

JULY 19, 2018

RULES COMMITTEE PRINT 115-83
TEXT OF H.R. 6311, INCREASING ACCESS TO
LOWER PREMIUM PLANS AND EXPANDING
HEALTH SAVINGS ACCOUNTS ACT OF 2018

[Showing the text of H.R. 6311, H.R. 6313 as reported with modifications, and H.R. 6306, H.R. 6309, H.R. 6314 as reported; all by the Committee on Ways and Means; and based on H.R. 5963 as introduced.]

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Increasing Access to Lower Premium Plans and Expand-
4 ing Health Savings Accounts Act of 2018”.

5 (b) **TABLE OF CONTENTS.**—The table of contents for
6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Carryforward of health flexible spending arrangement account balances.
- Sec. 3. Individuals entitled to part A of Medicare by reason of age allowed to contribute to health savings accounts.
- Sec. 4. Maximum contribution limit to health savings account increased to amount of deductible and out-of-pocket limitation.
- Sec. 5. Allow both spouses to make catch-up contributions to the same health savings account.
- Sec. 6. Special rule for certain medical expenses incurred before establishment of health savings account.
- Sec. 7. Allowance of bronze and catastrophic plans in connection with health savings accounts.
- Sec. 8. Allowing all individuals purchasing health insurance in the individual market the option to purchase a lower premium copper plan.
- Sec. 9. Delay of reimposition of annual fee on health insurance providers.

1 **SEC. 2. CARRYFORWARD OF HEALTH FLEXIBLE SPENDING**
2 **ARRANGEMENT ACCOUNT BALANCES.**

3 (a) IN GENERAL.—Section 106 of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new subsection:

6 “(h) CARRYFORWARD OF HEALTH FLEXIBLE
7 SPENDING ARRANGEMENT ACCOUNT BALANCES.—A plan
8 shall not fail to be treated as a health flexible spending
9 arrangement under this section or section 105 merely be-
10 cause the lesser of—

11 “(1) such arrangement’s account balance (or
12 any portion thereof) determined as of the end of any
13 plan year, or

14 “(2) the product of the dollar limitation in ef-
15 fect under section 125(i) for such plan year (deter-
16 mined without regard to paragraph (2) thereof) mul-
17 tiplied by 3,
18 may be carried forward to the succeeding plan year.”.

19 (b) COORDINATION WITH LIMITATION ON SALARY
20 REDUCTION CONTRIBUTIONS.—

21 (1) IN GENERAL.—Section 125(i) of such Code
22 is amended by redesignating paragraph (2) as para-
23 graph (3) and by inserting after paragraph (1) the
24 following new paragraph:

25 “(2) COORDINATION WITH CARRYFORWARD OF
26 ACCOUNT BALANCES.—The dollar amount otherwise

1 in effect under paragraph (1) for any plan year shall
2 be reduced (but not below zero) by the excess (if
3 any) of—

4 “(A) the amount of any account balance
5 which is carried forward to such plan year from
6 the preceding plan year, over

7 “(B) twice the dollar limitation in effect
8 under paragraph (1) (determined without re-
9 gard to this paragraph).”.

10 (2) CONFORMING AMENDMENTS.—Section
11 125(i) of such Code is amended by striking “taxable
12 year” each place it appears in paragraphs (1) and
13 (3) (as redesignated by paragraph (1) of this sub-
14 section) and inserting “plan year”.

15 (c) COORDINATION WITH CAFETERIA PLAN LIMITA-
16 TION ON DEFERRED COMPENSATION.—Section 125(d)(2)
17 of such Code is amended by adding at the end the fol-
18 lowing new subparagraph:

19 “(E) EXCEPTION FOR HEALTH FLEXIBLE
20 SPENDING ARRANGEMENTS.—Subparagraph (A)
21 shall not apply to a plan to the extent of
22 amounts in a health flexible spending arrange-
23 ment which may be carried forward as de-
24 scribed in section 106(h).”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to plan years beginning after De-
3 cember 31, 2018.

4 **SEC. 3. INDIVIDUALS ENTITLED TO PART A OF MEDICARE**
5 **BY REASON OF AGE ALLOWED TO CON-**
6 **TRIBUTE TO HEALTH SAVINGS ACCOUNTS.**

7 (a) IN GENERAL.—Section 223(c)(1)(B) of the Inter-
8 nal Revenue Code of 1986 is amended by striking “and”
9 at the end of clause (ii), by striking the period at the end
10 of clause (iii) and inserting “, and”, and by adding at the
11 end the following new clause:

12 “(iv) entitlement to hospital insurance
13 benefits under part A of title XVIII of the
14 Social Security Act by reason of section
15 226(a) of such Act.”.

16 (b) CONFORMING AMENDMENT.—Section 223(b)(7)
17 of such Code is amended by inserting “(other than an enti-
18 tlement to benefits described in subsection (c)(1)(B)(v))”
19 after “Social Security Act”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to months beginning after Decem-
22 ber 31, 2018, in taxable years ending after such date.

