To provide for affordable coverage of COVID–19 vaccines under Medicare, Medicaid, and the Children’s Health Insurance Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on __________________________

A BILL

To provide for affordable coverage of COVID–19 vaccines under Medicare, Medicaid, and the Children’s Health Insurance Program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Vaccine And Coverage Certainty Act” or the “VACC Act”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—ENSURING COVERAGE OF COVID–19 VACCINES

Sec. 101. Ensuring affordability of federally-funded COVID–19 vaccines under Medicare.

Sec. 102. Mandatory coverage of COVID–19 vaccines under Medicaid and CHIP.

Sec. 103. Inclusion of Federally-funded COVID–19 vaccines under Medicaid drug rebate program; coverage of COVID–19 vaccines under State pediatric vaccine distribution program.

Sec. 104. Temporary enhanced Federal match for medical assistance for COVID–19 vaccines.

TITLE II—ENSURING COVERAGE UNDER MEDICAID

Sec. 201. Increased FMAP for medical assistance to newly eligible individuals.


TITLE III—ENSURING COVERAGE IN THE MARKETPLACE

Sec. 301. Disregard of additional unemployment compensation for purposes of premium tax credit and cost-sharing subsidies.

1 TITLE I—ENSURING COVERAGE OF COVID–19 VACCINES

2 SEC. 101. ENSURING AFFORDABILITY OF FEDERALLY-FUNDED COVID–19 VACCINES UNDER MEDICARE.

(a) IN GENERAL.—Section 1833 of the Social Security Act (42 U.S.C. 1395l) is amended—

(1) in subsection (a)(1)(B), by inserting “subject to subsection (dd)(1) (with respect to payment for federally-funded COVID–19 vaccines),” after “1861(s)(10)(A),”; and

(2) by adding at the end the following new subsection:

“(dd) ENSURING AFFORDABILITY OF FEDERALLY-FUNDED COVID–19 VACCINES.—
“(1) INITIAL PAYMENT.—For purposes of subsection (a)(1)(B), the amount of charges that are considered reasonable with respect to an applicable COVID–19 vaccine during the first year that such vaccine is administered under this part (referred to in this subsection as the ‘initial payment year’) shall not exceed the amount described in paragraph (3).

“(2) APPLICABLE COVID–19 VACCINE.—

“(A) IN GENERAL.—In this subsection, the term ‘applicable COVID–19 vaccine’ means a vaccine—

“(i) approved by the Food and Drug Administration under section 351 of the Public Health Service Act or authorized for emergency use under section 564 of the Federal Food, Drug, and Cosmetic Act for immunization against COVID–19; and

“(ii) whose manufacturer was provided funding for research or development of such vaccine or for the manufacture of such vaccine under a contract with the Federal Government (including the Biodefense Advanced Research and Development Authority of the Department of Health and Human Services) or under a
Federal grant program using funds made available under the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136), or subsequently enacted legislation.

“(B) Nonapplication to vaccines purchased for federal distribution.—Such term shall not include any doses of such vaccine that are purchased under a Federal contract or grant agreement described in paragraph (2)(B) for Federal distribution.

“(3) Amount described.—The amount described in this paragraph, with respect to an applicable COVID–19 vaccine, is the Federal procurement cost per dose accounting for Federal costs under all Federal contracts or grant agreements described in paragraph (2)(B) for the initial supply order with respect to such vaccine, not including the cost of any option to buy future doses of such vaccine under such contracts or agreements.

“(4) Payment in subsequent years.—For provisions relating to payment for an applicable COVID–19 vaccine in years after the initial payment year, see section 1842(o)(1)(A)(iv) (relating to pay-
ment amount equal to 95 percent of the average wholesale price).

“(5) Rebate if price increases faster than inflation.—

“(A) In general.—Subject to subparagraph (B), the Secretary shall establish a process under which, with respect to an applicable COVID–19 vaccine of a manufacturer, effective beginning with the first year after the initial payment year, if the amount of payment for the vaccine under this part increases faster than inflation with respect to a rebate period specified by the Secretary, the manufacturer of such vaccine shall, not later than 30 days after receipt from the Secretary of the rebate amount for such rebate period, provide a rebate to the Secretary that is equal to the amount specified in subparagraph (C) for such vaccine and rebate period.

