

Luther Strange

AMENDMENT NO. _____ Calendar No. _____

Purpose: To provide for premium assistance for low-income individuals.

IN THE SENATE OF THE UNITED STATES 115th Congress 1st Sess.

	AMENDMENT N^o 0389	
By	<i>Strange</i>	
To		
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Refer	<i>H.R. 1628</i>	nd
	<i>11</i>	
	Page(s)	
	GPO: 2016 22-945 (mac)	

AMENDMENT intended to be proposed by Mr. STRANGE to the amendment (No. _____) proposed by _____

Viz:

- 1 At the appropriate place, insert the following:
- 2 **SEC. 1. PREMIUM ASSISTANCE FOR LOW INCOME INDIVIDUALS.**
- 3 **VIDUALS.**
- 4 (a) IN GENERAL.—Subsection (h) of section 2105 of
- 5 the Social Security Act (42 U.S.C. 1397ee), as added by
- 6 this Act, is amended to read as follows:
- 7 “(h) SHORT-TERM ASSISTANCE TO ADDRESS COV-
- 8 ERAGE AND ACCESS DISRUPTION AND PROVIDE SUPPORT
- 9 FOR STATES AND DIRECT PREMIUM ASSISTANCE.—

1 “(1) APPROPRIATION.—There are authorized to
2 be appropriated, and are appropriated, out of monies
3 in the Treasury not otherwise obligated—

4 “(A) \$15,000,000,000 for each of calendar
5 years 2018 and 2019, and \$10,000,000,000 for
6 each of calendar years 2020 and 2021, to re-
7 main available until expended, to the Adminis-
8 trator of the Centers for Medicare & Medicaid
9 Services (in this subsection and subsection (i)
10 referred to as the ‘Administrator’) to fund ar-
11 rangements with health insurance issuers to as-
12 sist in the purchase of health benefits coverage
13 by addressing coverage and access disruption
14 and responding to urgent health care needs
15 within States; and

16 “(B) such sums as are necessary for cal-
17 endar year 2019 and each calendar year there-
18 after to the Secretary of the Treasury for the
19 purpose of making payments to the Adminis-
20 trator to allow the Administrator to make the
21 premium assistance payments described in
22 paragraph (2).

23 “(2) PREMIUM ASSISTANCE PAYMENTS.—For
24 calendar year 2019 and each calendar year there-
25 after, with respect to each individual enrolled in a

1 qualified health plan (as defined in section 1301(a)
2 of the Patient Protection and Affordable Care Act)
3 for whom an advance payment has been determined
4 under section 1412 of such Act (as reported by the
5 Secretary under subsection (c)(4)(B) of such sec-
6 tion), the Administrator shall pay to the issuer of
7 such plan the amount described in subsection
8 (c)(4)(D) of such section.

9 “(3) PARTICIPATION REQUIREMENTS.—

10 “(A) GUIDANCE.—Not later than 30 days
11 after the date of enactment of this subsection,
12 the Administrator shall issue guidance to health
13 insurance issuers regarding how to submit a no-
14 tice of intent to participate in the program es-
15 tablished under this subsection.

16 “(B) NOTICE OF INTENT TO PARTICI-
17 PATE.—To be eligible for funding under this
18 subsection, a health insurance issuer shall sub-
19 mit to the Administrator a notice of intent to
20 participate at such time (but, in the case of
21 funding for calendar year 2018, not later than
22 35 days after the date of enactment of this sub-
23 section and, in the case of funding for any sub-
24 sequent calendar year, not later than March 31
25 of the previous year) and in such form and

1 manner as specified by the Administrator and
2 containing—

3 “(i) a certification that the health in-
4 surance issuer will use the funds in accord-
5 ance with the requirements of paragraph
6 (6); and

7 “(ii) such information as the Adminis-
8 trator may require to carry out this sub-
9 section.

