To provide for temporary funding for health insurance cost-sharing reduction payments and provide targeted tax relief, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To provide for temporary funding for health insurance cost-sharing reduction payments and provide targeted tax relief, 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.

This Act may be cited as the “Health Care Market Certainty and Mandate Relief Act”.

SEC. 2. COST SHARING REDUCTION PAYMENTS.

(a) IN GENERAL.—

(1) APPROPRIATIONS.—There is appropriated to the Secretary of Health and Human Services, out of any funds in the Treasury not otherwise appro-
appropriated, such sums as may be necessary for payments for cost-sharing reductions authorized by section 1402 of Public Law 111–148, including through advanced payment of such reductions under section 1412 of such Public Law for plan years 2017, 2018, and 2019 (and including for adjustments to any prior obligations for such payments).

(2) ADJUSTMENTS.—Notwithstanding any other provision of this Act, payments and other actions for adjustments to obligations incurred prior to December 31, 2019, may be made through December 31, 2020.

(3) LIMITATION.—Amounts appropriated under paragraph (1) shall not include payment to an issuer of a qualified health plan that includes coverage of abortion (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) SPECIAL RULE FOR PLAN YEAR 2018 PAYMENTS.—Section 1402(e) of Public Law 111–148 (42 U.S.C. 18071(e)) is amended—

(1) in paragraph (3)(A), by striking “An issuer” and inserting “Subject to paragraph (6), an issuer”; and
(2) by adding at the end the following new paragraph:

“(6) SPECIAL RULE FOR PLAN YEAR 2018 PAYMENTS.—

“(A) IN GENERAL.—The Secretary shall make payments under paragraph (3)(A), including through advanced payment for cost-sharing reduction under section 1412, for plan year 2018 to an issuer of a qualified health plan, subject to subparagraph (C), only if the Secretary determines, based on a certification and appropriate documentation from the issuer and a certification from State regulators, that the premium rates applied under such plan for such plan year were based on the assumption of receiving payments under paragraph (3)(A) for such plan year (including by reason of the plan being offered in a State in which the State regulators instructed issuers of health plans in such State to make such an assumption).

“(B) RECOVERY OF PAST PAYMENTS.—If the Secretary makes payments to an issuer of a qualified health plan under paragraph (3)(A) for plan year 2018 and subsequently determines that such issuer increased premium rates for
that plan year because the issuer expected, or was instructed by applicable State regulators to expect, that the issuer would not receive such payments (or, in the case of such payments made to an issuer of a qualified health plan for plan year 2018 pursuant to subparagraph (C), determines that such issuer did not reduce premium rates under such plan for such plan year to such rates as described in clause (i)(I) of such subparagraph) the Secretary may reduce payments due to such issuer under paragraph (3)(A) for a subsequent plan year by the amount paid to such issuer under such paragraph for plan year 2018.

“(C) Payments allowed in case of issuers in states providing for premium adjustment process.—Notwithstanding subparagraph (A), the Secretary may make payments under paragraph (3)(A) for plan year 2018 to an issuer of a qualified health plan not otherwise eligible for such payments pursuant to subparagraph (A) if—

“(i) the qualified health plan is offered in a State for such plan year for which the State insurance commissioner
notifies the Secretary of the Treasury and the Secretary of Health and Human Services of a process provided for in the State under which—

“(I) issuers of qualified health plans in such State choosing to participate in such process are required to reduce premium rates under such plans for plan year 2018 to the rates that would have been applied under such plans for such plan year had the issuers assumed payments for cost-sharing reductions under such paragraph would be received for such plan year; and

“(II) the State submits to the Secretaries information to verify that the reduction of the premium rate under a qualified health plan offered by an issuer participating under such process satisfies the reduction requirement described in subclause (I); and

“(ii) the issuer of such qualified health plan chooses to participate in such process.
“(D) RECONCILIATION PROCESS.—The Secretary of the Treasury and the Secretary of Health and Human Services shall adjust the methodologies under section 156.430 of title 45, Code of Federal Regulations (as in effect on the date of enactment of the Health Care Market Certainty and Mandate Relief Act), as may be necessary to correct for any overpayments or underpayments made under this section to an issuer in accordance with this paragraph.”.

SEC. 3. MORATORIUM ON INDIVIDUAL MANDATE.

Section 5000A of the Internal Revenue Code of 1986 is amended—

(1) in subsection (a), by striking “An applicable” and inserting “Except as provided in subsection (h), an applicable”; and

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

“(h) SUSPENSION.—This section shall not apply to any month beginning after December 31, 2016, and before January 1, 2022.”.

SEC. 4. MORATORIUM ON EMPLOYER MANDATE.

Section 4980H of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:
“(e) SUSPENSION.—This section shall not apply to any month beginning after December 31, 2014, and before January 1, 2018.”.

SEC. 5. MAXIMUM CONTRIBUTION LIMIT TO HEALTH SAVINGS ACCOUNT INCREASED TO AMOUNT OF DEDUCTIBLE AND OUT-OF-POCKET LIMITATION.

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

“(9) INCREASED LIMITATION.—In the case of any month beginning after December 31, 2017, and before January 1, 2023—

“(A) paragraph (2)(A) shall be applied by substituting ‘the amount in effect under subsection (c)(2)(A)(ii)(I)’ for ‘$2,250’, and

“(B) paragraph (2)(B) shall be applied by substituting ‘the amount in effect under subsection (c)(2)(A)(ii)(II)’ for ‘$4,500’.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.