“(B) Exceptions.—The process established under this paragraph shall provide for the following exceptions with respect to an applicable COVID–19 vaccine of a manufacturer:

“(i) If the Secretary determines that there are exceptional circumstances, such
as a substantial increase in development or manufacturing costs due to circumstances outside the control of the manufacturer.

“(ii) The manufacturer demonstrates, to the satisfaction of the Secretary, that it has significantly improved the clinical efficacy or safety of such vaccine relative to its clinical efficacy or safety when it was first procured or contracted for by the Federal Government. For purposes of the preceding sentence, a manufacturer may demonstrate the improved clinical efficacy or safety of a particular COVID–19 vaccine according to a process established by the Advisory Committee on Immunization Practices at the Centers for Disease Control in coordination with the Food and Drug Administration. The results of any assessment under this clause with respect to an applicable COVID–19 vaccine shall be made public.

“(C) Rebate Amount.—The amount of a rebate under this subparagraph, with respect to an applicable COVID–19 vaccine of a manufacturer, is the product of—
“(i) the total number of doses of such vaccine administered during the rebate period; and

“(ii) the amount (if any) by which—

“(I) the amount of payment for the vaccine under this part during the rebate period; exceeds

“(II) the inflation-adjusted payment amount determined under subparagraph (D) of this paragraph for such vaccine during the rebate period.

“(D) Determination of Inflation-Adjusted Payment Amount.—The inflation-adjusted payment amount determined under this subparagraph for an applicable COVID–19 vaccine for a rebate period is—

“(i) the amount of payment for the vaccine under this part during the initial payment year as described in paragraph (1); increased by

“(ii) the percentage by which the rebate period CPI–U (as defined in subparagraph (F)) for the rebate period exceeds the benchmark period CPI–U (as defined in subparagraph (E)).
“(E) Benchmark period CPI–U.—The term ‘benchmark period CPI–U’ means the consumer price index for all urban consumers (United States city average) for the first calendar quarter in the initial payment year.

“(F) Rebate period CPI–U.—The term ‘rebate period CPI–U’ means, with respect to a rebate period, the consumer price index for all urban consumers (United States city average) for the last month of the calendar quarter that is two calendar quarters prior to the rebate period.

“(G) Provision of information.—A manufacturer of an applicable COVID–19 vaccine shall provide to the Secretary such information, at such time and in such manner as the Secretary specifies, as is needed to carry out this paragraph.

“(H) Rebate deposits.—Amounts paid as rebates under this paragraph shall be deposited into the Federal Supplementary Medical Insurance Trust Fund established under section 1841.

“(I) Enforcement.—

“(i) Civil money penalty.—
“(I) IN GENERAL.—The Secretary shall impose a civil money penalty on a manufacturer that fails to comply with the requirements under this paragraph with respect to providing a rebate for an applicable COVID–19 vaccine for a rebate period for each such failure in an amount equal to the sum of—

“(aa) the rebate amount specified pursuant to subparagraph (C) for such vaccine for such rebate period; and

“(bb) 25 percent of such amount.

“(II) APPLICATION.—The provisions of section 1128A (other than subsections (a) (with respect to amounts of penalties or additional assessments) and (b)) shall apply to a civil money penalty under this clause in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).
“(ii) NO PAYMENT FOR MANUFACTURERS WHO FAIL TO PAY PENALTY.—If the manufacturer of an applicable COVID–19 vaccine fails to pay a civil money penalty under clause (i) with respect to the failure to provide a rebate for an applicable COVID–19 vaccine for a rebate period by a date specified by the Secretary after the imposition of such penalty, no payment shall be available under this part for such vaccine for calendar quarters beginning on or after such date until the Secretary determines the manufacturer has paid the penalty due under such clause.

“(J) IMPLEMENTATION.—There shall be no administrative or judicial review under section 1869, section 1878, or otherwise, of the determination of the rebate amount for an applicable COVID–19 vaccine under subparagraph (C), including the determination of—

“(i) the total number of COVID–19 vaccines administered during the rebate period under subparagraph (C)(i); and

“(ii) the inflation-adjusted payment amount under subparagraph (D).”.
(b) CONFORMING AMENDMENT.—Section 1842(o)(1)(A)(iv) of the Social Security Act (42 U.S.C. 1395u(o)(1)(A)(iv)) is amended by striking “A vaccine” and inserting “Subject to section 1833(dd)(1) (relating to payment for an applicable COVID–19 vaccine during initial payment year), a vaccine”.