10 “(4) PROCEDURE FOR DISTRIBUTION OF
11 FUNDS.—The Administrator shall determine an ap-
12 propriate procedure for providing and distributing
13 funds under this subsection that includes reserving
14 an amount equal to 1 percent of the amount appro-
15 priated under paragraph (1)(A) for a calendar year
16 for providing and distributing funds to health insur-
17 ance issuers in States where the cost of insurance
18 premiums are at least 75 percent higher than the
19 national average.

20 “(5) NO MATCH.—Neither the State percentage
21 applicable to payments to States under subsection
22 (i)(5)(B) nor any other matching requirement shall
23 apply to funds provided to health insurance issuers
24 under this subsection.

1 “(6) USE OF FUNDS.—Funds provided to a
2 health insurance issuer under paragraphs (1) and
3 (2) shall be subject to the requirements of para-
4 graphs (1)(D) and (7) of subsection (i) in the same
5 manner as such requirements apply to States receiv-
6 ing payments under subsection (i) and shall be used
7 only for the activities specified in paragraph
8 (1)(A)(ii) of subsection (i) or, in the case of funds
9 provided under paragraph (2), for reducing the
10 amount of the premiums charged to individuals as
11 required under section 1412(c)(4)(E) of the Patient
12 Protection and Affordable Care Act.

13 “(7) MISUSE OF FUNDS.—If the Administrator
14 determines that a health insurance issuer is not
15 using funds provided under this subsection in a
16 manner consistent with the requirements applicable
17 to such funds, the Administrator may withhold pay-
18 ments, reduce payments, or recover previous pay-
19 ments to such health insurance issuer under this
20 subsection as the Administrator deems appro-
21 priate.”.

22 (b) PASS-THROUGH OF FUNDING.—Subsection (i) of
23 section 2105 of the Social Security Act (42 U.S.C.
24 1397ee), as added by this Act, is amended by adding at
25 the end the following new paragraph:

1 “(8) PASS-THROUGH OF FUNDING.—Beginning
2 in calendar year 2019, notwithstanding the other re-
3 quirements of funds provided to States under this
4 subsection, except for the requirements of para-
5 graphs (1)(D) and (7), with respect to a State waiv-
6 er under section 1332 of the Patient Protection and
7 Affordable Care Act under which, due to the struc-
8 ture of the State plan, individuals would not qualify
9 for advance payments under section 1412 of such
10 Act (or under which the amount of such payments
11 would be reduced), the Secretary shall provide for an
12 alternative means by which the aggregate amount of
13 such payments which would have been paid on be-
14 half of participants in the Exchange established
15 under such Act for or by the State if the State had
16 not received such a waiver, shall be paid to the State
17 for the purpose of assisting in the purchase of health
18 benefits coverage by implementing the State plan
19 under the waiver. Such amount shall be determined
20 annually by the Secretary, taking into consideration
21 the experience of other States with respect to par-
22 ticipation in an Exchange and payments provided
23 under such section to residents of the other States.
24 A State may request that all of, or any portion of,
25 the amount determined under this paragraph for the

1 State for a year be paid to the State as described
2 in subsection (h)(2).”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) Section 2101(a) of the Social Security Act
5 (42 U.S.C. 1397aa(a)), as previously amended by
6 this Act, is amended in the matter preceding para-
7 graph (1), by striking “short-term assistance”.

8 (2) Section 2105(c)(1) of the Social Security
9 Act (42 U.S.C. 1397ee(c)(1)), as previously amend-
10 ed by this Act, is amended by striking “short-term
11 assistance”.

12 (3) Section 1332(a) of the Patient Protection
13 and Affordable Care Act (42 U.S.C. 18052(a)), as
14 previously amended by this Act, is amended—

15 (A) in paragraph (2), by adding at the end
16 the following new subparagraph:

17 “(E) Section 2105(h)(1)(B) of the Social
18 Security Act.”; and

19 (B) in paragraph (3), by striking subpara-
20 graph (A) and redesignating subparagraphs (B)
21 and (C) as subparagraphs (A) and (B), respec-
22 tively.