1 **SEC. 4. MAXIMUM CONTRIBUTION LIMIT TO HEALTH SAV-**
2 **INGS ACCOUNT INCREASED TO AMOUNT OF**
3 **DEDUCTIBLE AND OUT-OF-POCKET LIMITA-**
4 **TION.**

5 (a) **SELF-ONLY COVERAGE.**—Section 223(b)(2)(A)
6 of the Internal Revenue Code of 1986 is amended by strik-
7 ing “\$2,250” and inserting “the amount in effect under
8 subsection (c)(2)(A)(ii)(I)”.

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

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

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

16 (2) in subparagraph (B), by striking “deter-
17 mined by” and all that follows through “‘calendar
18 year 2003’.” and inserting “determined by sub-
19 stituting ‘calendar year 2003’ for ‘calendar year
20 2016’ in subparagraph (A)(ii) thereof.”.

21 (d) **EFFECTIVE DATE.**—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2018.

1 **SEC. 5. ALLOW BOTH SPOUSES TO MAKE CATCH-UP CON-**
2 **TRIBUTIONS TO THE SAME HEALTH SAVINGS**
3 **ACCOUNT.**

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

6 “(5) SPECIAL RULE FOR MARRIED INDIVIDUALS
7 WITH FAMILY COVERAGE.—

8 “(A) IN GENERAL.—In the case of individ-
9 uals who are married to each other, if both
10 spouses are eligible individuals and either
11 spouse has family coverage under a high de-
12 ductible health plan as of the first day of any
13 month—

14 “(i) the limitation under paragraph
15 (1) shall be applied by not taking into ac-
16 count any other high deductible health
17 plan coverage of either spouse (and if such
18 spouses both have family coverage under
19 separate high deductible health plans, only
20 one such coverage shall be taken into ac-
21 count),

22 “(ii) such limitation (after application
23 of clause (i)) shall be reduced by the ag-
24 gregate amount paid to Archer MSAs of
25 such spouses for the taxable year, and

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

5 “(B) TREATMENT OF ADDITIONAL CON-
6 TRIBUTION AMOUNTS.—If both spouses referred
7 to in subparagraph (A) have attained age 55
8 before the close of the taxable year, the limita-
9 tion referred to in subparagraph (A)(iii) which
10 is subject to division between the spouses shall
11 include the additional contribution amounts de-
12 termined under paragraph (3) for both spouses.
13 In any other case, any additional contribution
14 amount determined under paragraph (3) shall
15 not be taken into account under subparagraph
16 (A)(iii) and shall not be subject to division be-
17 tween the spouses.”.

18 (b) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2018.

1 **SEC. 6. SPECIAL RULE FOR CERTAIN MEDICAL EXPENSES**
2 **INCURRED BEFORE ESTABLISHMENT OF**
3 **HEALTH SAVINGS ACCOUNT.**

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

7 “(D) TREATMENT OF CERTAIN MEDICAL
8 EXPENSES INCURRED BEFORE ESTABLISHMENT
9 OF ACCOUNT.—If a health savings account is
10 established during the 60-day period beginning
11 on the date that coverage of the account bene-
12 ficiary under a high deductible health plan be-
13 gins, then, solely for purposes of determining
14 whether an amount paid is used for a qualified
15 medical expense, such account shall be treated
16 as having been established on the date that
17 such coverage begins.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply with respect to coverage beginning
20 after December 31, 2018.

21 **SEC. 7. ALLOWANCE OF BRONZE AND CATASTROPHIC**
22 **PLANS IN CONNECTION WITH HEALTH SAV-**
23 **INGS ACCOUNTS.**

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

1 (B), respectively, and adjusting the margins ac-
2 cordingly;

3 (B) by striking “plan year if—” and all
4 that follows through “the plan provides—” and
5 inserting “plan year if the plan provides—”;
6 and

7 (C) in subparagraph (A), as redesignated
8 by paragraph (1), by striking “clause (ii)” and
9 inserting “subparagraph (B)”;
10 (2) by striking paragraph (2); and
11 (3) by redesignating paragraph (3) as para-
12 graph (2).

13 (b) RISK POOLS.—Section 1312(c)(1) of the Patient
14 Protection and Affordable Care Act (42 U.S.C.
15 18032(c)(1)) is amended by inserting “and enrollees in
16 catastrophic plans described in section 1302(e)” after
17 “Exchange”.

18 (c) CONFORMING AMENDMENT.—Section
19 1312(d)(3)(C) of the Patient Protection and Affordable
20 Care Act (42 U.S.C. 18032(d)(3)(C)) is amended by strik-
21 ing “, except that in the case of a catastrophic plan de-
22 scribed in section 1302(e), a qualified individual may en-
23 roll in the plan only if the individual is eligible to enroll
24 in the plan under section 1302(e)(2)”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to plan years beginning after De-
3 cember 31, 2018.

4 **SEC. 9. DELAY OF REIMPOSITION OF ANNUAL FEE ON**
5 **HEALTH INSURANCE PROVIDERS.**

6 (a) IN GENERAL.—Section 9010(j)(3) of the Patient
7 Protection and Affordable Care Act is amended by strik-
8 ing “December 31, 2019” and inserting “December 31,
9 2021”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to calendar years beginning after
12 December 31, 2019.

