

110TH CONGRESS
1ST SESSION

H. R. 1603

To amend title 5, United States Code, to establish a national health program administered by the Office of Personnel Management to offer Federal employee health benefits plans to certain individuals affected by an incident of national significance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. JEFFERSON introduced the following bill; which was referred to the Committee on Oversight and Government Reform, 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 5, United States Code, to establish a national health program administered by the Office of Personnel Management to offer Federal employee health benefits plans to certain individuals affected by an incident of national significance, 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 “Emergency Coverage
5 During an Incident of National Significance Act of 2007”.

1 **SEC. 2. EXTENSION OF FEDERAL EMPLOYEE HEALTH IN-**
 2 **SURANCE TO CERTAIN INDIVIDUALS AF-**
 3 **FECTED BY AN INCIDENT OF NATIONAL SIG-**
 4 **NIFICANCE.**

5 (a) IN GENERAL.—Subpart G of part III of title 5,
 6 United States Code, is amended by redesignating chapters
 7 89A and 89B as chapters 89B and 89C, respectively, and
 8 by inserting after chapter 89 the following:

9 **“CHAPTER 89A—EMERGENCY HEALTH IN-**
 10 **SURANCE FOR CERTAIN INDIVIDUALS**
 11 **AFFECTED BY AN INCIDENT OF NA-**
 12 **TIONAL SIGNIFICANCE**

“Sec.

“8921. Definitions.

“8922. Health insurance for eligible individuals.

“8923. Contract requirement.

“8924. Eligibility and identification of individuals.

“8925. Alternative conditions to Federal employee health benefits plans.

13 **“§ 8921. Definitions**

14 “In this chapter—

15 “(1) the terms defined under section 8901 shall
 16 have the meanings given such terms under that sec-
 17 tion;

18 “(2) the term ‘eligible individual’ means any in-
 19 dividual who, at the time of an incident of national
 20 significance, resides or is employed in the area iden-
 21 tified under section 8924 with respect to such inci-
 22 dent;

1 “(3) the term ‘incident of national significance’
2 means a domestic catastrophic incident which is des-
3 ignated as an incident of national significance by the
4 President pursuant to the national response plan re-
5 ferred to in section 502(6) of the Homeland Security
6 Act of 2002; and

7 “(4) the term ‘Office’ means the Office of Per-
8 sonnel Management.

9 **“§ 8922. Health insurance for eligible individuals**

10 “(a) The Office of Personnel Management shall ad-
11 minister a health insurance program for eligible individ-
12 uals in accordance with this chapter.

13 “(b) Except as provided under this chapter, the Of-
14 fice shall prescribe regulations to apply the provisions of
15 chapter 89 to the greatest extent practicable to eligible
16 individuals covered under this chapter.

17 **“§ 8923. Contract requirement**

18 “(a) In each calendar year, the Office shall enter into
19 a contract with 3 or more carriers to make available 5
20 or more health benefits plans (subject to the provisions
21 of this chapter) to eligible individuals under this chapter.

22 “(b) In carrying out this section, the Office may re-
23 quire 5 or more carriers to enter into a contract described
24 in subsection (a), as a condition of entering into a contract
25 under section 8902.

1 **“§ 8924. Eligibility and identification of individuals**

2 “(a) Except as provided in subsection (b), any eligible
3 individual may enroll in a health benefits plan under this
4 chapter.

5 “(b) An individual may not enroll in a health benefits
6 plan under this chapter, if the individual—

7 “(1) is 65 years of age or older;

8 “(2) is enrolled or eligible to enroll for coverage
9 under a public health insurance program, including
10 coverage under title XVIII of the Social Security
11 Act, coverage under a State plan under title XIX of
12 such Act, coverage under a State plan under title
13 XX of such Act, or coverage under any other pro-
14 gram determined by the Office;

15 “(3) is enrolled or eligible to enroll in a plan
16 under chapter 89; or

17 “(4) is a member of the uniformed services as
18 defined under section 101(a)(5) of title 10.

