

116TH CONGRESS  
2D SESSION

# H. R. 6518

To direct the Secretary of Health and Human Services to establish a program of risk corridors for health insurance issuers offering health insurance coverage in the individual or small group market for certain plan years.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 2020

Mr. PETERS (for himself and Ms. CRAIG) introduced the following bill; which was referred to the Committee on Energy and Commerce

---

## A BILL

To direct the Secretary of Health and Human Services to establish a program of risk corridors for health insurance issuers offering health insurance coverage in the individual or small group market for certain plan years.

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 “Stop Health Premium  
5 Spikes Act of 2020”.

1 **SEC. 2. ESTABLISHING A PROGRAM OF RISK CORRIDORS**  
2 **FOR HEALTH INSURANCE ISSUERS OFFERING**  
3 **HEALTH INSURANCE COVERAGE IN THE INDI-**  
4 **VIDUAL OR SMALL GROUP MARKET FOR CER-**  
5 **TAIN PLAN YEARS.**

6 (a) IN GENERAL.—The Secretary of Health and  
7 Human Services (in this section referred to as the “Sec-  
8 retary”) shall establish and administer a program of risk  
9 corridors for plan years 2020 and 2021 under which the  
10 Secretary shall make payments to health insurance issuers  
11 offering health insurance coverage in the individual or  
12 small group market based on the ratio of the allowable  
13 costs of the coverage to the aggregate premiums of the  
14 coverage.

15 (b) PAYMENT METHODOLOGY.—The Secretary shall  
16 provide under the program established under subsection  
17 (a) that if the allowable costs for a health insurance issuer  
18 offering health insurance coverage in the individual or  
19 small group market for any plan year are more than 105  
20 percent of the target amount, the Secretary shall pay to  
21 the issuer an amount equal to 75 percent of the allowable  
22 costs in excess of 105 percent of the target amount.

23 (c) INFORMATION COLLECTION.—The Secretary shall  
24 establish a process under which information is collected  
25 from health insurance issuers offering health insurance

1 coverage in the individual or small group market for pur-  
2 poses of carrying out this section.

3 (d) DEFINITIONS.—

4 (1) ALLOWABLE COSTS.—

5 (A) IN GENERAL.—The amount of allow-  
6 able costs of a health insurance issuer offering  
7 health insurance coverage in the individual or  
8 small group market for any year is an amount  
9 equal to the total costs (other than administra-  
10 tive costs) of such issuer in providing benefits  
11 covered by such coverage.

12 (B) CERTAIN REDUCTIONS.—Allowable  
13 costs shall be reduced by any—

14 (i) risk adjustment payments received  
15 under section 1341 of the Patient Protec-  
16 tion and Affordable Care Act (42 U.S.C.  
17 18061); and

18 (ii) reinsurance payments received  
19 pursuant to a waiver approved under sec-  
20 tion 1332 of such Act (42 U.S.C. 18052).

21 (2) ADDITIONAL TERMS.—For purposes of this  
22 section, the terms “health insurance issuer”, “health  
23 insurance coverage”, “individual market”, and  
24 “small group market” have the meanings given such

1 terms in section 2791 of the Public Health Service  
2 Act (42 U.S.C. 300gg–91).

3 (3) TARGET AMOUNT.—The target amount of  
4 health insurance coverage offered in the individual  
5 or small group market for any year is an amount  
6 equal to the total premiums (including any premium  
7 subsidies under any governmental program), reduced  
8 by the administrative costs of the coverage.

9 (e) IMPLEMENTATION.—The Secretary of Health and  
10 Human Services may implement the provisions of this sec-  
11 tion by subregulatory guidance, program instruction, or  
12 otherwise.

13 (f) APPROPRIATION.—There are appropriated, out of  
14 any monies in the Treasury not otherwise obligated, such  
15 sums as may be necessary to carry out this section.

○