Comparing the base document H.R. 6311, as reported, with the Rules Committee Print 115-83

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Section 1. Short title; table of contents

(a) SHORT TITLE.—This Act may be cited as the "Increasing Access to Lower Premium Plans Act of 2018" and Expanding Health Savings Accounts Act of 2018.

(b) TABLE OF CONTENTS.—

The table of contents for 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.

[NOTE--DELETED: Sec. 2. Modification of definition of qualified health plan]

Sec. 2. Carryforward of health flexible spending arrangement account balances

(a) IN GENERAL.—

Section 106 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(b) CARRYFORWARD OF HEALTH FLEXIBLE SPENDING ARRANGEMENT ACCOUNT BALANCES.—A plan shall not fail to be treated as a health flexible spending arrangement under this section or section 105 merely because the lesser of—

"(1) such arrangement's account balance (or any portion thereof) determined as of the end of any plan year, or

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"(2) the product of the dollar limitation in effect under section 125(i) for such plan year (determined without regard to paragraph (2) thereof) multiplied by 3, may be carried forward to the succeeding plan year.”.

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

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

"(2) COORDINATION WITH CARRYFORWARD OF ACCOUNT BALANCES.— The dollar amount otherwise in effect under paragraph (1) for any plan year shall be reduced (but not below zero) by the excess (if any) of

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

(B) twice the dollar limitation in effect under paragraph (1) (determined without regard to this paragraph).”.

(2) CONFORMING AMENDMENTS.—Section 125(i) of such Code is amended by striking “taxable year” each place it appears in paragraphs (1) and (3) (as redesignated by paragraph (1) of this subsection) and inserting "plan year".

(c) COORDINATION WITH CAFETERIA PLAN LIMITATION ON DEFERRED COMPENSATION.—

Section 125(d)(2) of such Code is amended by adding at the end the following new subparagraph:

"(E) EXCEPTION FOR HEALTH FLEXIBLE SPENDING ARRANGEMENTS.— Subparagraph (A) shall not apply to a plan to the extent of amounts in a health flexible spending arrangement which may be carried forward as described in section 106(h).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2018.

Sec. 3. Individuals entitled to part A of Medicare by reason of age allowed to contribute to health savings accounts

(a) IN GENERAL.—

Section 223(c)(1)(B) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and”, and by adding at the end the following new clause:

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

(b) CONFORMING AMENDMENT.—Section 223(b)(7) of such Code is amended by inserting "(other than an entitlement to benefits described in subsection (c)(1)(B)(v))” after "Social Security Act”.

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

Sec. 4. 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 (c)(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 (c)(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
Sec. 5. 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 between the spouses.

(b) Effective date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2018.

Sec. 6. 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 beneficiary under a high deductible health plan begins, 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, 2018.

Sec. 7. Allowance of bronze and catastrophic plans in connection with health savings accounts
(a) In general.—

Section 223(c)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

"(E) Bronze and catastrophic plans treated as high deductible health plans.—
(i) In general.— The term 'high deductible health plan' shall include any plan described in subsection (d)(1)(A) or (e) of section 1302 of the Patient Protection and Affordable Care Act.

(ii) Certain rules not applicable.— Subparagraphs (C) and (D) shall not apply with respect to any plan described in clause (i)."

(b) Effective date.— The amendment made by this section shall apply to months beginning after December 31, 2018, in taxable years ending after such date.

Sec. 38. Allowing all individuals purchasing health insurance in the individual market the option to purchase a lower premium copper plan

(a) In general.— Section 1302(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating clauses (i) and (ii) of subparagraph (B) as subparagraphs (A) and (B), respectively, and adjusting the margins accordingly;

(B) by striking "plan year if—" and all that follows through "the plan provides—" and inserting "plan year if the plan provides—"; and

(C) in subparagraph (A), as redesignated by subparagraph (A), by striking "clause (ii)" and inserting "subparagraph (B)";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(b) Risk pools.— Section 1312(c)(1) of the Patient Protection and Affordable Care Act (42 U.S.C. 18032(c)(1)) is amended by inserting "and enrollees in catastrophic plans described in section 1302(e)" after "Exchange".

(c) Conforming amendment.— Section 1312(d)(3)(C) of the Patient Protection and Affordable Care Act (42 U.S.C. 18032(d)(3)(C)) is amended by striking ", except that in the case of a catastrophic plan described in section 1302(e), a qualified individual may enroll in the plan only if the individual is eligible to enroll in the plan under section 1302(e)(2)"

(d) Effective date.— The amendments made by this section shall apply to plan years beginning after December 31, 2018.

Sec. 9. Delay of reimposition of annual fee on health insurance providers

(a) In general.— Section 9010(j)(3) of the Patient Protection and Affordable Care Act is amended by striking "December 31, 2019" and inserting "December 31, 2021"

(b) Effective date.— The amendment made by this section shall apply to calendar years beginning after December 31, 2019.

