
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:

PART 7—LOWER COSTS AND MORE CHOICES

COVERAGE ALTERNATIVE

SEC. 9661. ON-SITE EMPLOYEE CLINICS.

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

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

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

“(I) at a healthcare facility located at a facility owned or leased by the employer of the individual (or of the individual’s spouse), or
“(II) at a healthcare facility operated primarily for the benefit of employees of the employer of the individual (or of the individual’s spouse).

“(ii) QUALIFIED ITEMS AND SERVICES DEFINED.—For purposes of this subparagraph, the term ‘qualified items and services’ means the following:

“(I) Physical examination.

“(II) Immunizations, including injections of antigens provided by employees.

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

“(IV) Treatment for injuries occurring in the course of employment.

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

“(VI) Drug testing.

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

“(iii) AGGREGATION.—For purposes of clause (i), all persons treated as a single employer under subsection (b), (c), (m), or
(o) of section 414 shall be treated as a single employer.

"(iv) PREVENTIVE CARE FOR CHRONIC CONDITIONS.—For purposes of this subparagraph, the term 'preventive care for chronic conditions' means any item or service specified in the Appendix of Internal Revenue Service Notice 2019–45 which is prescribed to treat an individual diagnosed with the associated chronic condition specified in such Appendix for the purpose of preventing the exacerbation of such chronic condition or the development of a secondary condition, including any amendment, addition, removal, or other modification made by the Secretary (pursuant to the authority granted to the Secretary under paragraph (2)(C)) to the items or services specified in such Appendix subsequent to the date of enactment of this subparagraph."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months in taxable years beginning after the date of enactment of this Act.
SEC. 9662. TEMPORARY INCREASE IN CONTRIBUTION LIMITS FOR HEALTH SAVINGS ACCOUNTS.

(a) In General.—Section 223(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(9) Increase in monthly limitations for taxable years 2021 and 2022.—In the case of any month during a taxable year which begins after December 31, 2020, and before January 1, 2023, the dollar amount in effect under subparagraph (A) or (B) of paragraph (2) for such month shall be twice the amount otherwise applicable under such subparagraph, as determined—

"(A) before application of paragraph (3),

"(B) after application of subsection (g),

and

"(C) without regard to this paragraph."

(b) Effective Date.—The amendment made by this section shall apply with respect to taxable years beginning after December 31, 2020.

SEC. 9663. REPEAL OF CEILING ON Deductible AND OUT-OF-POCKET EXPENSES UNDER A HIGH DEDUCTIBLE HEALTH PLAN.

(a) In General.—Subparagraph (A) of section 223(e)(2) of the Internal Revenue Code of 1986 is amended to read as follows:
“(A) HIGH DEDUCTIBLE HEALTH PLAN.—

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

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

“(ii) twice the dollar amount in clause (i) for family coverage.”.

(b) CONFORMING AMENDMENTS.—

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

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

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

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 2020.
SEC. 9664. TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.

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

"(E) TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.—

"(i) IN GENERAL.—A direct primary care service arrangement shall not be treated as a health plan for purposes of subparagraph (A)(ii).

"(ii) DIRECT PRIMARY CARE SERVICE ARRANGEMENT.—For purposes of this paragraph—

"(I) IN GENERAL.—The term ‘direct primary care service arrangement’ means, with respect to any individual, an arrangement under which such individual is provided medical care (as defined in section 213(d)) consisting solely of primary care services provided by primary care practitioners (as defined in section 1833(x)(2)(A) of the Social Security Act, determined without regard to clause (ii) thereof), if the sole com-
pensation for such care is a fixed periodic fee.

"(II) LIMITATION.—With respect to any individual for any month, such term shall not include any arrangement if the aggregate fees for all direct primary care service arrangements (determined without regard to this subclause) with respect to such individual for such month exceed $150 (twice such dollar amount in the case of an individual with any direct primary care service arrangement (as so determined) that covers more than one individual).

