

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4677

To amend the Patient Protection and Affordable Care Act to require States with failed American Health Benefit Exchanges to reimburse the Federal Government for amounts provided under grants for the establishment and operation of such Exchanges.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2014

Mr. REED (for himself, Mr. SCALISE, Ms. JENKINS, Mrs. BLACK, and Mr. TIBERI) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend the Patient Protection and Affordable Care Act to require States with failed American Health Benefit Exchanges to reimburse the Federal Government for amounts provided under grants for the establishment and operation of such Exchanges.

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 as the “State Exchange Ac-  
5 countability Act”.

1 **SEC. 2. REIMBURSING THE FEDERAL GOVERNMENT FOR**  
2 **FAILED STATE EXCHANGE GRANTS.**

3 Section 1311(a) of the Patient Protection and Af-  
4 fordable Care Act (42 U.S.C. 18031(a)) is amended by  
5 adding at the end the following:

6 “(6) REIMBURSEMENT IN THE CASE OF FAILED  
7 EXCHANGES.—

8 “(A) IN GENERAL.—In the case of a State  
9 that has received one or more establishment or  
10 early innovator grants under this subsection  
11 and which operated a State-based Exchange in  
12 program year 2014, if such State subsequently  
13 elects to provide solely for the enrollment of its  
14 residents in qualified health plans through the  
15 Federally Facilitated Exchange, such State  
16 shall reimburse the Federal Government for the  
17 aggregate amounts provided to the State under  
18 such grant or grants.

19 “(B) REIMBURSEMENT AGREEMENTS.—  
20 Reimbursement shall be provided to the Federal  
21 Government by a State under this paragraph  
22 pursuant to the terms of an agreement entered  
23 into by the State and the Department of Health  
24 and Human Services that, at a minimum, shall  
25 require that—

1           “(i) such reimbursement be made, in  
2           full, within the 10-year period beginning  
3           on the date on which the State makes the  
4           election described in paragraph (1); and

5           “(ii) that the State make an annual  
6           payment in an amount equal to 10 percent  
7           of the total amount provided to the State  
8           under the grant or grants awarded to the  
9           State under this subsection.

10          “(C) NO REDUCTION IN AMOUNT.—The  
11          Federal Government shall not reduce the  
12          amount of the reimbursement required to be  
13          provided by a State under this paragraph.

14          “(D) FAILURE TO ENTER INTO AGREE-  
15          MENT.—In the case of a State described in sub-  
16          paragraph (A) that fails to enter into an agree-  
17          ment under subparagraph (B), the Secretary  
18          shall reduce the amount to be paid to the State  
19          under title XIX of the Social Security Act for  
20          each of the 10 fiscal years beginning with the  
21          first fiscal year that begins after the date of the  
22          election described in subparagraph (A) by the  
23          State. The amount of each such reduction shall  
24          be uniform and shall in the aggregate equal the

1 total amount of the reimbursement required  
2 under this paragraph.

3 “(E) DEFICIT REDUCTION.—Amounts paid  
4 by a State under this section shall be placed in  
5 the General Fund of the Treasury to be used  
6 for deficit reduction.”.

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