

## Union Calendar No. 633

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

# H. R. 5458

**[Report No. 114–809, Part I]**

To provide for coordination between the TRICARE program and eligibility for making contributions to a health savings account, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2016

Mr. STEWART introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Armed Services, 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

NOVEMBER 14, 2016

Additional sponsors: Mr. ROSKAM, Mr. BLUMENAUER, Mr. BOUSTANY, and  
Ms. GABBARD

NOVEMBER 14, 2016

Reported from the Committee on Ways and Means with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

NOVEMBER 14, 2016

The Committee on Armed Services discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on June 13, 2016]

# **A BILL**

To provide for coordination between the TRICARE program and eligibility for making contributions to a health savings account, 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 as the “Veterans TRICARE*  
5 *Choice Act of 2016”.*

6 **SEC. 2. COORDINATION BETWEEN TRICARE PROGRAM AND**  
7 **ELIGIBILITY TO MAKE CONTRIBUTIONS TO**  
8 **HEALTH SAVINGS ACCOUNTS.**

9 *(a) IN GENERAL.—Section 223(c)(1)(B) of the Inter-*  
10 *nal Revenue Code of 1986 is amended by striking “and”*  
11 *at the end of clause (ii), by striking the period at the end*  
12 *of clause (iii) and inserting “, and”, and by adding at the*  
13 *end the following new clause:*

14 *“(iv) coverage under the TRICARE*  
15 *program under chapter 55 of title 10,*  
16 *United States Code, for any period with re-*  
17 *spect to which an election is in effect under*  
18 *section 1097e of such title providing that*  
19 *the individual is ineligible to be enrolled in*  
20 *(and receive benefits under) such program.”.*

21 *(b) PROVISIONS RELATING TO ELECTION OF INELIGI-*  
22 *BILITY UNDER TRICARE.—*

23 *(1) IN GENERAL.—Chapter 55 of title 10, United*  
24 *States Code, is amended by inserting after section*  
25 *1097d the following new section:*

1 **“§ 1097e. TRICARE program: election of eligibility**

2 “(a) *ELECTION.*—Beginning January 1, 2017, a  
3 *TRICARE-eligible individual may elect at any time to be*  
4 *ineligible to enroll in (and receive any benefits under) the*  
5 *TRICARE program.*

6 “(b) *CHANGE OF ELECTION.*—(1) *If a TRICARE-eli-*  
7 *ble individual makes an election under subsection (a), the*  
8 *TRICARE-eligible individual may later elect to be eligible*  
9 *to enroll in the TRICARE program. An election made*  
10 *under this subsection may be made only during a special*  
11 *enrollment period.*

12 “(2) *The Secretary shall ensure that a TRICARE-eli-*  
13 *gible individual who makes an election under subsection (a)*  
14 *may efficiently enroll in the TRICARE program pursuant*  
15 *to an election under paragraph (1), including by maintain-*  
16 *ing the individual, as appropriate, in the health care enroll-*  
17 *ment system under section 1099 of this title in an inactive*  
18 *manner.*

19 “(c) *PERIOD OF ELECTION.*—*If a TRICARE-eligible*  
20 *individual makes an election under subsection (a), such*  
21 *election shall be in effect beginning on the date of such elec-*  
22 *tion and ending on the date that such individual makes*  
23 *an election under subsection (b)(1) to enroll in the*  
24 *TRICARE program.*

25 “(d) *HEALTH SAVINGS ACCOUNT PARTICIPATION.*—(1)  
26 *For provisions allowing participation in a health savings*

1 *account in connection with coverage under a high deductible*  
2 *health plan during the period that the election under sub-*  
3 *section (a) is in effect, see section 223(c)(1)(B)(iv) of the*  
4 *Internal Revenue Code of 1986.*

5       “(2) *The Secretary shall submit to the Commissioner*  
6 *of Internal Revenue the name of, and any other information*  
7 *that the Commissioner may require with respect to, each*  
8 *TRICARE-eligible individual who makes an election under*  
9 *subsection (a) or (b), not later than 90 days after such elec-*  
10 *tion, for purposes of determining the eligibility of such*  
11 *TRICARE-eligible individual for a health savings account*  
12 *described in paragraph (1).*

13       “(e) *RECORDS.—The Secretary shall ensure that a*  
14 *TRICARE-eligible individual who makes an election under*  
15 *subsection (a) is maintained on the Defense Enrollment Eli-*  
16 *gibility Reporting System, or successor system, regardless*  
17 *of whether the individual is eligible for the TRICARE pro-*  
18 *gram during the period of such election.*

19       “(f) *PROVISION OF INFORMATION.—The Secretary*  
20 *shall provide to each TRICARE-eligible individual who*  
21 *seeks to make an election under subsection (a) information*  
22 *regarding—*

23               “(1) *health savings accounts in connection with*  
24 *coverage under a high deductible health plan de-*  
25 *scribed in subsection (d)(1), including a comparison*

1       of such health saving accounts and the health care  
2       benefits the individual is eligible to receive under the  
3       TRICARE program; and

4               “(2) changing such an election under subsection  
5       (b)(1).

6       “(g) ANNUAL REPORT.—Not later than 60 days after  
7       the end of each fiscal year, the Secretary shall submit to  
8       the congressional defense committees a report on elections  
9       by TRICARE-eligible individuals under this section that  
10      includes the following:

11             “(1) The number of TRICARE-eligible individ-  
12      uals, as of the date of the submittal of the report, who  
13      are ineligible to enroll in (and receive any benefits  
14      under) the TRICARE program pursuant to an elec-  
15      tion under subsection (a).

16             “(2) The number of TRICARE-eligible individ-  
17      uals who made an election described under subsection  
18      (a) but, as of the date of the submittal of the report,  
19      are enrolled in the TRICARE program pursuant to  
20      a change of election under subsection (b).

21      “(h) DEFINITIONS.—In this section:

22             “(1) The term ‘TRICARE-eligible individual’  
23      means an individual who is—

24               “(A) eligible to be a covered beneficiary en-  
25      titled to health care benefits under the TRICARE

1           program (determined without regard to this sec-  
2           tion); and

3                   “(B) not serving on active duty in the uni-  
4           formed services.

5                   “(2) The term ‘special enrollment period’ means  
6           the period in which a beneficiary under the Federal  
7           Employees Health Benefits program under chapter 89  
8           of title 5 may enroll in or change a plan under such  
9           program by reason of a qualifying event or during an  
10          open enrollment season. For purposes of this section,  
11          such qualifying events shall also include events deter-  
12          mined appropriate by the Secretary of Defense, in-  
13          cluding events relating to a member of the armed  
14          forces being ordered to active duty.”.

15                   (2) *CONFORMING AMENDMENT.*—The table of sec-  
16          tions at the beginning of chapter 55 of such title is  
17          amended by inserting after the item relating to sec-  
18          tion 1097d the following new item:

          “1097e. *TRICARE program: election of eligibility.*”.

19                   (c) *EFFECTIVE DATE.*—The amendments made by sub-  
20          section (a) shall apply to months beginning after December  
21          31, 2016.

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