

111TH CONGRESS
1ST SESSION

H. R. 2668

To provide for the offering of an American Trust Health Plan to provide choice in health insurance options so as to ensure quality, affordable health coverage for all Americans.

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 2009

Mr. MURPHY of Connecticut (for himself, Mr. BRALEY of Iowa, and Mr. WELCH) 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 provide for the offering of an American Trust Health Plan to provide choice in health insurance options so as to ensure quality, affordable health coverage for all Americans.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Choice in Health Options Insures Care for Everyone
6 (CHOICE) Act of 2009”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Establishment of American Trust Health Plan; administrative structure.
- Sec. 3. Finances.
- Sec. 4. Eligibility and enrollment.
- Sec. 5. Providers.
- Sec. 6. Benefits.
- Sec. 7. Premiums.

3 **SEC. 2. ESTABLISHMENT OF AMERICAN TRUST HEALTH**
 4 **PLAN; ADMINISTRATIVE STRUCTURE.**

5 (a) IN GENERAL.—There is established an American
 6 Trust Health Plan (in this Act referred to as the “Amer-
 7 ican Trust Health Plan” or the “Plan”) or to provide for
 8 the offering to eligible individuals of health benefits cov-
 9 erage throughout the United States, including its terri-
 10 tories.

11 (b) COMPLIANCE WITH REQUIREMENTS.—

12 (1) IN GENERAL.—The American Trust Health
 13 Plan shall comply with all requirements that are ap-
 14 plicable with respect to other health benefits plans to
 15 be offered through a National Health Insurance Ex-
 16 change (as defined in subsection (e)), including (as
 17 specified in this Act) minimum benefit and cost-
 18 sharing requirements and premium rating require-
 19 ments.

20 (2) EXEMPTION FROM STATE INSURANCE REG-
 21 ULATIONS.—As a Federal health program, the
 22 American Trust Health Plan is not required to com-

1 ply with the insurance regulations of the States to
2 the extent health benefits plans offered through the
3 National Health Insurance Exchange are exempt
4 from such regulations.

5 (3) SATISFACTION OF INDIVIDUAL MANDATE
6 REQUIREMENT.—An individual’s enrollment with the
7 Plan shall be treated as satisfying any requirement
8 under Federal law for the individual to demonstrate
9 enrollment in health insurance or benefits coverage.

10 (c) PLAN ADMINISTRATION.—

11 (1) ADMINISTRATOR.—The American Trust
12 Health Plan shall be administered by an Office of
13 American Trust Health Administration (in this Act
14 referred to as the “Office”) within the Department
15 of Health and Human Services. The Office shall be
16 headed by an Administrator (in this Act referred to
17 as the “Administrator”) who shall be appointed by
18 the President, by and with the advice and consent
19 of the Senate.

20 (2) COMPENSATION.—The Administrator shall
21 be entitled to compensation at the level II of the Ex-
22 ecutive Schedule (under section 5313 of title 5,
23 United States Code).

24 (3) LIMITATION.—The Administrator and the
25 Office shall not participate in the administration of

1 any regulation regarding the health insurance mar-
2 ket or in the administration of the National Health
3 Insurance Exchange.

4 (4) GENERAL AUTHORITY.—The Administrator
5 shall have the same general authorities with respect
6 to personnel and operations of the Office as the
7 heads of other agencies and departments of the Fed-
8 eral Government have with respect to such agencies
9 and departments.

10 (d) ADVISORY BOARD.—

11 (1) IN GENERAL.—The Administrator shall be
12 advised by an Advisory Board (in this Act referred
13 to as the “Advisory Board”) composed of 7 individ-
14 uals appointed by the President. The President shall
15 nominate individuals to serve on the Advisory Board
16 in a manner that provides for inclusion on the Board
17 of individuals who—

18 (A) represent the interests of patients or
19 consumers;

20 (B) represent the interests health care pro-
21 viders, at least one of whom is a physician; and

22 (C) are experts in health care quality
23 measurements and reporting.

24 (2) DUTIES.—The Advisory Board shall advise
25 the Administrator regarding the operation of the

1 American Trust Health Plan and the Administrator
2 shall consult with the Advisory Board not less often
3 than quarterly and before making any annual
4 changes in benefits under Plan.

5 (3) TERMS, COMPENSATION, CHAIR, MEETINGS,
6 ETC.—The provisions of paragraphs (2)(D), (3), (4),
7 (5), and (6) of section 1805(c) of the Social Security
8 Act (42 U.S.C. 1395b–6(c)) shall apply with respect
9 to the Advisory Board and the President under this
10 section in the same manner as such provisions apply
11 to the Medicare Payment Advisory Commission and
12 the Comptroller General, respectively, under section
13 1805 of such Act.

14 (4) FINANCING.—Within the budget established
15 for the operation of the Plan, the Administrator
16 shall provide for payment for the costs of operation
17 of the Advisory Board.

18 (e) NATIONAL HEALTH INSURANCE EXCHANGE DE-
19 FINED.—In this Act, the term “National Health Insur-
20 ance Exchange” means a mechanism established or recog-
21 nized under Federal law for coordinating the offering of
22 health benefits coverage to individuals in the United
23 States (and includes such a mechanism that may be oper-
24 ated at a State or regional level) through the establish-

1 ment of standards for benefits and cost-sharing and for
2 premiums for such health benefits coverage.