23 (d) PHASEDOWN OF TAX CREDITS.—

24 (1) IN GENERAL.—Subsection (b) of section
25 36B of the Internal Revenue Code of 1986, as

1 amended by section 102, is further amended by add-
2 ing at the end the following new paragraph:

3 “(4) PHASEDOWN OF PREMIUM ASSISTANCE
4 CREDIT AMOUNT IN YEARS AFTER 2018.—In the case
5 of any taxable year beginning after 2018, the pre-
6 mium assistance credit amount is 1/10 of the
7 amount determined under paragraph (1) (without
8 regard to this paragraph).”.

9 (2) COORDINATION WITH DIRECT PREMIUM AS-
10 SISTANCE.—

11 (A) IN GENERAL.—Subsection (c) of sec-
12 tion 1412 of the Patient Protection and Afford-
13 able Care Act is amended by adding at the end
14 the following new paragraph:

15 “(4) COORDINATION WITH DIRECT PREMIUM
16 ASSISTANCE.—In the case of calendar, taxable, and
17 plan years beginning after December 31, 2018—

18 “(A) solely for purposes of this section, the
19 premium tax credit under section 36B of the
20 Internal Revenue Code of 1986 shall be deter-
21 mined without regard to subsection (b)(4)
22 thereof;

23 “(B) in addition to the persons described
24 in paragraph (1), the Secretary shall notify the
25 Administrator of the Centers for Medicare and

1 Medicaid Services of the advance determination
2 under this section;

3 “(C) notwithstanding subparagraph (A),
4 only $\frac{1}{10}$ of the advance payment determined
5 under this section (but for this paragraph) shall
6 be paid to the issuer of a qualified health plan
7 as provided in paragraph (2);

8 “(D) the remaining $\frac{9}{10}$ of the advance
9 payment so determined shall be paid to the Ad-
10 ministrator of the Centers for Medicare and
11 Medicaid Services for the purposes described in
12 section 2105(h)(2) of the Social Security Act;
13 and

14 “(E) an issuer of a qualified health plan
15 receiving a payment from the Administrator of
16 the Centers for Medicare and Medicaid Services
17 under section 2105(h)(2) of the Social Security
18 Act shall treat such payment for purposes of
19 paragraph (2)(B) in the same manner as an ad-
20 vance payment under paragraph (2).”.

21 (B) RECAPTURE OF EXCESS PAYMENTS
22 AND INFORMATION REPORTING.—Subsection (f)
23 of section 36B of the Internal Revenue Code of
24 1986 is amended—

1 (i) by striking “advance payments to
2 a taxpayer under section 1412 of the Pa-
3 tient Protection and Affordable Care Act
4 for a taxable year exceed” in paragraph
5 (2)(A) and inserting “aggregate sum of
6 any advance payments to a taxpayer under
7 section 1412 of the Patient Protection and
8 Affordable Care Act and any premium as-
9 sistance paid to a health insurance issuer
10 with respect to such taxpayer under section
11 2105(h)(2) of the Social Security Act for a
12 taxable year exceeds”,

13 (ii) by inserting “or subsection
14 (b)(4)” after “paragraph (1)” in para-
15 graph (2)(A),

16 (iii) by striking “or cost-sharing re-
17 ductions under section 1402 of such Act”
18 in paragraph (3)(B) and inserting “, pre-
19 mium assistance under section 2105(h)(2)
20 of the Social Security Act, or cost-sharing
21 reductions under section 1402 of the Pa-
22 tient Protection and Affordable Care Act”,

23 (iv) by striking “such Act” in para-
24 graph (3)(C) and inserting “the Patient
25 Protection and Affordable Care Act, and

1 any premium assistance under section
2 2105(h)(2) of the Social Security Act”,
3 and

4 (v) by striking “excess advance pay-
5 ments” in paragraph (3)(F) and inserting
6 “an excess aggregate amount of advance
7 payments and premium assistance pay-
8 ments for purposes of paragraph (2)”.

9 (C) REGULATIONS.—Subsection (g) of sec-
10 tion 36B of such Code is amended by inserting
11 “and payments for premium assistance” after
12 “the credit” both places it appears.

13 (3) EFFECTIVE DATE.—The amendments made
14 by this subsection shall apply to years beginning
15 after December 31, 2018.