**The House BBB bill includes five health care provisions that will impact employer health plans.**

* Substantial mental health parity civil monetary penalties for any employer health plan that violates those legal obligations;
* Lowers the ACA test for determining if employer plans are affordable from 9.83% to 8.5% of employee wages through 2025;
* Penalizes drug companies that raise prices faster than inflation for Medicare and employer plans and enables Medicare to negotiate drug prices for a limited number of drugs;
* Extends ACA premium subsidies in 2022 to 2025 to individuals and employees with incomes below 138% of the federal poverty level in states that have not expanded their Medicaid programs; and
* Increases drug pricing transparency by requiring PBMs to semi-annually report to employers the costs, fees, and rebate information associated with their pharmacy benefit manager (PBM) contracts.

**Limiting drug price increases could save employers up to $95 billion over 10 years. However, the parity penalties are expected to cost employers $35 million over 10 years and lowering the ACA affordability test could expose employers with significant numbers of low-wage employees to penalties.**

The bill also extends expanded ACA premium subsidies through 2025 and provides $10 billion per year from 2023 to 2025 for state reinsurance programs to reduce the cost of coverage in the ACA exchanges.