

Amendment to the Amendment in the Nature of a Substitute to Subtitle G. Budget Reconciliation Legislative Recommendation Relating to Promoting Economic Security offered by Rep. Nunes of California

This amendment would strike the new universal entitlement and expansions created under the amendment in the nature of a substitute and replace them with more tailored policies to lower health care costs and improve coverage options for Americans.

AMENDMENT

OFFERED BY MR. NUNES OF CALIFORNIA

Strike part 7 of subtitle G and insert the following:

1 **PART 7—LOWER COSTS AND MORE CHOICES**

2 **COVERAGE ALTERNATIVE**

3 **SEC. 9661. ON-SITE EMPLOYEE CLINICS.**

4 (a) IN GENERAL.—Paragraph (1) of section 223(c)
5 of the Internal Revenue Code of 1986, as amended by sec-
6 tion 9664 of this part, is amended by adding at the end
7 the following new subparagraph:

8 “(F) SPECIAL RULE FOR QUALIFIED ITEMS
9 AND SERVICES.—

10 “(i) IN GENERAL.—For purposes of
11 subparagraph (A)(ii), an individual shall
12 not be treated as covered under a health
13 plan described in subclauses (I) and (II) of
14 such subparagraph merely because the in-
15 dividual is eligible to receive, or receives,
16 qualified items and services—

17 “(I) at a healthcare facility lo-
18 cated at a facility owned or leased by
19 the employer of the individual (or of
20 the individual’s spouse), or

1 “(II) at a healthcare facility op-
2 erated primarily for the benefit of em-
3 ployees of the employer of the indi-
4 vidual (or of the individual’s spouse).

5 “(ii) QUALIFIED ITEMS AND SERVICES
6 DEFINED.—For purposes of this subpara-
7 graph, the term ‘qualified items and serv-
8 ices’ means the following:

9 “(I) Physical examination.

10 “(II) Immunizations, including
11 injections of antigens provided by em-
12 ployees.

13 “(III) Drugs or biologicals other
14 than a prescribed drug (as such term
15 is defined in section 213(d)(3)).

16 “(IV) Treatment for injuries oc-
17 ccurring in the course of employment.

18 “(V) Preventive care for chronic
19 conditions (as defined in clause (iv)).

20 “(VI) Drug testing.

21 “(VII) Hearing or vision
22 screenings and related services.

23 “(iii) AGGREGATION.—For purposes
24 of clause (i), all persons treated as a single
25 employer under subsection (b), (c), (m), or

1 (o) of section 414 shall be treated as a sin-
2 gle employer.

3 “(iv) PREVENTIVE CARE FOR CHRON-
4 IC CONDITIONS.—For purposes of this sub-
5 paragraph, the term ‘preventive care for
6 chronic conditions’ means any item or
7 service specified in the Appendix of Inter-
8 nal Revenue Service Notice 2019–45 which
9 is prescribed to treat an individual diag-
10 nosed with the associated chronic condition
11 specified in such Appendix for the purpose
12 of preventing the exacerbation of such
13 chronic condition or the development of a
14 secondary condition, including any amend-
15 ment, addition, removal, or other modifica-
16 tion made by the Secretary (pursuant to
17 the authority granted to the Secretary
18 under paragraph (2)(C)) to the items or
19 services specified in such Appendix subse-
20 quent to the date of enactment of this sub-
21 paragraph.”.

22 (b) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to months in taxable years begin-
24 ning after the date of enactment of this Act.

1 **SEC. 9662. TEMPORARY INCREASE IN CONTRIBUTION LIM-**
2 **ITS FOR HEALTH SAVINGS ACCOUNTS.**

3 (a) IN GENERAL.—Section 223(b) of the Internal
4 Revenue Code of 1986 is amended by adding at the end
5 the following new paragraph:

6 “(9) INCREASE IN MONTHLY LIMITATIONS FOR
7 TAXABLE YEARS 2021 AND 2022.—In the case of any
8 month during a taxable year which begins after De-
9 cember 31, 2020, and before January 1, 2023, the
10 dollar amount in effect under subparagraph (A) or
11 (B) of paragraph (2) for such month shall be twice
12 the amount otherwise applicable under such sub-
13 paragraph, as determined—

14 “(A) before application of paragraph (3),
15 “(B) after application of subsection (g),
16 and
17 “(C) without regard to this paragraph.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply with respect to taxable years begin-
20 ning after December 31, 2020.

21 **SEC. 9663. REPEAL OF CEILING ON DEDUCTIBLE AND OUT-**
22 **OF-POCKET EXPENSES UNDER A HIGH DE-**
23 **DUCTIBLE HEALTH PLAN.**

24 (a) IN GENERAL.—Subparagraph (A) of section
25 223(c)(2) of the Internal Revenue Code of 1986 is amend-
26 ed to read as follows:

1 “(A) HIGH DEDUCTIBLE HEALTH PLAN.—

2 The term ‘high deductible health plan’ means a
3 health plan which has an annual deductible
4 which is not less than—

5 “(i) \$1,000 for self-only coverage, and

6 “(ii) twice the dollar amount in clause

7 (i) for family coverage.”.

