

115TH CONGRESS
2D SESSION

H. R. 4894

To amend the Patient Protection and Affordable Care Act to provide temporary relief from the annual fee imposed on health insurance providers.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2018

Mrs. NOEM introduced the following bill; which was referred to the Committee on Energy and Commerce, 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 the Patient Protection and Affordable Care Act to provide temporary relief from the annual fee imposed on health insurance providers.

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 “Harmful Tax Preven-
5 tion Act”.

1 **SEC. 2. PARTIAL RELIEF FROM ANNUAL FEE ON HEALTH**
2 **INSURANCE PROVIDERS.**

3 (a) IN GENERAL.—Section 9010 of the Patient Pro-
4 tection and Affordable Care Act is amended by adding at
5 the end the following new subsection:

6 “(k) OPTIONAL RELIEF FOR 2018.—

7 “(1) IN GENERAL.—In the case of a covered en-
8 tity that meets the requirements of paragraph (2),
9 the fee described in subsection (a)(1) shall be re-
10 duced by the sum of the premium rebates provided
11 pursuant to paragraph (2).

12 “(2) REBATES FOR INDIVIDUALS.—A covered
13 entity meets the requirements of this paragraph if
14 such entity demonstrates to the satisfaction of the
15 Secretary of the Treasury (in consultation with the
16 Secretary of Health and Human Services, Adminis-
17 trator of the Centers for Medicare and Medicaid
18 Services, and the National Association of Insurance
19 Commissioners, as appropriate) that such entity will
20 provide—

21 “(A) not later than April 30, 2019, to each
22 individual enrolled in calendar year 2018 in a
23 qualified rebate plan offered by such entity a
24 premium rebate equal to the lesser of—

1 “(i) 2 percent of the net premiums
2 written for coverage under such plan for
3 such individual for calendar year 2018, or

4 “(ii) the amount of the premiums de-
5 scribed in subparagraph (A) paid by such
6 individual, and

7 “(B) for individuals who will receive a pre-
8 mium rebate described in subparagraph (A)
9 after September 30, 2018, notice to such indi-
10 viduals by such date of such premium rebate.

11 “(3) QUALIFIED REBATE PLAN.—For purposes
12 of this subsection, the term ‘qualified rebate plan’
13 means, with respect to a covered entity, any com-
14 bination, as elected by the covered entity, of the fol-
15 lowing categories of health plans:

16 “(A) A health plan offered in the indi-
17 vidual market.

18 “(B) A health plan offered in the group
19 market.

20 “(C) A Medicare Advantage plan under
21 part C of title XVIII of the Social Security Act.

22 “(D) A prescription drug plan offered
23 under part D of such title XVIII.

24 “(4) REDUCTION IN PREMIUMS TREATED AS
25 REBATES.—For purposes of this subsection, a reduc-

1 tion in premiums owed by an individual for a month
2 shall be treated as a premium rebate paid to such
3 individual on the first day of such month.

4 “(l) MEDICAID MANAGED CARE PLANS REDUCTION
5 FOR 2018.—In the case of a medicaid managed care orga-
6 nization (as defined in section 1903(m)(1)(A) of the Social
7 Security Act), the fee described in subsection (a)(1) shall
8 be reduced by an amount equal to 2 percent of the net
9 premiums written for coverage under a medicaid managed
10 care plan (under section 1903(m) or section 1932 of such
11 Act) for calendar year 2018.”.

12 (b) MEDICAL LOSS RATIO.—Section 2718 of the
13 Public Health Service Act is amended by adding at the
14 end the following new subsection:

15 “(f) AMOUNTS EXPENDED FOR PREMIUM REBATES
16 NOT INCLUDED.—No amount expended pursuant to sub-
17 sections (k) or (l) of section 9010 of the Patient Protec-
18 tion and Affordable Care Act shall be taken into account
19 for purposes of this section.”.

20 (c) CONFORMING AMENDMENT.—Section 9010(b)(1)
21 of the Patient Protection and Affordable Care Act is
22 amended by striking “the fee under this section” and in-
23 serting “the amount determined under this subsection”.

24 (d) EFFECTIVE DATE.—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, the amendments made by
3 this section shall apply with respect to calendar
4 years beginning after December 31, 2017.

5 (2) MEDICAL LOSS RATIO.—The amendment
6 made by subsection (b) shall apply with respect to
7 plan years beginning after December 31, 2017.

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