"(iii) CERTAIN SERVICES SPECIFICALLY EXCLUDED FROM TREATMENT AS PRIMARY CARE SERVICES.—For purposes of this subparagraph, the term ‘primary care services’ shall not include—

"(I) procedures that require the use of general anesthesia, and

"(II) laboratory services not typically administered in an ambulatory primary care setting.
The Secretary, after consultation with the
Secretary of Health and Human Services,
shall issue regulations or other guidance
regarding the application of this clause.”.

(b) DIRECT PRIMARY CARE SERVICE ARRANGEMENT

FEES TREATED AS MEDICAL EXPENSES.—Section
223(d)(2)(C) of the Internal Revenue Code of 1986 is
amended by striking “or” at the end of clause (iii), by
striking the period at the end of clause (iv) and inserting
“, or”, and by adding at the end the following new clause:
“(v) any direct primary care service arrangement.”.

c) INFLATION ADJUSTMENT.—Section 223(g)(1) of
the Internal Revenue Code of 1986 is amended—
(1) by inserting “, (c)(1)(E)(ii)(II),” after
“(b)(2),” each place such term appears, and
(2) in subparagraph (B), by inserting “and
(iii)” after “clause (ii)” in clause (i), by striking
“and” at the end of clause (i), by striking the period
at the end of clause (ii) and inserting “, and”, and
by inserting after clause (ii) the following new
clause:
“(iii) in the case of the dollar amount
in subsection (c)(1)(E)(ii)(II) for taxable
years beginning in calendar years after
2021, 'calendar year 2020'.".
(d) REPORTING OF DIRECT PRIMARY CARE SERVICE ARRANGEMENT FEES ON W-2.—Section 6051(a) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of paragraph (16), by striking the period at the end of paragraph (17) and inserting ", and", and by inserting after paragraph (17) the following new paragraph:

"(18) in the case of a direct primary care service arrangement (as defined in section 223(e)(1)(D)(ii)) which is provided in connection with employment, the aggregate fees for such arrangement for such employee."

(e) EFFECTIVE DATE.—

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

(2) INFLATION ADJUSTMENT.—The amendments made by subsection (c) shall apply to taxable years beginning in calendar years beginning after December 31, 2021.

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

(a) IN GENERAL.—Section 223(e)(2)(E) of the Internal Revenue Code of 1986 is amended by striking "In the
case of plan years beginning on or before December 31, 2021, a” and inserting “A”.

(b) Certain Coverage Disregarded.—Section 223(e)(1)(B)(ii) of the Internal Revenue Code of 1986 is amended by striking “(in the case of plan years beginning on or before December 31, 2021)”.

SEC. 9666. MODIFICATIONS TO PREMIUM TAX CREDIT RELATING TO ABORTION COVERAGE.

(a) In General.—Section 36B(c)(3)(A) of the Internal Revenue Code of 1986 is amended by striking “shall not include” and all that follows and inserting the following: “shall not include any health plan that—

“(i) is a catastrophic plan described in section 1302(e) of such Act, 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) Conforming Amendments.—Section 36B(c)(3) of such Code is amended by adding at the end the following new subparagraph:

“(C) 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 ex-
acerbated by the performance of an abortion shall not be treated as an abortion for purposes of subparagraph (A).”.

SEC. 9667. ELIGIBILITY FOR CATASTROPHIC PLANS DURING PUBLIC HEALTH EMERGENCY.

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

“Notwithstanding the preceding sentence, an individual shall be treated as described in this paragraph for any plan year ending not later than the date that is one year after the last day of the emergency period described in section 1135(g)(1)(B) of the Social Security Act.”.

(b) Effective Date.—The amendment made by this section shall apply to plan years ending after the date of the enactment of this Act.

SEC. 9668. CODIFICATION OF RULES RELATING TO HEALTH REIMBURSEMENT ARRANGEMENTS AND OTHER ACCOUNT-BASED GROUP HEALTH PLANS.

The final rules published by the Department of the Treasury, the Department of Labor, and the Department of Health and Human Services in the Federal Register on June 20, 2019, (84 Fed. Reg. 28888) relating to health
reimbursement arrangements and other account-based group health plans shall have the same force and effect as if included in the enactment of this Act.