8 (b) CONFORMING AMENDMENTS.—

9 (1) Subparagraph (D) of section 223(c)(2) of
10 the Internal Revenue Code of 1986 is amended to
11 read as follows:

12 “(D) SPECIAL RULE FOR NETWORK
13 PLANS.—In the case of a plan using a network
14 of providers, such plan’s annual deductible for
15 services provided outside of such network shall
16 not be taken into account for purposes of sub-
17 section (b)(2).”.

18 (2) Clause (ii) of section 223(g)(1)(B) of such
19 Code is amended by striking “each dollar amount in
20 subsection (c)(2)(A)” and inserting “the dollar
21 amount in subsection (c)(2)(A)(i)”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply with respect to taxable years begin-
24 ning after December 31, 2020.

1 **SEC. 9664. TREATMENT OF DIRECT PRIMARY CARE SERV-**
2 **ICE ARRANGEMENTS.**

3 (a) **IN GENERAL.**—Section 223(c)(1) of the Internal
4 Revenue Code of 1986 is amended by adding at the end
5 the following new subparagraph:

6 “(E) **TREATMENT OF DIRECT PRIMARY**
7 **CARE SERVICE ARRANGEMENTS.**—

8 “(i) **IN GENERAL.**—A direct primary
9 care service arrangement shall not be
10 treated as a health plan for purposes of
11 subparagraph (A)(ii).

12 “(ii) **DIRECT PRIMARY CARE SERVICE**
13 **ARRANGEMENT.**—For purposes of this
14 paragraph—

15 “(I) **IN GENERAL.**—The term ‘di-
16 rect primary care service arrange-
17 ment’ means, with respect to any indi-
18 vidual, an arrangement under which
19 such individual is provided medical
20 care (as defined in section 213(d))
21 consisting solely of primary care serv-
22 ices provided by primary care practi-
23 tioners (as defined in section
24 1833(x)(2)(A) of the Social Security
25 Act, determined without regard to
26 clause (ii) thereof), if the sole com-

1 pensation for such care is a fixed peri-
2 odic fee.

3 “(II) LIMITATION.—With respect
4 to any individual for any month, such
5 term shall not include any arrange-
6 ment if the aggregate fees for all di-
7 rect primary care service arrange-
8 ments (determined without regard to
9 this subclause) with respect to such
10 individual for such month exceed
11 \$150 (twice such dollar amount in the
12 case of an individual with any direct
13 primary care service arrangement (as
14 so determined) that covers more than
15 one individual).

16 “(iii) CERTAIN SERVICES SPECIFI-
17 CALLY EXCLUDED FROM TREATMENT AS
18 PRIMARY CARE SERVICES.—For purposes
19 of this subparagraph, the term ‘primary
20 care services’ shall not include—

21 “(I) procedures that require the
22 use of general anesthesia, and

23 “(II) laboratory services not typi-
24 cally administered in an ambulatory
25 primary care setting.

1 The Secretary, after consultation with the
2 Secretary of Health and Human Services,
3 shall issue regulations or other guidance
4 regarding the application of this clause.”.

5 (b) DIRECT PRIMARY CARE SERVICE ARRANGEMENT
6 FEES TREATED AS MEDICAL EXPENSES.—Section
7 223(d)(2)(C) of the Internal Revenue Code of 1986 is
8 amended by striking “or” at the end of clause (iii), by
9 striking the period at the end of clause (iv) and inserting
10 “, or”, and by adding at the end the following new clause:

11 “(v) any direct primary care service arrangement.”.

12 (c) INFLATION ADJUSTMENT.—Section 223(g)(1) of
13 the Internal Revenue Code of 1986 is amended—

14 (1) by inserting “, (c)(1)(E)(ii)(II),” after
15 “(b)(2),” each place such term appears, and

16 (2) in subparagraph (B), by inserting “and
17 (iii)” after “clause (ii)” in clause (i), by striking
18 “and” at the end of clause (i), by striking the period
19 at the end of clause (ii) and inserting “, and”, and
20 by inserting after clause (ii) the following new
21 clause:

22 “(iii) in the case of the dollar amount
23 in subsection (c)(1)(E)(ii)(II) for taxable
24 years beginning in calendar years after
25 2021, ‘calendar year 2020’.”.

