., also offered an amendment to repeal the so-called Cadillac tax, which under the AHCA would be delayed until 2025 but not repealed. None of the amendments offered by Democrats were accepted.

The AHCA legislation passed by the committee on March 9 would, among other provisions:

- repeal an Affordable Care Act (ACA) provision that restricts the amount of money a health insurer may deduct from its taxes annually for highly compensated employees (deduction currently is capped at \$500,000);
- repeal, in 2018, several of the ACA's taxes, including the tax on brand-name prescription drug manufacturers, the medical device tax and the tax on health insurers;

- implement age-based tax credits (with some income limitations);
- repeal the ACA's penalties associated with the individual and employer mandate; and
- expand and enhance how health savings accounts could be used.

If you have any questions regarding this Sidley Update, please contact the Sidley lawyer with whom you usually work or

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