SEC. 102. MANDATORY COVERAGE OF COVID–19 VACCINES UNDER MEDICAID AND CHIP.

(a) MEDICAID.—

(1) IN GENERAL.—Section 1905(a)(4) of the Social Security Act (42 U.S.C. 1396d(a)(4)) is amended—

(A) by striking “and (D)” and inserting “(D)”; and

(B) by striking the semicolon at the end and inserting “; and (E) a COVID–19 vaccine licensed under section 351 of the Public Health Service Act, or approved or authorized under sections 505 or 564 of the Federal Food, Drug, and Cosmetic Act, and administration of the vaccine;”.

(2) PROHIBITION OF COST SHARING.—

(A) IN GENERAL.—Subsections (a)(2) and (b)(2) of section 1916 of the Social Security Act (42 U.S.C. 1396o) are each amended—
(i) in subparagraph (F), by striking “or” at the end;

(ii) in subparagraph (G), by striking “; and” and inserting “; or”; and

(iii) by adding at the end the following subparagraph:

“(H) a COVID–19 vaccine licensed under section 351 of the Public Health Service Act, or approved or authorized under sections 505 or 564 of the Federal Food, Drug, and Cosmetic Act, and the administration of such vaccine; and”.

(B) APPLICATION TO ALTERNATIVE COST SHARING.—Section 1916A(b)(3)(B) of the Social Security Act (42 U.S.C. 1396o–1(b)(3)(B)) is amended—

(i) in clause (xi), by striking “any visit” and inserting “any service”; and

(ii) by adding at the end the following clause:

“(xii) A COVID–19 vaccine licensed under section 351 of the Public Health Service Act, or approved or authorized under sections 505 or 564 of the Federal
Food, Drug, and Cosmetic Act, and the administration of such vaccine.”.

(C) **Clarification.**—The amendments made by this subsection shall apply with respect to a State plan of a territory in the same manner as the amendments apply to a State plan of 1 of the 50 States or the District of Columbia.

(b) **CHIP.**—

(1) **In general.**—Section 2103(c) of the Social Security Act (42 U.S.C. 1397cc(c)) is amended by adding at the end the following paragraph:

“(11) **Coverage of COVID–19 vaccines.**—Regardless of the type of coverage elected by a State under subsection (a), child health assistance provided under such coverage for targeted low-income children and, in the case of a State that State elects to provide pregnancy-related assistance under such coverage pursuant to section 2112, such pregnancy-related assistance for targeted low-income pregnant women (as defined in section 2112(d)) shall include coverage of a COVID–19 vaccine licensed under section 351 of the Public Health Service Act, or approved or authorized under sections 505 or 564 of
the Federal Food, Drug, and Cosmetic Act, and the administration of such vaccine.”.

(2) Prohibition of cost sharing.—Section 2103(e)(2) of the Social Security Act (42 U.S.C. 1397cc(e)(2)), as amended by section 6004(b)(3) of the Families First Coronavirus Response Act, is amended—

(A) in the paragraph header, by inserting “A COVID–19 VACCINE,” before “OR PREGNANCY-RELATED ASSISTANCE”; and

(B) by striking “visits described in section 1916(a)(2)(G), or” and inserting “services described in section 1916(a)(2)(G), vaccines described in section 1916(a)(2)(H), or”.

SEC. 103. INCLUSION OF FEDERALLY-FUNDED COVID–19 VACCINES UNDER MEDICAID DRUG REBATE PROGRAM; COVERAGE OF COVID–19 VACCINES UNDER STATE PEDIATRIC VACCINE DISTRIBUTION PROGRAM.

(a) Inclusion in Medicaid Drug Rebate Program.—

(1) In general.—Section 1927 of the Social Security Act (42 U.S.C. 1396r–8) is amended—

(A) in subsection (b)(1)(A), by inserting “(or, in the case of an applicable COVID–19
vaccine administered after July 1, 2020, an
amount specified in subsection (l))” after
“1990”;

(B) in subsection (k)—

(i) in paragraph (2)—

(I) in subparagraph (B)—

(aa) in the matter preceding clause (i), by inserting “(except in the case of an applicable COVID–19 vaccine)” after “other than a vaccine”;

(bb) in clause (iii), by striking “; and” and inserting a semi-colon;

(II) in subparagraph (C), by striking the period at the end and inserting “; and”; and