Deleted Sections

Sec. 2. Modification of definition of qualified health plan

(a) In general.— Section 36B(c)(3)(A) of the Internal Revenue Code of 1986 is amended—

(1) by inserting "(determined without regard to subparagraphs (A), (C)(ii), and (C)(iv) of paragraph (1) thereof and without regard to whether the plan is offered on an Exchange)" after "1301(a) of the Patient Protection and Affordable Care Act", and

(2) by striking "shall not include" and all that follows and inserting "shall not include any health plan that—"

"(i) is a grandfathered health plan or a grandmothered health plan, or

"(ii) includes coverage for abortions (other than any abortion necessary to save the life of the mother or any abortion with respect to a pregnancy that is the result of an act of rape or incest)."

(b) Definition of grandmothered health plan.—

Section 36B(c)(3) of such Code is amended by adding at the end the following new subparagraph:

"(C) GRANDMOTHERED HEALTH PLAN.—
"(i) In general.— The term 'grandmothered health plan' means health insurance coverage which is offered in the individual health insurance market as of October 1, 2013, and is permitted to be offered in such market after January 1, 2014, as a result of CCIIO guidance.

(ii) CCIIO guidance defined.— The term 'CCIIO guidance' means the letter issued by the Centers for Medicare & Medicaid Services on November 14, 2013, to the State Insurance Commissioners outlining a transitional policy for non-grandfathered coverage in the individual health insurance market, as subsequently extended and modified (including by a communication entitled 'Insurance Standards Bulletin Series—INFORMATION—Extension of Transitional Policy through 2019' issued on April 9, 2018, by the Director of the Center for Consumer Information and Insurance Oversight of such Centers).

(iii) Individual health insurance market.— The term 'individual health insurance market' means the market for health insurance coverage (as defined in section 9832(b)) offered to individuals other than in connection with a group health plan (within the meaning of section 5000(b)(1))."

(c) Conforming amendment related to abortion coverage.—
Section 36B(c)(3) of such Code, as amended by subsection (b), is amended by adding at the end the following new subparagraph:

"(D) Certain rules related to abortion.—

(i) Option to purchase separate coverage or plan.— Nothing in subparagraph (A) shall be construed as prohibiting any individual from purchasing separate coverage for abortions described in such subparagraph, or a health plan that includes such abortions, so long as no credit is allowed under this section with respect to the premiums for such coverage or plan.

(ii) Option to offer coverage or plan.— Nothing in subparagraph (A) shall restrict any health insurance issuer offering a health plan from offering separate coverage for abortions described in such subparagraph, or a plan that includes such abortions, so long as premiums for such separate coverage or plan are not paid for with any amount attributable to the credit allowed under this section (or the amount of any advance payment of the credit under section 1412 of the Patient Protection and Affordable Care Act).

(iii) Other treatments.— The treatment of any infection, injury, disease, or disorder that has been caused by or exacerbated by the performance of an abortion shall not be treated as an abortion for purposes of subparagraph (A)."

(d) Conforming amendments related to off-Exchange coverage.—

(1) Advance payment not applicable.— Section 1412 of the Patient Protection and Affordable Care Act is amended by adding at the end the following new subsection:

"(f) Exclusion of off-Exchange coverage.— Advance payments under this section, and advance determinations under section 1411, with respect to any credit allowed under section 36B shall not be made with respect to any health plan which is not enrolled in through an Exchange.".

(2) Reporting.— Section 6055(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(3) Information relating to off-Exchange premium tax credit eligible coverage.— If minimum essential coverage provided to an individual under subsection (a) consists of a qualified health plan (as defined in section 36B(c)(3)) which is not enrolled in through an Exchange established under title I of the Patient Protection and Affordable Care Act, a return described in this subsection shall include—

(A) a statement that such plan is a qualified health plan (as defined in section 36B(c)(3)),

(B) the premiums paid with respect to such coverage,

(C) the months during the calendar year for which such coverage is provided to the individual,

(D) the adjusted monthly premium for the applicable second lowest cost silver plan (as defined in section 36B(b)(3)) for each such month with respect to such individual, and

(E) such other information as the Secretary may prescribe.".

(3) Other conforming amendments.—

(A) Section 36B(b)(2)(A) of such Code is amended by striking "and which were enrolled" and all that follows and inserting ", or".
(B) Section 36B(b)(3)(B)(i) of such Code is amended by striking "the same Exchange" and all that follows and inserting "the Exchange through which such taxpayer is permitted to obtain coverage, and".

(C) Section 36B(c)(2)(A)(i) of such Code is amended by striking "that was enrolled in through an Exchange established by the State under section 1311 of the Patient Protection and Affordable Care Act".

(e) Effective date.—

(1) In general.— Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2018.

(2) Advance payment not applicable to off-Exchange coverage.— The amendment made by subsection (d)(1) shall take effect on January 1, 2019.

(3) Reporting.— The amendment made by subsection (d)(2) shall apply to coverage provided for months beginning after December 31, 2018.