

Health Reform Outcome Predictions

July 15, 2009

Element	Yes	No	Compromise
Individual Mandate	✓		• Phased in plus many “hardship” exclusions
Employer Mandate		✓	• Small Massachusetts level penalties
Public Plan		✓	• “Light” public plans – no Medicare limits, state level, triggered in
Payment Reform		✓	• Payment cuts, not reforms – effective on Medicare only
Adequate Financing		✓	• Without employer mandates and with limited tax revenues, payment cuts not sufficient to fund adequate subsidies

Outcome

- Bill passes, highly touted
- Significant coverage improvements (50-60%)
- Cost issues remain
- Some concern over individual mandate backlash because of inadequate subsidies