

115TH CONGRESS
1ST SESSION

H. R. 4128

To amend title XIX of the Social Security Act to allow States with Exchanges with low-insurer participation to offer a Medicaid buy-in plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 2017

Ms. MICHELLE LUJAN GRISHAM of New Mexico introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XIX of the Social Security Act to allow States with Exchanges with low-insurer participation to offer a Medicaid buy-in plan, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited at the “Health Care Choice
5 and Affordability Act”.

6 **SEC. 2. MEDICAID BUY-IN PLANS.**

7 (a) IN GENERAL.—

1 (1) OFFERING ON AN EXCHANGE.—For a plan
2 year beginning on or after January 1, 2018, not-
3 withstanding any other provision of law, a Medicaid
4 buy-in State may offer to eligible individuals with re-
5 spect to a plan year a Medicaid buy-in plan in the
6 individual market through an Exchange established
7 under title I of the Patient Protection and Afford-
8 able Care Act for such plan year.

9 (2) PREMIUM RATES.—

10 (A) IN GENERAL.—A Medicaid buy-in
11 State that offers a Medicaid buy-in plan under
12 paragraph (1) shall establish premium rates
13 under such plan at a level calculated to produce
14 revenue equal to the sum of—

15 (i) the costs of health benefits pro-
16 vided by the plan; plus

17 (ii) 10 percent of the administrative
18 costs related to operating the plan.

19 (B) PROHIBITING DISCRIMINATORY PRE-
20 MIUMS.—In the case of a Medicaid buy-in plan,
21 premiums may only vary to the extent per-
22 mitted under section 2701(a)(1) of the Public
23 Health Service Act.

24 (3) ENROLLMENT.—The enrollment period for
25 a Medicaid buy-in plan offered under paragraph (1)

1 shall, to the extent practicable, conform with the en-
2 rollment period for qualified health plans offered
3 through an Exchange.

4 (4) FEDERAL PAYMENT FOR ADMINISTRATIVE
5 EXPENSES.—In the case of a Medicaid buy-in State
6 that offers a Medicaid buy-in plan under paragraph
7 (1), the Secretary of Health and Human Services
8 shall pay to such State for each calendar quarter be-
9 ginning on or after January 1, 2018, an amount
10 equal to 90 percent of so much of the sums ex-
11 pended during such quarter as are attributable to
12 administering the Medicaid buy-in plan in such
13 State.

14 (b) PREMIUM TAX CREDITS.—

15 (1) IN GENERAL.—Section 36B of the Internal
16 Revenue Code of 1986 is amended by adding at the
17 end the following new subsection:

18 “(h) APPLICATION TO INDIVIDUALS PURCHASING
19 MEDICAID COVERAGE.—In the case of any individual en-
20 rolled in a Medicaid buy-in plan subsection (a) shall be
21 applied by substituting for ‘premium assistance credit
22 amount of the taxpayer for the taxable year’ the following:
23 ‘the lesser of—

24 “‘(1) the monthly premiums charged by a Med-
25 icaid buy-in State for a Medicaid buy-in plan that

1 covers the taxpayer, the taxpayer’s spouse, or any
2 dependent (as defined in section 152) of the tax-
3 payer, or

4 “(2) the excess (if any) of—

5 “(A) such monthly premium, over

6 “(B) an amount equal to 1/12 of the
7 product of the applicable percentage and the
8 taxpayer’s household income for the taxable
9 year.’”.

10 (2) EXCEPTION FOR MINIMUM ESSENTIAL COV-
11 ERAGE.—Subparagraph (B) of section 36B(c)(2) of
12 the Internal Revenue Code of 1986 is amended by
13 inserting before the period at the end the following:
14 “or eligibility for coverage under a Medicaid buy-in
15 plan (as defined in section 2(c) of the Health Care
16 Choice and Affordability Act)”.

17 (3) INDIVIDUAL MANDATE.—Clause (ii) of sec-
18 tion 5000A(f)(1)(A) of the Internal Revenue Code of
19 1986 is amended by inserting before the comma the
20 following: “including under a Medicaid buy-in plan
21 (as defined in section 2(c) of the Health Care Choice
22 and Affordability Act)”.

23 (4) ADVANCE PAYMENT OF CREDIT.—

24 (A) IN GENERAL.—Advance determina-
25 tions and payments of premium tax credits al-

1 lowable under section 36B of the Internal Rev-
2 enue Code of 1986 with respect to an individual
3 enrolled in a Medicaid buy-in plan shall be al-
4 lowed, subject to rules similar to the rules in
5 section 1412 of the Patient Protection and Af-
6 fordable Care Act (applied without regard to
7 whether such plan is a qualified health plan).

8 (B) COORDINATION WITH CREDIT.—Sec-
9 tion 36B(f) is amended by adding at the end
10 the following new paragraph:

11 “(4) MEDICAID BUY-IN PLANS.—For purposes
12 of this subsection, advance payments under section
13 2(b)(4)(A) of the Health Care Choice and Afford-
14 ability Act shall be treated as advance payments
15 under section 1412 of the Patient Protection and
16 Affordable Care Act.”.

17 (5) CONFORMING AMENDMENT RELATING TO
18 EMPLOYER RESPONSIBILITY.—Section 4980H(c)(6)
19 of the Internal Revenue Code of 1986 is amended by
20 inserting “, except that for purposes of subsections
21 (a)(2) and (b)(1)(B), the term ‘qualified health plan’
22 shall include a Medicaid buy-in plan (as defined in
23 section 2(c) of the Health Care Choice and Afford-
24 ability Act” after “such Act”.

25 (c) DEFINITIONS.—In this section:

1 (1) ELIGIBLE INDIVIDUAL.—The term “eligible
2 individual” means an individual who will have access
3 to only qualified health plans issued by one health
4 insurance issuer (as defined in section 2791 of the
5 Public Health Service Act (42 U.S.C. 300gg–91)) or
6 will have access to no qualified health plans with re-
7 spect to a plan year.

8 (2) MEDICAID BUY-IN STATE.—The term “Med-
9 icaid buy-in State” means a State that has at least
10 one political subdivision in which fewer than two
11 health insurance issuers participate in the Federal,
12 Federally facilitated, or State Exchange established
13 under title I of the Patient Protection and Afford-
14 able Care Act (Public Law 111–148) for such polit-
15 ical subdivision.

16 (3) MEDICAID BUY-IN PLAN.—The term “Med-
17 icaid buy-in plan” means a health insurance plan
18 that—

19 (A) is administered by the State agency
20 administering the State plan under title XIX of
21 the Social Security Act (42 U.S.C. 1396 et
22 seq.) (or a waiver of such plan); and

23 (B) consists of benchmark coverage de-
24 scribed in subsection (b)(1) of section 1937 of
25 such Act (42 U.S.C. 1396u–7(b)(1)) or bench-

1 mark-equivalent coverage described in sub-
2 section (b)(2) of such section.

3 (4) QUALIFIED HEALTH PLAN.—The term
4 “qualified health plan” has the meaning given such
5 term in section 1301 of the Patient Protection and
6 Affordable Care Act (42 U.S.C. 18021).

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