

116TH CONGRESS  
1ST SESSION

# H. R. 2878

To amend the Internal Revenue Code of 1986 to allow qualified distributions from health savings accounts for certain home care expenses.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 21, 2019

Ms. PORTER (for herself, Mr. SMITH of Nebraska, Mr. LARSON of Connecticut, and Mrs. WALORSKI) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow qualified distributions from health savings accounts for certain home care expenses.

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 “Homecare for Seniors  
5 Act”.

1 **SEC. 2. CERTAIN HOME CARE EXPENSES TREATED AS**  
2 **QUALIFIED DISTRIBUTIONS FROM HEALTH**  
3 **SAVINGS ACCOUNTS.**

4 (a) **IN GENERAL.**—Section 223(d)(2) of the Internal  
5 Revenue Code of 1986 is amended—

6 (1) by striking “medical care (as defined in sec-  
7 tion 213(d)” in subparagraph (A) and inserting  
8 “specified medical care (as defined in subparagraph  
9 (D))”; and

10 (2) by adding at the end the following new sub-  
11 paragraph:

12 “(D) **SPECIFIED MEDICAL CARE.**—For  
13 purposes of this paragraph—

14 “(i) **IN GENERAL.**—The term ‘speci-  
15 fied medical care’ means—

16 “(I) medical care (as defined in  
17 section 213(d)), and

18 “(II) qualified home care.

19 “(ii) **QUALIFIED HOME CARE.**—The  
20 term ‘qualified home care’ means a con-  
21 tract to provide three or more of the fol-  
22 lowing services in the residence of the serv-  
23 ice recipient:

24 “(I) Assistance with eating.

25 “(II) Assistance with toileting.

1                   “(III) Assistance with transfer-  
2                   ring.

3                   “(IV) Assistance with bathing.

4                   “(V) Assistance with dressing.

5                   “(VI) Assistance with continence.

6                   “(VII) Medication adherence.

7                   Such term shall not include any contract  
8                   unless the services provided pursuant to  
9                   such contract are provided by a service  
10                  provider which is licensed by the State to  
11                  provide such services or such services are  
12                  otherwise provided in a manner that is  
13                  consistent with State requirements.

14                  “(iii) RELATED PARTIES.—The term  
15                  ‘qualified home care’ shall not include any  
16                  contract which is, directly or indirectly, be-  
17                  tween a service provider and a service re-  
18                  cipient who are related within the meaning  
19                  of section 267(b) or 707(b).”.

20                  (b) EFFECTIVE DATE.—The amendments made by  
21                  this section shall apply to amounts paid with respect to  
22                  taxable years beginning after the date of the enactment  
23                  of this Act.

24                  (c) PROMOTION OF PUBLIC AWARENESS OF IN-  
25                  HOME SERVICE EXPENSES ELIGIBLE FOR TAX-FREE

1 DISTRIBUTION FROM HEALTH SAVINGS ACCOUNTS.—The  
2 Secretary of Health and Human Services, in consultation  
3 with the Secretary of the Treasury, shall carry out a cam-  
4 paign to increase public awareness of the in-home service  
5 expenses that are eligible for tax-free distribution from  
6 health savings accounts.

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