

112TH CONGRESS
1ST SESSION

H. R. 429

To repeal the Patient Protection and Affordable Care Act and the health care-related provisions in the Health Care and Education Reconciliation Act of 2010 and 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 individuals who are not Federal employees, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 2011

Mr. ISSA introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Oversight and Government Reform, Education and the Workforce, Natural Resources, the Judiciary, Rules, House Administration, and Appropriations, 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 repeal the Patient Protection and Affordable Care Act and the health care-related provisions in the Health Care and Education Reconciliation Act of 2010 and 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 individuals who are not Federal employees, 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. REPEAL OF PPACA AND HEALTH CARE-RE-**
4 **LATED PROVISIONS OF HCERA.**

5 (a) PPACA.—Effective as of the enactment of the
6 Patient Protection and Affordable Care Act (Public Law
7 111–148), such Act is repealed, and the provisions of law
8 amended or repealed by such Act are restored or revived
9 as if such Act had not been enacted.

10 (b) HEALTH CARE-RELATED PROVISIONS OF
11 HCERA.—

12 (1) IN GENERAL.—Effective as of the enact-
13 ment of the Health Care and Education Reconcili-
14 ation Act of 2010 (Public Law 111–152), the health
15 care-related provisions of such Act are repealed, and
16 the provisions of law amended or repealed by such
17 health care-related provisions are restored or revived
18 as if such provisions had not been enacted.

19 (2) HEALTH CARE-RELATED PROVISIONS DE-
20 FINED.—In paragraph (1), the term “health care-re-
21 lated provisions” means, with respect to the Health
22 Care and Education Reconciliation Act of 2010, title
23 I and subtitle B of title II of such Act.

1 **SEC. 2. EXTENSION OF FEDERAL EMPLOYEE HEALTH IN-**
2 **SURANCE.**

3 (a) IN GENERAL.—Subpart G of part III of title 5,
4 United States Code, is amended—

5 (1) by redesignating chapters 89A and 89B as
6 chapters 89B and 89C, respectively; and

7 (2) by inserting after chapter 89 the following:

8 **“CHAPTER 89A—HEALTH INSURANCE FOR**
9 **NON-FEDERAL EMPLOYEES**

10 **“SEC. 8921. DEFINITIONS.**

11 “In this chapter—

12 “(1) the terms defined under section 8901 shall
13 have the meanings given such terms under that sec-
14 tion; and

15 “(2) the term ‘Office’ means the Office of Per-
16 sonnel Management.

17 **“SEC. 8922. HEALTH INSURANCE FOR NON-FEDERAL EM-**
18 **PLOYEES.**

19 “(a) The Office shall administer a health insurance
20 program for non-Federal employees in accordance with
21 this chapter.

22 “(b) Except as provided under this chapter, the Of-
23 fice shall prescribe regulations to apply the provisions of
24 chapter 89 to the greatest extent practicable to eligible
25 individuals covered under this chapter.

1 **“SEC. 8923. CONTRACT REQUIREMENT.**

2 “(a) For each calendar year, the Office shall enter
3 into a contract with 1 or more carriers to make available
4 1 or more health benefits plans (subject to the provisions
5 of this chapter) to eligible individuals under this chapter.

6 “(b) In carrying out this section, the Office may re-
7 quire 1 or more carriers to enter into a contract described
8 in subsection (a), as a condition of entering into a contract
9 under section 8902.

10 **“SEC. 8924. ELIGIBILITY OF NON-FEDERAL EMPLOYEES.**

11 “(a) Except as provided under subsection (b), any in-
12 dividual may enroll in a health benefits plan under this
13 section.

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

16 “(1) is enrolled or eligible to enroll for coverage
17 under a public health insurance program, includ-
18 ing—

19 “(A) title XVIII of the Social Security Act;

20 “(B) a State plan under title XIX of the
21 Social Security Act;

22 “(C) a State plan under title XX of the
23 Social Security Act; or

24 “(D) any other program determined by the
25 Office;

1 “(2) is enrolled or eligible to enroll in a plan
2 under chapter 89; or

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

5 **“SEC. 8925. ALTERNATIVE CONDITIONS TO FEDERAL EM-**
6 **PLOYEE HEALTH BENEFITS PLANS.**

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

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

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

16 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

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

21 “(p) Any contract under this chapter may include,
22 at the discretion of the Office, a provision that the carrier
23 shall enter into a contract to provide 1 or more health
24 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 chapters 89B and
6 89C, respectively; and

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

“89A. Health Insurance for Non-Federal Employees 8921”.

9 **SEC. 3. DEDUCTION FOR PREMIUMS PAID BY FEHBP NON-**
10 **EMPLOYEE ENROLLEES.**

11 (a) IN GENERAL.—Part VII of subchapter B of chap-
12 ter 1 of the Internal Revenue Code of 1986 (relating to
13 additional itemized deductions) is amended by redesignig-
14 nating section 224 as section 225 and by inserting after
15 section 223 the following new section:

16 **“SEC. 224. PREMIUMS PAID FOR FEHBP COVERAGE.**

17 “(a) IN GENERAL.—In the case of an individual,
18 there shall be allowed as a deduction an amount equal to
19 the amount paid as premiums during the taxable year for
20 coverage for the taxpayer, his spouse, and dependents
21 under health insurance provided pursuant to chapter 89A
22 of title 5, United States Code.

23 “(b) SPECIAL RULES.—

24 “(1) COORDINATION WITH MEDICAL DEDUC-
25 TION, ETC.—Any amount paid by a taxpayer for in-

1 surance to which subsection (a) applies shall not be
2 taken into account in computing the amount allow-
3 able to the taxpayer as a deduction under section
4 162(l) or 213(a). Any amount taken into account in
5 determining the credit allowed under section 35 shall
6 not be taken into account for purposes of this sec-
7 tion.

8 “(2) DEDUCTION NOT ALLOWED FOR SELF-EM-
9 EMPLOYMENT TAX PURPOSES.—The deduction allow-
10 able by reason of this section shall not be taken into
11 account in determining an individual’s net earnings
12 from self-employment (within the meaning of section
13 1402(a)) for purposes of chapter 2.”.

14 (b) DEDUCTION ALLOWED IN COMPUTING AD-
15 JUSTED GROSS INCOME.—Subsection (a) of section 62 of
16 such Code is amended by inserting before the last sentence
17 the following new paragraph:

18 “(22) PREMIUMS PAID FOR FEHBP COV-
19 ERAGE.—The deduction allowed by section 224.”.

20 (c) CLERICAL AMENDMENT.—The table of sections
21 for part VII of subchapter B of chapter 1 of such Code
22 is amended by redesignating the item relating to section
23 224 as an item relating to section 225 and inserting before
24 such item the following new item:

“Sec. 224. Premiums paid for FEHBP coverage.”.

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

4 **SEC. 4. PLAN FOR EXTENSION OF FEDERAL EMPLOYEE**
5 **HEALTH BENEFITS PROGRAM.**

6 Not later than 6 months after the date of enactment
7 of this Act and after consultation with appropriate ex-
8 perts, representatives of affected individuals, and Federal
9 officers, the Director of the Office of Personnel Manage-
10 ment shall submit a comprehensive plan to Congress
11 that—

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

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

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