JUNE 17, 2016

RULES COMMITTEE PRINT 114-60

TEXT OF H.R. 1270, RESTORING ACCESS TO
MEDICATION ACT OF 2015

[Showing the texts of H.R. 1270 and H.R. 4723 as reported
with modifications, and H.R. 5445 as ordered reported; all
by the Committee on Ways and Means.]

SECTION 1. SHORT TITLE.

This Act may be cited as the “Restoring Access to
Medication and Improving Health Savings Act of 2016”.

TITLE I—RESTORING ACCESS TO
MEDICATION ACT OF 2016

SEC. 101. SHORT TITLE.

This title may be cited as the “Restoring Access to
Medication Act of 2016”.

SEC. 102. REPEAL OF DISQUALIFICATION OF EXPENSES
FOR OVER-THE-COUNTER DRUGS UNDER
CERTAIN ACCOUNTS AND ARRANGEMENTS.

(a) HSAs.—Section 223(d)(2)(A) of the Internal
Revenue Code of 1986 is amended by striking the last sen-
tence.

(b) Archer MSAs.—Section 220(d)(2)(A) of such
Code is amended by striking the last sentence.
(c) Health Flexible Spending Arrangements and Health Reimbursement Arrangements.—Section 106 of such Code is amended by striking subsection (f).

(d) Effective Date.—The amendments made by this section shall apply to expenses incurred after December 31, 2016.

TITLE II—HEALTH CARE SECURITY ACT OF 2016

SEC. 201. SHORT TITLE.

This title may be cited as the “Health Care Security Act of 2016”.

SEC. 202. ALLOW BOTH SPOUSES TO MAKE CATCH-UP CONTRIBUTIONS TO THE SAME HEALTH SAVINGS ACCOUNT.

(a) In General.—Section 223(b)(5) of the Internal Revenue Code of 1986 is amended to read as follows:

“(5) Special rule for married individuals with family coverage.—

“(A) In General.—In the case of individuals who are married to each other, if both spouses are eligible individuals and either spouse has family coverage under a high deductible health plan as of the first day of any month—
“(i) the limitation under paragraph (1) shall be applied by not taking into account any other high deductible health plan coverage of either spouse (and if such spouses both have family coverage under separate high deductible health plans, only one such coverage shall be taken into account),

“(ii) such limitation (after application of clause (i)) shall be reduced by the aggregate amount paid to Archer MSAs of such spouses for the taxable year, and

“(iii) such limitation (after application of clauses (i) and (ii)) shall be divided equally between such spouses unless they agree on a different division.

“(B) Treatment of Additional Contribution Amounts.—If both spouses referred to in subparagraph (A) have attained age 55 before the close of the taxable year, the limitation referred to in subparagraph (A)(iii) which is subject to division between the spouses shall include the additional contribution amounts determined under paragraph (3) for both spouses. In any other case, any additional contribution...
amount determined under paragraph (3) shall
not be taken into account under subparagraph
(A)(iii) and shall not be subject to division be-
tween the spouses.’’.

(b) EFFECTIVE DATE.—The amendment made by
this section shall apply to taxable years beginning after
December 31, 2016.

SEC. 203. SPECIAL RULE FOR CERTAIN MEDICAL EXPENSES
INCURRED BEFORE ESTABLISHMENT OF
HEALTH SAVINGS ACCOUNT.

(a) IN GENERAL.—Section 223(d)(2) of the Internal
Revenue Code of 1986 is amended by adding at the end
the following new subparagraph:

‘‘(D) TREATMENT OF CERTAIN MEDICAL
EXPENSES INCURRED BEFORE ESTABLISHMENT
OF ACCOUNT.—If a health savings account is
established during the 60-day period beginning
on the date that coverage of the account bene-
fi ciary under a high deductible health plan be-
gins, then, solely for purposes of determining
whether an amount paid is used for a qualified
medical expense, such account shall be treated
as having been established on the date that
such coverage begins.’’.
(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to coverage beginning after December 31, 2016.

SEC. 204. MAXIMUM CONTRIBUTION LIMIT TO HEALTH SAVINGS ACCOUNT INCREASED TO AMOUNT OF DEDUCTIBLE AND OUT-OF-POCKET LIMITATION.

(a) SELF-ONLY COVERAGE.—Section 223(b)(2)(A) of the Internal Revenue Code of 1986 is amended by striking “$2,250” and inserting “the amount in effect under subsection (e)(2)(A)(ii)(I)”.

(b) FAMILY COVERAGE.—Section 223(b)(2)(B) of such Code is amended by striking “$4,500” and inserting “the amount in effect under subsection (e)(2)(A)(ii)(II)”.

(c) CONFORMING AMENDMENTS.—Section 223(g)(1) of such Code is amended—

(1) by striking “subsections (b)(2) and” both places it appears and inserting “subsection”, and

(2) by striking “determined by” in subparagraph (B) thereof and all that follows through “‘calendar year 2003’.” and inserting “determined by substituting ‘calendar year 2003’ for ‘calendar year 1992’ in subparagraph (B) thereof.”.
(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2016.

TITLE III—PROTECTING TAXPAYERS BY RECOVERING IMPROPER OBAMACARE SUBSIDY OVERPAYMENTS ACT

SEC. 301. SHORT TITLE.

This title may be cited as the “Protecting Taxpayers by Recovering Improper Obamacare Subsidy Overpayments Act”.

SEC. 302. RECOVERY OF IMPROPER OVERPAYMENTS RESULTING FROM CERTAIN FEDERALLY SUBSIDIZED HEALTH INSURANCE.

(a) IN GENERAL.—Section 36B(f)(2)(B)(i) of the Internal Revenue Code of 1986 is amended to read as follows:

“(i) IN GENERAL.—In the case of a taxpayer whose household income is less than 300 percent of the poverty line for the size of the family involved for the taxable year, the amount of the increase under subparagraph (A) shall in no event exceed the applicable dollar amount determined in accordance with the following
table (one-half of such amount in the case
of a taxpayer whose tax is determined
under section 1(c) for the taxable year):

```
<table>
<thead>
<tr>
<th>Household Income (Expressed as a Percent of Poverty Line)</th>
<th>Applicable Dollar Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 200%</td>
<td>$600</td>
</tr>
<tr>
<td>At least 200% but less than 250%</td>
<td>$1,500</td>
</tr>
<tr>
<td>At least 250% but less than 300%</td>
<td>$3,000</td>
</tr>
</tbody>
</table>
```

(b) EFFECTIVE DATE.—The amendment made by
this section shall apply to taxable years beginning after
December 31, 2016.