3 **SEC. 3. FINANCES.**

4 (a) SELF-FINANCING.—The American Trust Health
5 Plan shall be financially self-sustaining insofar as funds
6 to operate the Plan, including costs of benefits, adminis-
7 tration, and marketing, shall be derived from premiums
8 for individuals enrolled under the Plan. The Plan is eligi-
9 ble to accept subsidies, including subsidies for the enroll-
10 ment of such individuals, in the same manner and to the
11 same extent as other health benefits plans offered through
12 a National Health Insurance Exchange are eligible to ac-
13 cept subsidies.

14 (b) CONTINGENCY RESERVE.—The Administrator
15 shall establish and fund a contingency reserve for the Plan
16 in a form similar to that of a contingency reserve for
17 health benefits plans under the Federal Employees Health
18 Benefits Program under chapter 89 of title 5, United
19 States Code.

20 **SEC. 4. ELIGIBILITY AND ENROLLMENT.**

21 (a) ELIGIBILITY.—

22 (1) IN GENERAL.—Any individual who is made
23 eligible to purchase coverage with a health benefits
24 plan through the National Health Insurance Ex-

1 change is eligible to enroll with the American Health
2 Trust Plan.

3 (2) EMPLOYER ENROLLMENT.—To the extent
4 provided by the National Health Insurance Ex-
5 change with respect to health benefits coverage of-
6 fered through the Exchange, employers are eligible
7 to purchase coverage for, and enroll their employees
8 and dependents with, the Plan.

9 (b) ANNUAL OPEN ENROLLMENT PERIOD.—The Ad-
10 ministrators shall determine a yearly period of open enroll-
11 ment for eligible individuals of not less than four consecu-
12 tive weeks. Such a period shall be consistent with any
13 similar annual open enrollment period established by the
14 National Health Insurance Exchange for health benefits
15 plans offered through the Exchange.

16 (c) NOTICES OF SIGNIFICANT CHANGES.—

17 (1) IN GENERAL.—No significant change shall
18 be made under the Plan except with public notice
19 and on an annual basis and consistent with rules es-
20 tablished by the National Health Insurance Ex-
21 change for health benefits coverage offered through
22 the Exchange.

23 (2) SIGNIFICANT CHANGE DEFINED.—In this
24 subsection, the term “significant change” includes

1 any change in benefits, copayments, deductibles, or
2 premiums.

3 **SEC. 5. PROVIDERS.**

4 (a) ACCESS TO MEDICARE PROVIDER NETWORK.—

5 (1) IN GENERAL.—Except as provided in para-
6 graph (2), any health care provider that is eligible
7 for and accepts reimbursement for services under
8 the Medicare program under title XVIII of the So-
9 cial Security Act (in this section referred to as the
10 “Medicare”) shall, as a condition of continuing to
11 participate under such program, also participate
12 under the American Health Trust Plan.

13 (2) EXCEPTION.—Paragraph (1) shall not be
14 construed as requiring a provider to accept new pa-
15 tients due to bona fide capacity limitations of the
16 provider.

17 (b) REIMBURSEMENT LEVELS.—

18 (1) IN GENERAL.—The Administrator shall pro-
19 vide for payment to health care providers for covered
20 services at rates not less, on average and in the ag-
21 gregate nationally, than 105 percent of the payment
22 rates recognized for such services (or substantially
23 similar services) under Medicare. In the case of
24 those services which are covered under the Plan but
25 are not covered under Medicare, the Administrator

1 shall seek to apply payment rates and methodologies
2 similar to those described in the previous sentence.

3 (2) ADJUSTMENT.—The Administrator, in de-
4 termining the competitiveness of the Plan within dif-
5 ferent markets and compared to other health bene-
6 fits plans offered through the National Health In-
7 surance Exchange, may increase the payment rates
8 for health care providers above the rate otherwise
9 provided under paragraph (1).

10 (3) GPCI FLOORS.—In applying paragraph (1),
11 the work and practice expense geographic indices ap-
12 plied under section 1848(e)(1) of the Social Security
13 Act for any locality shall not be less than 1.00.

14 (c) ADOPTION OF MEDICARE REFORMS.—The Plan
15 may adopt Medicare system delivery reforms that provide
16 patients with a coordinated system of care and make
17 changes to the provider payment structure.

18 **SEC. 6. BENEFITS.**

19 (a) IN GENERAL.—The Administrator shall specify
20 the benefits to be provided under the Plan consistent with
21 this section and in consultation with the Advisory Board.

22 (b) MINIMUM BENEFIT LEVEL.—The Plan may offer
23 coverage with differing benefit levels so long as such bene-
24 fits and levels are consistent with the benefits and levels
25 of benefits required to be offered by health benefits plans

1 under the National Health Insurance Exchange, and shall
2 include the offering of at least one benefit level which
3 closely reflects the lowest benefit level that may be offered
4 by a health benefits plan through such Exchange.

5 **SEC. 7. PREMIUMS.**

6 (a) IN GENERAL.—The Administrator shall specify
7 the levels of premiums for coverage under the Plan so long
8 as they—

9 (1) are based upon a system of rating that is
10 consistent with rating rules that is established for
11 health benefits plans offered through the National
12 Health Insurance Exchange;

13 (2) do not take into account health status re-
14 lated factors for any individual enrollee; and

15 (3) are designed to provide sufficient funds to
16 meet the requirement of section 3(a).

17 (b) RATING RULES.—To the extent permitted for
18 health benefits plans offered through the National Health
19 Insurance Exchange, the premiums for the Plan shall vary
20 based on geographic area and family size and may vary
21 based on tobacco usage of an enrollee or other factors per-
22 mitted for health benefits plans offered through the Ex-
23 change.

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