

JOINT COMMITTEE ON TAXATION

June 5, 2012

JCX-55-12

**ESTIMATED REVENUE EFFECTS OF H.R. 436,
THE "HEALTH CARE COST REDUCTION ACT OF 2012,"
(RULES COMMITTEE PRINT 112-23)
SCHEDULED FOR CONSIDERATION BY THE HOUSE COMMITTEE ON RULES ON JUNE 6, 2012**

Fiscal Years 2013 - 2022

[Millions of Dollars]

Provision	Effective	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-17	2013-22
1. Repeal the 2.3 percent excise tax on medical devices.....	DOE	-1,742	-2,562	-2,668	-2,771	-2,889	-3,012	-3,143	-3,280	-3,428	-3,582	-12,631	-29,076
2. Repeal the limitation on reimbursement of over-the-counter medications from health FSAs, HRAs, HSAs, and Archer MSAs [1].....	ea 12/31/12	-223	-305	-332	-361	-390	-419	-448	-479	-511	-544	-1,611	-4,012
3. Permit \$500 cash out of amounts under Health FSA not used to reimburse medical expenses incurred during plan year (plus any grace period) [1].....	pyba 12/31/12	-261	-380	-383	-395	-407	-419	-432	-445	-459	-471	-1,826	-4,051
4. Recapture of overpayments resulting from certain Federally-subsidized health insurance [1] [2].....	tyea 12/31/13	---	1,124	2,581	4,138	5,024	5,508	5,886	6,144	6,551	6,920	12,867	43,876
NET TOTAL		-2,226	-2,123	-802	611	1,338	1,658	1,863	1,940	2,153	2,323	-3,201	6,737

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be October 1, 2012.

Legend for "Effective" column:

DOE = date of enactment

ea = expenses after

pyba = plan years beginning after

tyea = taxable years ending after

[1] Estimate includes the following off-budget effects:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2013-17</u>	<u>2013-22</u>
Repeal the limitation on reimbursement of over-the-counter medications from health FSAs, HRAs, HSAs, and Archer MSAs.....	-54	-73	-80	-87	-94	-100	-108	-115	-123	-130	-387	-963
Permit \$500 cash out of amounts under Health FSA not used to reimburse medical expenses incurred during plan year (plus any grace period).....	-69	-94	-93	-95	-97	-99	-101	-104	-106	-108	-447	-965
Recapture of overpayments resulting from certain Federally-subsidized health insurance.....	---	-12	-30	-51	-65	-73	-78	-83	-88	-92	-158	-572
[2] Estimate includes the following outlay effects	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2013-17</u>	<u>2013-22</u>
	---	-886	-1,880	-3,022	-3,602	-3,966	-4,222	-4,426	-4,803	-5,056	-9,391	-31,864