

111TH CONGRESS
1ST SESSION

H. R. 3937

To establish a health benefits program, based on the Federal employees health benefits program, to provide health insurance coverage for the President, Vice President, and Members of Congress, and citizens not eligible for coverage under the Federal employees health benefits program.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 27, 2009

Mr. TERRY introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Oversight and Government Reform, Education and Labor, and 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 establish a health benefits program, based on the Federal employees health benefits program, to provide health insurance coverage for the President, Vice President, and Members of Congress, and citizens not eligible for coverage under the Federal employees health benefits program.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Simple Universal Healthcare Act of 2009”.

4 (b) **TABLE OF CONTENTS.**—The table of contents of
5 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Establishment of Citizens Congressional Health Benefits Program (CCHBP).
- Sec. 3. Contracts with entities to offer qualified CCHBP health plans.
- Sec. 4. Scope of benefits and coverage.
- Sec. 5. Eligibility.
- Sec. 6. Enrollment.
- Sec. 7. Premiums.
- Sec. 8. High-risk reinsurance fund.
- Sec. 9. Definitions.
- Sec. 10. Effective date and treatment of collective bargaining agreements.

6 **SEC. 2. ESTABLISHMENT OF CITIZENS CONGRESSIONAL**
7 **HEALTH BENEFITS PROGRAM (CCHBP).**

8 (a) **IN GENERAL.**—The Director of the Office of Per-
9 sonnel Management shall establish a program (to be
10 known as the “Citizen’s Congressional Health Benefits
11 Program”) to provide comprehensive health insurance cov-
12 erage to—

13 (1) Federal elected officials (including the
14 President, Vice President, and Members of Con-
15 gress); and

16 (2) residents of the United States who are not
17 covered under the Federal Employees Health Bene-
18 fits Program (FEHBP).

19 (b) **SIMILAR TO FEHBP.**—The coverage shall be
20 provided in a manner similar to the manner in which cov-

1 erage has been provided to Members of Congress and Fed-
2 eral Government employees and retirees and their depend-
3 ents under the Federal Employees Health Benefits Pro-
4 gram (FEHBP).

5 **SEC. 3. CONTRACTS WITH ENTITIES TO OFFER QUALIFIED**
6 **CCHBP HEALTH PLANS.**

7 (a) IN GENERAL.—The Director shall enter into con-
8 tracts with entities for the offering of qualified CCHBP
9 health plans in accordance with this Act. Such contracts
10 shall be entered into in a manner similar to the process
11 by which the Director is authorized to enter into contracts
12 with entities offering health benefits plans under FEHBP.

13 (b) REQUIREMENTS FOR ENTITIES OFFERING
14 PLANS.—The Director may only enter into a contract
15 under subsection (a) with an entity that is—

16 (1) licensed—

17 (A) as a health maintenance organization
18 in the State in which the entity will offer the
19 qualified CCHBP health plan; or

20 (B) to sell group health insurance coverage
21 in such State;

22 (2) meets such requirements, similar to require-
23 ments under FEHBP, as the Director may estab-
24 lish, relating to solvency, adequacy of plan benefits

1 (subject to section 4), organization, structure, gov-
2 ernance, access, and quality; and

3 (3) agrees to participate in the high-risk rein-
4 surance fund described in section 8.

5 (c) FEHBP PLANS.—Any health plan offered under
6 FEHBP shall be treated as a qualified CCHBP health
7 plan for purposes of this Act.

8 (d) PREEMPTION OF STATE LAW.—The require-
9 ments of section 4, with respect to the scope and type of
10 benefits required to be provided by a CCHBP health plan,
11 shall supersede any and all State laws.

12 **SEC. 4. SCOPE OF BENEFITS AND COVERAGE.**

13 (a) COMPREHENSIVE BENEFITS.—

14 (1) IN GENERAL.—Subject to paragraph (2),
15 qualified CCHBP health plans shall provide for the
16 same scope and type of benefits that are provided
17 under FEHBP, including—

18 (A) the types of benefits described in sec-
19 tion 8904 of title 5, United States Code; and

20 (B) benefits required by regulation or
21 guidance under FEHBP.

22 (2) PREVENTIVE BENEFITS AND MENTAL
23 HEALTH PARITY.—Qualified CCHBP health plans
24 shall provide a minimum level of preventive benefits
25 determined by the Director, in consultation with the

1 U.S. Preventive Service Task Force, which shall in-
2 clude vaccines for both children and adults, an an-
3 nual physical, cancer screening (including
4 mammographies for women of an appropriate age),
5 and mental health parity.

6 (b) NO EXCLUSION FOR PRE-EXISTING CONDI-
7 TIONS.—Subject to section 6(b)(2), qualified CCHBP
8 health plans shall not impose pre-existing condition exclu-
9 sions or otherwise discriminate against any individual
10 based on the health status of such individual (including
11 genetic information relating to such enrollee, or any dis-
12 ease or condition).