1 (d) REPORTING OF DIRECT PRIMARY CARE SERVICE
2 ARRANGEMENT FEES ON W-2.—Section 6051(a) of the
3 Internal Revenue Code of 1986 is amended by striking
4 “and” at the end of paragraph (16), by striking the period
5 at the end of paragraph (17) and inserting “, and”, and
6 by inserting after paragraph (17) the following new para-
7 graph:

8 “(18) in the case of a direct primary care serv-
9 ice arrangement (as defined in section
10 223(c)(1)(D)(ii)) which is provided in connection
11 with employment, the aggregate fees for such ar-
12 rangement for such employee.”.

13 (e) EFFECTIVE DATE.—

14 (1) IN GENERAL.—Except as provided under
15 paragraph (2), the amendments made by this section
16 shall apply to months beginning after December 31,
17 2020, in taxable years ending after such date.

18 (2) INFLATION ADJUSTMENT.—The amend-
19 ments made by subsection (c) shall apply to taxable
20 years beginning in calendar years beginning after
21 December 31, 2021.

22 **SEC. 9665. MAKING PERMANENT THE SAFE HARBOR FOR**
23 **ABSENCE OF DEDUCTIBLE FOR TELEHEALTH.**

24 (a) IN GENERAL.—Section 223(c)(2)(E) of the Inter-
25 nal Revenue Code of 1986 is amended by striking “In the

1 case of plan years beginning on or before December 31,
2 2021, a” and inserting “A”.

3 (b) CERTAIN COVERAGE DISREGARDED.—Section
4 223(c)(1)(B)(ii) of the Internal Revenue Code of 1986 is
5 amended by striking “(in the case of plan years beginning
6 on or before December 31, 2021)”.

7 **SEC. 9666. MODIFICATIONS TO PREMIUM TAX CREDIT RE-**
8 **LATING TO ABORTION COVERAGE.**

9 (a) IN GENERAL.—Section 36B(c)(3)(A) of the In-
10 ternal Revenue Code of 1986 is amended by striking
11 “shall not include” and all that follows and inserting the
12 following: “shall not include any health plan that—

13 “(i) is a catastrophic plan described in
14 section 1302(e) of such Act, or

15 “(ii) includes coverage for abortions
16 (other than any abortion necessary to save
17 the life of the mother or any abortion with
18 respect to a pregnancy that is the result of
19 an act of rape or incest).”.

20 (b) CONFORMING AMENDMENTS.—Section 36B(c)(3)
21 of such Code is amended by adding at the end the fol-
22 lowing new subparagraph:

23 “(C) CERTAIN RULES RELATED TO ABOR-
24 TION.—

1 “(i) OPTION TO PURCHASE SEPARATE
2 COVERAGE OR PLAN.—Nothing in subpara-
3 graph (A) shall be construed as prohibiting
4 any individual from purchasing separate
5 coverage for abortions described in such
6 subparagraph, or a health plan that in-
7 cludes such abortions, so long as no credit
8 is allowed under this section with respect
9 to the premiums for such coverage or plan.

10 “(ii) OPTION TO OFFER COVERAGE OR
11 PLAN.—Nothing in subparagraph (A) shall
12 restrict any health insurance issuer offer-
13 ing a health plan from offering separate
14 coverage for abortions described in such
15 subparagraph, or a plan that includes such
16 abortions, so long as premiums for such
17 separate coverage or plan are not paid for
18 with any amount attributable to the credit
19 allowed under this section (or the amount
20 of any advance payment of the credit
21 under section 1412 of the Patient Protec-
22 tion and Affordable Care Act).

23 “(iii) OTHER TREATMENTS.—The
24 treatment of any infection, injury, disease,
25 or disorder that has been caused by or ex-

1 acerbated by the performance of an abor-
2 tion shall not be treated as an abortion for
3 purposes of subparagraph (A).”.

4 **SEC. 9667. ELIGIBILITY FOR CATASTROPHIC PLANS DUR-**
5 **ING PUBLIC HEALTH EMERGENCY.**

6 (a) IN GENERAL.—Section 1311(e)(2) of the Patient
7 Protection and Affordable Care Act is amended by adding
8 at the end the following new flush matter:

9 “Notwithstanding the preceding sentence, an indi-
10 vidual shall be treated as described in this para-
11 graph for any plan year ending not later than the
12 date that is one year after the last day of the emer-
13 gency period described in section 1135(g)(1)(B) of
14 the Social Security Act.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to plan years ending after the date
17 of the enactment of this Act.

18 **SEC. 9668. CODIFICATION OF RULES RELATING TO HEALTH**
19 **REIMBURSEMENT ARRANGEMENTS AND**
20 **OTHER ACCOUNT-BASED GROUP HEALTH**
21 **PLANS.**

22 The final rules published by the Department of the
23 Treasury, the Department of Labor, and the Department
24 of Health and Human Services in the Federal Register
25 on June 20, 2019, (84 Fed. Reg. 28888) relating to health

- 1 reimbursement arrangements and other account-based
- 2 group health plans shall have the same force and effect
- 3 as if included in the enactment of this Act.