(III) by adding at the end the following new subparagraph:

“(D) an applicable COVID–19 vaccine.”;

and

(ii) by adding at the end the following new paragraph:
“(12) Applicable COVID–19 Vaccine.—The term ‘applicable COVID–19 vaccine’ has the meaning given such term in section 1833(dd)(2).”; and

(C) by adding at the end the following new subsection:

“(l) Determination of Amount of Rebate for Applicable COVID–19 Vaccines.—

“(1) In General.—The amount of the rebate specified in this subsection for a rebate period with respect to an applicable COVID–19 vaccine shall be equal to the product of—

“(A) the total number of units of the vaccine paid for under the State plan in the rebate period (as reported by the State); and

“(B) the difference between the average manufacturer price and the inflation-adjusted Federal procurement price (as defined in paragraph (2)) for the vaccine.

“(2) Inflation-Adjusted Federal Procurement Price.—For purposes of this section, the term ‘inflation-adjusted Federal procurement price’ means, with respect to an applicable COVID–19 vaccine and a rebate period—

“(A) for rebate periods occurring during the first 12-month period that such vaccine is
provided to State plans under this title, the
amount specified for the vaccine under section
1833(dd)(3); and
“(B) for rebate periods occurring after
such 12-month period—
“(i) the amount specified for the vac-
cine under section 1833(dd)(3); increased
by
“(ii) the percentage by which the con-
sumer price index for all urban consumers
(United States city average) for the month
before the month in which the rebate pe-
riod begins exceeds such index for the
month in which such 12-month period be-
gins.
“(3) EXCEPTIONS.—No rebate shall be payable
with respect to an applicable COVID–19 vaccine of
a manufacturer and a rebate period occurring after
the 12-month period described in paragraph (2)(A)
if the Secretary determines that an exception de-
scribed in section 1833(dd)(5)(B) applies with re-
spect to the vaccine for the rebate period.”.
(2) PROHIBITION ON PRIOR AUTHORIZATION.—
Section 1927(d)(1)(A) of the Social Security Act (42
U.S.C. 1396r–8(d)(1)(A)) is amended by inserting
“other than an applicable COVID–19 vaccine” after “covered outpatient drug”.

(3) NO EXCLUSION OF APPLICABLE COVID–19 VACCINES.—Section 1927(d)(7) of the Social Security Act (42 U.S.C. 1396r–8(d)(7)) is amended by adding at the end the following:

“(D) Applicable COVID–19 vaccines.”.

(b) ENSURING COVERAGE AND AFFORDABILITY UNDER STATE PEDIATRIC VACCINE DISTRIBUTION PROGRAM.—Section 1928 of the Social Security Act (42 U.S.C. 1396s) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by striking “; and” and inserting a semicolon;

(B) in subparagraph (B), by striking the period and inserting “; and”;

(C) by adding at the end the following sub-paragraph:

“(C) each vaccine-eligible child (as defined in subsection (b)) is entitled to receive a COVID–19 vaccine from a program-registered provider without charge for—

“(i) the cost of such vaccine; or

“(ii) the administration of such vaccine.”;


(2) in subsection (c)(2), by adding at the end the following subparagraph:

“(D) The provider will provide and administer a COVID–19 vaccine to a vaccine-eligible child in accordance with the same requirements as the requirements that apply under the preceding subparagraphs to the provision and administration of a qualified pediatric vaccine to such a child.”;

(3) in subsection (d)(3), by adding at the end the following new subparagraph:

“(D) LIMITATION ON PRICE INCREASES FOR APPLICABLE COVID–19 VACCINES.—

“(i) IN GENERAL.—Subject to clause (ii), with respect to any contract entered into under this subsection for an applicable COVID–19 vaccine after the first such contract entered into with respect to such vaccine, no price for the purchase of such vaccine for vaccine-eligible children shall be agreed to by the Secretary under this subsection if the price per dose of such vaccine (including any delivery costs and any applicable excise tax established under section
4131 of the Internal Revenue Code of 1986) exceeds—

“(I) the price per dose for the vaccine in effect under the first contract entered into under this subsection for the purchase of such vaccine; increased by

“(II) the percentage increase in the consumer price index for all urban consumers (all items; United States city average) from the month before such first contract is entered into to the month before the month in which the contract involved is entered into.

