

117TH CONGRESS
1ST SESSION

S. 499

To amend the Internal Revenue Code of 1986 to expand eligibility for the refundable credit for coverage under a qualified health plan, to improve cost-sharing subsidies under the Patient Protection and Affordable Care Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2021

Mrs. SHAHEEN (for herself, Mr. CASEY, Mr. BENNET, Ms. HASSAN, Ms. BALDWIN, Mr. BLUMENTHAL, Mr. REED, Ms. CORTEZ MASTO, Ms. STABENOW, Ms. SMITH, Mr. TESTER, Mr. MURPHY, Mr. CARDIN, Ms. ROSEN, Ms. KLOBUCHAR, and Mr. KAINE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to expand eligibility for the refundable credit for coverage under a qualified health plan, to improve cost-sharing subsidies under the Patient Protection and Affordable Care Act, 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. SHORT TITLE.**

4 This Act may be cited as the “Improving Health In-
5 surance Affordability Act of 2021”.

1 **SEC. 2. INCREASE IN ELIGIBILITY FOR CREDIT.**

2 (a) IN GENERAL.—Subparagraph (A) of section
3 36B(c)(1) of the Internal Revenue Code of 1986 is amend-
4 ed by striking “but does not exceed 400 percent”.

5 (b) APPLICABLE PERCENTAGES.—

6 (1) IN GENERAL.—Subparagraph (A) of section
7 36B(b)(3) of the Internal Revenue Code of 1986 as
8 follows the table headings is amended to read as fol-
9 lows:

10 “(A) APPLICABLE PERCENTAGE.—The ap-
11 plicable percentage for any taxable year shall be
12 the percentage such that the applicable percent-
13 age for any taxpayer whose household income is
14 within an income tier specified in the following
15 table shall increase, on a sliding scale in a lin-
16 ear manner, from the initial premium percent-
17 age to the final premium percentage specified in
18 such table for such income tier:

“In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is—	The final premium percentage is—
Up to 150 percent	0	0
150 percent up to 200 percent	0	2.0
200 percent up to 250 percent	2.0	4.0
250 percent up to 300 percent	4.0	6.0
300 percent up to 400 percent	6.0	8.5
400 percent and up	8.5	8.5.”.

19 (2) CONFORMING AMENDMENTS RELATING TO
20 AFFORDABILITY OF COVERAGE.—

1 (A) Subparagraph (C) of section 36B(e)(2)
2 of such Code is amended by striking clause (iv).

3 (B) Paragraph (4) of section 36B(c) of
4 such Code is amended by striking subparagraph
5 (F).

6 (c) LIMITATION ON RECAPTURE.—Clause (i) of sec-
7 tion 36B(f)(2)(B) of the Internal Revenue Code of 1986
8 is amended—

9 (1) by striking “400 percent” and inserting
10 “800 percent”;

11 (2) by striking the period at the end of the last
12 row of the table; and

13 (3) by adding at the end of the table the fol-
14 lowing new rows:

“At least 400 percent but less than 600 percent	\$3,500
At least 600 percent but less than 800 percent	\$4,500.”.

15 (d) PREMIUM COST STANDARD.—

16 (1) IN GENERAL.—The following provisions of
17 section 36B of the Internal Revenue Code of 1986
18 are each amended by striking “silver” each place it
19 appears and inserting “gold”:

20 (A) Paragraphs (2)(B)(i), (3)(B), and
21 (3)(C) of subsection (b).

22 (B) The heading of subparagraph (B) of
23 subsection (b)(3).

1 (C) Subsection (c)(4)(C)(i)(I).

2 (2) CONFORMING AMENDMENTS TO REDUCED
3 COST-SHARING.—Section 1402(b)(1) of the Patient
4 Protection and Affordable Care Act (42 U.S.C.
5 18071(b)(1)) is amended by striking “silver” and in-
6 serting “gold”.

7 (e) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2021.

10 **SEC. 3. ENHANCEMENTS FOR REDUCED COST-SHARING.**

11 (a) MODIFICATION OF AMOUNT.—

12 (1) IN GENERAL.—Section 1402(c)(2) of the
13 Patient Protection and Affordable Care Act (42
14 U.S.C. 18071(c)(2)) is amended—

15 (A) by striking “150 percent” in subpara-
16 graph (A) and inserting “200 percent”,

17 (B) by striking “94 percent” in subpara-
18 graph (A) and inserting “95 percent”,

19 (C) by striking “150 percent but not more
20 than 200 percent” in subparagraph (B) and in-
21 serting “200 percent but not more than 300
22 percent”,

23 (D) by striking “87 percent” in subpara-
24 graph (B) and inserting “90 percent”,

1 (E) by striking “200 percent” in subpara-
2 graph (C) and inserting “300 percent”,

3 (F) by striking “250 percent” in subpara-
4 graph (C) and inserting “400 percent”, and

5 (G) by striking “73 percent” in subpara-
6 graph (C) and inserting “85 percent”.

7 (2) CONFORMING AMENDMENT.—Clause (i) of
8 section 1402(c)(1)(B) of such Act (42 U.S.C.
9 18071(c)(1)(B)) is amended to read as follows:

10 “(i) IN GENERAL.—The Secretary
11 shall ensure the reduction under this para-
12 graph shall not result in an increase in the
13 plan’s share of the total allowed costs of
14 benefits provided under the plan above—

15 “(I) 95 percent in the case of an
16 eligible insured described in para-
17 graph (2)(A);

18 “(II) 90 percent in the case of an
19 eligible insured described in para-
20 graph (2)(B); and

21 “(III) 85 percent in the case of
22 an eligible insured described in para-
23 graph (2)(C).”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to plan years begin-
3 ning after December 31, 2021.

4 (b) FUNDING.—Section 1402 of the Patient Protec-
5 tion and Affordable Care Act (42 U.S.C. 18071) is amend-
6 ed by adding at the end the following new subsection:

7 “(g) FUNDING.—Out of any funds in the Treasury
8 not otherwise appropriated, there are appropriated to the
9 Secretary such sums as may be necessary for payments
10 under this section.”.

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