19 “(c) With respect to each incident of national signifi-
20 cance, the Secretary of Homeland Security shall, con-
21 sistent with the President’s designation of such incident,
22 identify the area affected by such incident and shall, in
23 consultation with the Office, carry out a program to iden-
24 tify eligible individuals with respect to such incident.

25 “(d) The period of an individual’s enrollment in a
26 health benefits plan under this chapter shall not exceed

1 24 months with respect to any incident of national signifi-
2 cance. Such period may be extended by the Office if the
3 Secretary of Homeland Security determines that the area
4 identified under subsection (c) remains affected by the in-
5 cident.

6 **“§ 8925. Alternative conditions to Federal employee**
7 **health benefits plans**

8 “(a) Rates charged and premiums paid for a health
9 benefits plan under this chapter may differ between or
10 among geographic regions.

11 “(b) No Government contribution shall be made for
12 any individual under this chapter.

13 “(c) In the administration of this chapter, the Office
14 shall ensure that individuals covered under this chapter
15 shall be in a risk pool that is separate from the risk pool
16 maintained for individuals covered under chapter 89.”.

17 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

18 (1) CONTRACT REQUIREMENT UNDER CHAPTER
19 89.—Section 8902 of title 5, United States Code, is
20 amended by adding after subsection (o) the fol-
21 lowing:

22 “(p) Each contract under this chapter may include,
23 at the discretion of the Office, a provision that the carrier
24 shall enter into a contract to provide 1 or more health
25 benefits plans as described under chapter 89A.”.

1 (2) TABLE OF CHAPTERS.—The table of chap-
 2 ters for part III of title 5, United States Code, is
 3 amended—

4 (A) by redesignating the items relating to
 5 chapters 89A and 89B as items relating to
 6 chapters 89B and 89C, respectively; and

7 (B) by inserting after the item relating to
 8 chapter 89 the following:

“CHAPTER 89A—EMERGENCY HEALTH INSURANCE FOR CERTAIN
 INDIVIDUALS AFFECTED BY AN INCIDENT OF NATIONAL SIGNIFICANCE

“89A. Emergency Health Insurance for Certain Individuals Affected by
 an Incident of National Significance 8921”.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall take effect on the date of enactment of
 11 this Act and shall apply to contracts that take effect with
 12 respect to the calendar year following such date of enact-
 13 ment.

14 **SEC. 3. CREDIT FOR EMERGENCY HEALTH INSURANCE**
 15 **COSTS OF CERTAIN INDIVIDUALS AFFECTED**
 16 **BY AN INCIDENT OF NATIONAL SIGNIFI-**
 17 **CANCE.**

18 (a) IN GENERAL.—Subpart C of part IV of sub-
 19 chapter A of chapter 1 of the Internal Revenue Code of
 20 1986 (relating to refundable credits) is amended by redес-
 21 ignating section 36 as section 37 and inserting after sec-
 22 tion 35 the following new section:

1 **“SEC. 36. EMERGENCY HEALTH INSURANCE COSTS OF CER-**
 2 **TAIN INDIVIDUALS AFFECTED BY AN INCI-**
 3 **DENT OF NATIONAL SIGNIFICANCE.**

4 “(a) IN GENERAL.—In the case of an individual,
 5 there shall be allowed as a credit against the tax imposed
 6 by this subtitle for the taxable year an amount equal to
 7 the applicable percentage of the amount paid during such
 8 taxable year by the taxpayer for coverage of the taxpayer
 9 and family members under the health insurance plan es-
 10 tablished under chapter 89A of title 5, United States
 11 Code.

12 “(b) APPLICABLE PERCENTAGE.—

13 “(1) IN GENERAL.—For purposes of subsection
 14 (a), the applicable percentage shall be determined in
 15 accordance with the following table:

“In the case of any taxpayer whose family income is the following percentage of the poverty line: The applicable percentage is:

| | |
|-------------------------------------------------------|-------------|
| Not more than 100 percent | 100 percent |
| More than 100 percent, but not more than 300 percent. | 65 percent |
| More than 300 percent, but not more than 500 percent. | 40 percent |
| More than 500 percent, but not more than 600 percent. | 30 percent |
| More than 600 percent | 0 percent. |

16 “(2) FAMILY INCOME.—For purposes of this
 17 subsection, the term ‘family income’ means the ag-
 18 gregate adjusted gross income of the taxpayer and
 19 the taxpayer’s spouse and dependents.