“(ii) EXCEPTION.—The limitation described in clause (i) shall not apply with respect to an applicable COVID–19 vaccine and a contract if the Secretary determines that an exception described in section 1833(dd)(5)(B) applies with respect to the vaccine for the contract period.”; and

(4) in subsection (h), by adding at the end the following new paragraph:

“(10) COVID–19 VACCINE; APPLICABLE COVID–19 VACCINE.—
“(A) COVID–19 VACCINE.—The term ‘COVID–19 vaccine’ means a COVID–19 vaccine licensed under section 351 of the Public Health Service Act, or approved or authorized under section 505 or 564 of the Federal Food, Drug, and Cosmetic Act, provided that such vaccine is included on the list under subsection (e).

“(B) APPLICABLE COVID–19 VACCINE.—The term ‘applicable COVID–19 vaccine’ means a vaccine described in section 1833(dd)(2), provided that such vaccine is included on the list under subsection (e).”.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act and apply to rebate agreements entered into on or after such date without regard to whether final regulations to carry out such amendments have been promulgated as of such date.

SEC. 104. TEMPORARY ENHANCED FEDERAL MATCH FOR MEDICAL ASSISTANCE FOR COVID–19 VACCINES.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—
(1) in subsection (b), by striking “and (ff)” and
inserting “(ff), and (gg)”; and
(2) by adding at the end the following new sub-
section:
“(gg) Temporary Enhanced Federal Match
for COVID–19 Vaccine and Administration.—
“(1) In general.—Notwithstanding subsection
(b), with respect to medical assistance for vaccines
and the administration of vaccines described in sub-
section (a)(4)(E) that is furnished during the period
described in paragraph (2), the Federal medical as-
stance percentage for a State shall be equal to 100
percent.
“(2) Period described.—The period de-
scribed in this paragraph is the period that—
“(A) begins with the date of enactment of
this subsection; and
“(B) ends with the date that is 1 year
after the last day of the emergency period de-
defined in paragraph (1)(B) of section 1135(g).”.
(b) Exclusion From Territorial Caps.—Section
1108 of the Social Security Act (42 U.S.C. 1308) is
amended—
(1) in subsection (f), in the matter preceding
paragraph (1), by striking “subsection (g) and sec-
tion 1935(e)(1)(B)” and inserting “subsections (g) and (h) and section 1935(e)(1)(B)”; and

(2) by adding at the end the following:

“(h) EXCLUSION FROM CAPS OF AMOUNTS ATTRIBUTABLE TO CERTAIN INCREASED FMAP.—Any payment made to a territory for a fiscal year in which the Federal medical assistance percentage for the territory is determined under section 1905(gg) shall not be taken into account for purposes of applying payment limits under subsections (f) and (g) to the extent that such payment exceeds the amount of the payment that would have been made to the territory for the year if the Federal medical assistance percentage for the territory had been determined without regard to such section.”.

TITLE II—ENSURING COVERAGE UNDER MEDICAID

SEC. 201. INCREASED FMAP FOR MEDICAL ASSISTANCE TO NEWLY ELIGIBLE INDIVIDUALS.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (y)(1)—

(A) in subparagraph (A), by striking “2014, 2015, and 2016” and inserting “each of the first 3 consecutive 12-month periods in
which the State provides medical assistance to newly eligible individuals’’;

(B) in subparagraph (B), by striking “2017” and inserting “the fourth consecutive 12-month period in which the State provides medical assistance to newly eligible individuals’’;

(C) in subparagraph (C), by striking “2018” and inserting “the fifth consecutive 12-month period in which the State provides medical assistance to newly eligible individuals’’;

(D) in subparagraph (D), by striking “2019” and inserting “the sixth consecutive 12-month period in which the State provides medical assistance to newly eligible individuals’’; and

(E) in subparagraph (E), by striking “2020 and each year thereafter” and inserting “the seventh consecutive 12-month period in which the State provides medical assistance to newly eligible individuals and each such period thereafter”; and

(2) in subsection (z)(2)(B)(i)(II), by inserting “(as in effect on the day before the enactment of the Vaccine And Coverage Certainty Act)” after “subsection (y)(1)”.

(b) RETROACTIVE APPLICATION.—The amendments made by subsection (a)(1) shall take effect as if included in the enactment of Public Law 111–148 and shall apply to amounts expended by any State for medical assistance for newly eligible individuals described in subclause (VIII) of section 1902(a)(10)(A)(i) of the Social Security Act under a State Medicaid plan (or a waiver of such plan) during the period before the date of enactment of this Act.