13 (c) ANNUAL AND LIFETIME OUT-OF-POCKET LIMIT
14 INFORMATION.—An entity offering a qualified CCHBP
15 health plan must provide notice to any individual covered
16 by such plan of any benefit or service that is not included
17 in the calculation of the annual or lifetime out-of-pocket
18 limit under such plan.

19 **SEC. 5. ELIGIBILITY.**

20 (a) IN GENERAL.—An individual is eligible to enroll
21 in a qualified CCHBP health plan if—

22 (1) the individual resides in the United States;

23 and

24 (2) the individual is—

1 (A) a citizen or national of the United
2 States;

3 (B) an alien lawfully admitted to the
4 United States for permanent residence;

5 (C) an alien admitted into the United
6 States under section 207 of the Immigration
7 and Nationality Act (relating to refugees);

8 (D) an alien otherwise permanently resid-
9 ing in the United States under color of law (as
10 specified by the Director); or

11 (E) an alien with the status of a non-
12 immigrant who is within a class of long-term
13 nonimmigrants under section 101(a)(15) of the
14 Immigration and Nationality Act that the Di-
15 rector determines, in consultation with the Sec-
16 retary of Homeland Security, to be appropriate.

17 (b) EXCEPTIONS.—The following individuals are not
18 eligible to enroll in a qualified CCHBP health plan:

19 (1) INDIVIDUALS ENROLLED UNDER PUBLIC
20 HEALTH INSURANCE PROGRAMS.—An individual who
21 is enrolled under the Federal employees health bene-
22 fits program under chapter 89 of title 5, United
23 States Code (except for a member of Congress, as
24 defined by section 2106 of title 5, United States
25 Code; or the President); the Medicare program

1 under title XVIII of the Social Security Act; the
2 Medicaid program under title XIX of such Act; the
3 Children's Health Insurance Program under title
4 XXI of such Act; or Tricare under chapter 55 of
5 title 10, United States Code.

6 (2) INCARCERATED INDIVIDUALS.—An indi-
7 vidual who is incarcerated (as specified by the Direc-
8 tor).

9 (c) TREATMENT OF ELECTED OFFICIALS.—A mem-
10 ber of Congress (as defined under section 2106 of title
11 5, United States Code) or the President may enroll in ei-
12 ther a qualified CCHBP health plan under this Act or an
13 FEHBP plan under title 5, United States Code, but may
14 not be enrolled in both types of plans at the same time.

15 (d) CONFIRMATION OF IMMIGRATION STATUS.—The
16 Director, in consultation with each entity offering a quali-
17 fied CCHBP plan, shall promulgate regulations for the
18 use of the automated system known as the Systematic
19 Alien Verification for Entitlements, as provided for by sec-
20 tion 404 of the Illegal Immigrations Reform and Immi-
21 grant Responsibility Act of 1996 (110 Stat. 3009–664)
22 to verify the legal presence of the status of an individual,
23 other than a United States citizen, who seeks to enroll
24 in a qualified CCHBP plan.

25 (e) EMPLOYER OPTION.—

1 (1) IN GENERAL.—An employer may choose to
2 participate in CCHBP and offer qualified CCHBP
3 health plans to employees of such employer as em-
4 ployer-sponsored health insurance.

5 (2) NOTICE.—The employer shall inform the
6 Director that the employer is taking such option in
7 a form and manner determined by the Director.

8 (3) MAINTENANCE OF EFFORT REQUIRED.—An
9 employer who provides notice under paragraph (2)
10 must pay the percentage of the cost of the premium,
11 as determined under section 7, for each employee
12 that enrolls in a qualified CCHBP health plan, that
13 is the same as the percentage of the cost of the pre-
14 mium of the health insurance plan that such em-
15 ployer offered to its employees before the employer
16 provided notice under paragraph (2).

17 (4) TAX TREATMENT.—For purposes of the In-
18 ternal Revenue Code of 1986, a qualified CCHBP
19 health plan offered by an employer under this sub-
20 section shall not fail to be treated as employer-pro-
21 vided coverage solely because such employer provides
22 such plan through the CCHBP.

23 **SEC. 6. ENROLLMENT.**

24 (a) ENROLLMENT PROCESS.—The Director shall es-
25 tablish a process to enroll eligible individuals and their

1 families in qualified CCHBP health plans. Such process
2 shall be conducted in a manner that is similar to the man-
3 ner enrollment is conducted under FEHBP. To the extent
4 consistent with eligibility under section 3, the Director
5 shall provide rules similar to the rules under FEHBP for
6 the enrollment of family members who are CCHBP-eli-
7 ble individuals in the same plan.

8 (b) ENROLLMENT PERIOD.—

9 (1) ENROLLMENT UPON INITIAL ELIGIBILITY.—

10 (A) IN GENERAL.—An eligible individual
11 may enroll in a qualified CCHBP health plan—

12 (i) at any time during the 1-year pe-
13 riod beginning on the date that the Citi-
14 zen’s Congressional Health Benefits Pro-
15 gram begins to operate; or, if later,

16 (ii) at any time during the 3-month
17 period beginning on the date that such in-
18 dividual becomes eligible to enroll in any
19 qualified CCHBP health plan.