1 “(3) POVERTY LINE.—For purposes of this
2 subsection, the term ‘poverty line’ means the poverty
3 line as defined in section 673(2) of the Community
4 Services Block Grant Act, for a family of the size in-
5 volved.

6 “(c) SPECIAL RULES.—

7 “(1) COORDINATION WITH ADVANCE PAYMENTS
8 OF CREDIT.—With respect to any taxable year, the
9 amount which would (but for this paragraph) be al-
10 lowed as a credit to the taxpayer under subsection
11 (a) shall be reduced (but not below zero) by the ag-
12 gregate amount paid on behalf of such taxpayer
13 under section 7529 for such taxable year.

14 “(2) COORDINATION WITH OTHER DEDUC-
15 TIONS.—Amounts taken into account under sub-
16 section (a) shall not be taken into account in deter-
17 mining any deduction allowed under section 162(l)
18 or 213.

19 “(3) TREATMENT OF PAYMENTS.—For pur-
20 poses of this section, payments made by the Sec-
21 retary on behalf of any individual under section
22 7529 (relating to advance payment of credit for
23 emergency health insurance costs of certain individ-
24 uals affected by an incident of national significance)

1 shall be treated as having been made by the tax-
2 payer.

3 “(4) REGULATIONS.—The Secretary may pre-
4 scribe such regulations and other guidance as may
5 be necessary or appropriate to carry out this section
6 and section 7529.”.

7 (b) ADVANCE PAYMENT OF CREDIT.—Chapter 77 of
8 the Internal Revenue Code of 1986 (relating to miscella-
9 neous provisions) is amended by adding at the end the
10 following new section:

11 **“SEC. 7529. ADVANCE PAYMENT OF CREDIT FOR EMER-**
12 **GENCY HEALTH INSURANCE COSTS OF CER-**
13 **TAIN INDIVIDUALS AFFECTED BY AN INCI-**
14 **DENT OF NATIONAL SIGNIFICANCE.**

15 “Not later than [August 1, 2008], the Secretary
16 shall establish a program for making payments on behalf
17 of individuals described in section 36(a) to the health in-
18 surance plan established under chapter 89A of title 5,
19 United States Code.”.

20 (c) CONFORMING AMENDMENTS.—

21 (1) Paragraph (2) of section 1324(b) of title
22 31, United States Code, is amended by inserting “,
23 36,” after “section 35”.

24 (2) The table of sections for subpart C of part
25 IV of chapter 1 of the Internal Revenue Code of

1 1986 is amended by striking the item relating to
2 section 36 and inserting the following new items:

“Sec. 36. Emergency health insurance costs of certain individuals affected by
an incident of national significance.

“Sec. 37. Overpayments of tax.”.

3 (3) The table of sections for chapter 77 of such
4 Code is amended by adding at the end the following
5 new item:

“Sec. 7529. Advance payment of credit for emergency health insurance costs
of certain individuals affected by an incident of national signifi-
cance.”.

6 (d) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to taxable years ending after the
8 date of the enactment of this Act.

9 **SEC. 4. PLAN FOR EXTENSION OF FEDERAL EMPLOYEE**
10 **HEALTH BENEFITS PROGRAM TO CERTAIN**
11 **INDIVIDUALS AFFECTED BY AN INCIDENT OF**
12 **NATIONAL SIGNIFICANCE.**

13 Not later than 3 months after the date of enactment
14 of this Act and after consultation with appropriate ex-
15 perts, the Secretary of Homeland Security, and other Fed-
16 eral officers, the Director of the Office of Personnel Man-
17 agement shall submit a comprehensive plan to Congress
18 that—

19 (1) provides for the orderly implementation of
20 the amendments made by this Act; and

- 1 (2) includes a schedule of actions to be taken
- 2 to provide for that implementation.

○