SEC. 202. MEDICAID COVERAGE FOR CITIZENS OF FREELY ASSOCIATED STATES.

(a) IN GENERAL.—Section 402(b)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)) is amended by adding at the end the following new subparagraph:

“(G) MEDICAID EXCEPTION FOR CITIZENS OF FREELY ASSOCIATED STATES.—With respect to eligibility for benefits for the designated Federal program defined in paragraph (3)(C) (relating to the Medicaid program), section 401(a) and paragraph (1) shall not apply to any individual who lawfully resides in 1 of the 50 States or the District of Columbia in accordance with the Compacts of Free Association between the Government of the United States and the Governments of the Federated States of Micron-
nesia, the Republic of the Marshall Islands, and
the Republic of Palau and shall not apply, at
the option of the Governor of Puerto Rico, the
Virgin Islands, Guam, the Northern Mariana
Islands, or American Samoa as communicated
to the Secretary of Health and Human Services
in writing, to any individual who lawfully re-
sides in the respective territory in accordance
with such Compacts.”.

(b) EXCEPTION TO 5–YEAR LIMITED ELIGIBILITY.—
Section 403(d) of such Act (8 U.S.C. 1613(d)) is amend-
ed—

(1) in paragraph (1), by striking “or” at the
end;

(2) in paragraph (2), by striking the period at
the end and inserting “; or”; and

(3) by adding at the end the following new
paragraph:

“(3) an individual described in section
402(b)(2)(G), but only with respect to the des-
ignated Federal program defined in section
402(b)(3)(C).”.

(e) DEFINITION OF QUALIFIED ALIEN.—Section
431(b) of such Act (8 U.S.C. 1641(b)) is amended—
(1) in paragraph (6), by striking “; or” at the end and inserting a comma;

(2) in paragraph (7), by striking the period at the end and inserting “, or”; and

(3) by adding at the end the following new paragraph:

“(8) an individual who lawfully resides in the United States in accordance with a Compact of Free Association referred to in section 402(b)(2)(G), but only with respect to the designated Federal program defined in section 402(b)(3)(C) (relating to the Medicaid program).”.

(d) Application to State Plans.—Section 1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)) is amended by inserting after subclause (IX) the following:

“(X) who are described in section 402(b)(2)(G) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and eligible for benefits under this title by reason of application of such section;”.

(e) Conforming Amendments.—Section 1108 of the Social Security Act (42 U.S.C. 1308), as amended by section 104, is amended—
(1) in subsection (f), in the matter preceding paragraph (1), by striking “subsections (g) and (h)” and inserting “subsections (g), (h), and (i)”;

(2) by adding at the end the following:

“(i) EXCLUSION OF MEDICAL ASSISTANCE EXPENDITURES FOR CITIZENS OF FREELY ASSOCIATED STATES.—Expenditures for medical assistance provided to an individual described in section 431(b)(8) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641(b)(8)) shall not be taken into account for purposes of applying payment limits under subsections (f) and (g).”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for items and services furnished on or after the date of the enactment of this Act.

TITLE III—ENSURING COVERAGE IN THE MARKETPLACE

SEC. 301. DISREGARD OF ADDITIONAL UNEMPLOYMENT COMPENSATION FOR PURPOSES OF PREMIUM TAX CREDIT AND COST-SHARING SUBSIDIES.

(a) IN GENERAL.—Section 36B(d)(2)(B) of the Internal Revenue Code of 1986 is amended—
(1) by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III), respectively, and by moving such subclauses 2 ems to the right;

(2) by striking “adjusted gross income increased by” and inserting “adjusted gross income—

“(i) decreased by the amount of any Federal pandemic unemployment compensation paid to an individual under section 2104 of division A of the CARES Act during the taxable year, and; and

“(ii) increased by—”; and

(3) by adding at the end the following new flush sentence:

“Clause (i) shall not apply to the extent that such decrease results in a household income for the taxpayer which is less than 100 percent of the poverty line for a family of the size involved.”.

(b) TEMPORARY SUSPENSION OF RECAPTURE OF EXCESS ADVANCE PAYMENTS.—Section 36B(f)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) SPECIAL RULE FOR 2020 AND 2021.—Subparagraph (A) shall not apply to any taxable year beginning in 2020 or 2021.”.
(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2019.