20 (B) TREATMENT OF PREEXISTING CONDI-
21 TIONS.—An individual who enrolls during the
22 periods under paragraph (1) shall not be sub-
23 ject to exclusions or additional costs due to any
24 preexisting conditions that such individual de-

1 veloped before the date such individual enrolled
2 in a qualified CCHBP plan.

3 (2) ANNUAL ENROLLMENT.—

4 (A) IN GENERAL.—An eligible individual
5 who does not enroll in a qualified CCHBP
6 health plan under paragraph (1) may enroll in
7 such a plan during an annual enrollment period
8 of not more than 1 month, as determined by
9 the Director.

10 (B) TREATMENT OF PREEXISTING CONDI-
11 TIONS.—Subject to rules developed by the Di-
12 rector, the entity offering the qualified CCHBP
13 health plan may exclude such individual from
14 enrolling in such a plan under this paragraph
15 due to any preexisting condition which such in-
16 dividual develops before the date of such annual
17 enrollment period. Upon excluding such indi-
18 vidual, the entity offering the qualified CCHBP
19 health plan shall provide such individual with
20 notice of such exclusion and information about
21 enrolling in a high risk pool.

22 (c) CHANGES IN ENROLLMENT.—The Director shall
23 establish enrollment procedures that include an annual
24 open season of at least 1 month and permit changes in
25 enrollment with qualified health plans at other times (such

1 as by reason of changes in marital or dependent status
2 or eligibility). Such procedures shall be based on the en-
3 rollment procedures established under FEHBP. The Di-
4 rector shall provide for termination of such enrollment for
5 an individual at the time the individual is no longer an
6 eligible individual.

7 (d) ENROLLMENT OF EMPLOYEES.—Notwith-
8 standing subsection (b)(2), the employees of an employer
9 that provides notice to the Director under section 5(e)(2)
10 may enroll in a qualified CCHBP health plan during ei-
11 ther the 3-month period beginning on the date that such
12 employer provides such notice or the 3-month period be-
13 ginning on the date that such employee begins working
14 for such employer, whichever is later. Such employee shall
15 not be subject to any costs related to such employee's pre-
16 existing conditions if so enrolled during such period.

17 (e) ENROLLMENT GUIDES.—The Director shall pro-
18 vide for the broad dissemination of information on quali-
19 fied CCHBP health plans offered under this title. Such
20 information shall be provided in a comparative manner,
21 similar to that used under FEHBP, and shall include in-
22 formation, collected through surveys of enrollees, on meas-
23 ures of enrollee satisfaction with the different plans.

1 **SEC. 7. PREMIUMS.**

2 The premiums established for a qualified CCHBP
3 health plan under this Act for individual or family cov-
4 erage—

5 (1) based on the rating system used under
6 FEHBP; and

7 (2) shall not vary based on age, gender, health
8 status (including genetic information), or other fac-
9 tors.

10 **SEC. 8. HIGH-RISK REINSURANCE FUND.**

11 The Director shall establish an arrangement among
12 the entities offering qualified health plans under which
13 such entities contribute in an equitable manner (as deter-
14 mined by the Director) into a fund that provides payment
15 to plans for a percentage (specified by the Director and
16 not to exceed 90 percent) of the costs that they incur for
17 enrollees beyond a predetermined threshold specified by
18 the Director. Such fund shall be funded exclusively by
19 such entities.

20 **SEC. 9. DEFINITIONS.**

21 For purposes of this Act:

22 (1) The term “CCHBP-eligible individual”
23 means an individual described in section 5.

24 (2) The term “Director” means the Director of
25 the Office of Personnel Management.

1 (3) The term “FEHBP” means the program
2 under chapter 89 of title 5, United States Code.

3 (4) The term “qualified CCHBP health plan”
4 means a fee-for-service plan, health maintenance or-
5 ganization plan, high deductible health insurance
6 plan, or other health insurance plan that meets the
7 requirements for a health insurance plan under
8 FEHBP and is offered through the CCHBP under
9 this Act by an entity that is qualified to offer such
10 plans.

11 **SEC. 10. EFFECTIVE DATE AND TREATMENT OF COLLEC-**
12 **TIVE BARGAINING AGREEMENTS.**

13 (a) **EFFECTIVE DATE.**—Benefits shall first be made
14 available under this title for items and services furnished
15 on or after the last day of the 9-month period beginning
16 on the date of the enactment of this Act.

17 (b) **NON-PREEMPTION OF EXISTING COLLECTIVE**
18 **BARGAINING AGREEMENTS.**—Nothing in this Act shall be
19 construed as preempting any collective bargaining agree-
20 ment that is in effect as of the date of the enactment of
21 this Act, during the period in which such agreement is
22 in effect (without regard to any extension of such agree-
23 ment effected as of such date of enactment).

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