

Committee on Ways and Means

TAA Health Provisions

	HOUSE	SENATE	CONFERENCE
Amount of Tax Credit	60% advanceable and refundable	70% advanceable and refundable	65% advanceable and refundable
Eligibility	Individuals covered by TAA and those 55 and over receiving benefits from the Pension Benefit Guaranty Corporation and not otherwise covered by government or private insurance that is 50% or more subsidized	Individuals eligible for TAA benefits and not covered by Medicare, Medicaid, or S-CHIP	Individuals covered by TAA or the new wage insurance / Alternative TAA and those 55-64 and receiving benefits from the Pension Benefit Guaranty Corporation and not otherwise covered by government or private insurance
Individual Market	The credit is available for individual insurance, whether or not the individual had employer-sponsored coverage or individual coverage	The credit could only be used to buy individual insurance if the individual purchased coverage on the 6 months prior to unemployment	The credit could only be used to buy individual insurance if the individual purchased coverage 1 month prior to unemployment.
Private Insurance options	Individual could use credit for COBRA, state high risk pools, or individual market	1) COBRA 2) State COBRA 3) Individual market for individuals who had individual coverage 6 months before job termination 4) State Pooling Options: <ul style="list-style-type: none"> • High risk pools or comparable private coverage • Private coverage offered to state employees • Contract between state and group health plan (including employer plan) an 	1) COBRA 2) State COBRA 3) Individual market for individuals who had individual coverage 1 month before job termination 4) State Pooling Options: <ul style="list-style-type: none"> • High risk pools or comparable private coverage • Private coverage offered to state employees • Contract between state and group health plan (including employer plan) an insurer, or

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		<p>insurer, or administrator or employer</p> <ul style="list-style-type: none"> • Coverage through a state arrangement with a private sector health care coverage purchasing pool 	<p>administrator or employer</p> <ul style="list-style-type: none"> • Coverage through a state arrangement with a private sector health care coverage
Insurance reforms	<p>Guarantee issue and pre-existing limitation protections in the individual market for individuals who had 12 months of creditable prior coverage.</p>	<ul style="list-style-type: none"> • Guarantee issue, pre-existing condition protections for eligibility to state pools listed above with no prior coverage. • Premiums and benefits are comparable to those offered in the state pooling structure (listed above) for similarly situated individuals in that pool • Mandates that those pools charge no more than 120% of average premiums (not one risk pool meets this criteria), • Mandates limit on loss ratio for insurers to 65% • Permits the Secretary to establish other mandates. 	<ul style="list-style-type: none"> • Guarantee issue and pre-existing condition protections for individuals with 3 months prior creditable coverage for state pools listed above, if they accept any TAA individuals. • Premiums and benefits are comparable to those offered in the state pooling structure (listed above) for similarly situated individuals in that pool • Explicitly prohibits new mandates on states or insurers
High Risk Pools	<p>Seed money for High Risk Pools</p>	<p>No Provision</p>	<p>Seed money for High Risk Pools</p>

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<p>National Emergency Grants</p>		<p>Provides \$10 million in fiscal year '02 and \$60 million in each of fiscal years '03 through '07 in national emergency grants for states to assist workers in purchasing qualified health insurance coverage including: COBRA, state high risk pools, private coverage offered to state employees, state contracted group health plans, or individual insurance if purchased 6 months prior to separation.</p> <p>Provides \$50 million in fiscal year '02, \$100 million in '03 and \$50 million in '04 for interim health insurance coverage and support services including transportation, childcare, dependent care, and income assistance.</p>	<p>Provides \$10 million in fiscal year '02 and \$60 million in each of fiscal years '03 through '07 in national emergency grants for states to assist workers in purchasing qualified health insurance coverage including: COBRA, state high risk pools, private coverage offered to state employees, state contracted group health plans, or individual insurance if purchased 1 month prior to separation.</p> <p>Provides \$50 million in fiscal year '02, \$100 million in '03 and \$50 million in '04 for interim health insurance coverage and support services including transportation, childcare, dependent care, and income assistance.</p>
<p>Special COBRA provisions</p>	<p>Use of tax credits subject to current law COBRA requirements</p>	<p>Use of tax credit triggered new COBRA election period but health coverage reached back to individual's separation from employer, which in some cases could be many months.</p> <p>Time limit on eligibility for COBRA election subject to time limit on</p>	<p>Special 60 day election period when an individual becomes TAA eligible</p> <p>Only applies if not later than 6 months from the loss of coverage</p> <p>Coverage commences at the beginning of the 60 day period</p> <p>The period between</p>

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		eligibility for Trade Adjustment Assistance, which in some cases could total a year of more. This means an individual separated from their employer for more than a year could sign up for COBRA coverage and force employers to cover health claims that occurred more than a year ago.	loss of coverage and the beginning of the 60 day election period does not count against the HIPAA 63 day break in coverage rule
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