

SECTION SUMMARY
BETTER CARE RECONCILIATION ACT [ERN17490]
TITLE III

Section 301. Establishing Federal Funding for Individual Market Plans.

Section 301 would create a fund for the purpose of making payments to health insurance issuers, who meet the requirements of subsection (b), for the associated costs of covering high risk individuals enrolled in the qualified health plans on the Affordable Care Act's Individual Exchange pursuant to subsection (c).

In order to qualify for such funds, subsection (b) would require that an issuer offer sufficient minimum coverage subject to Title I in a rating area, pursuant to subsection (c), and offer coverage off the Exchange subject to state law in that rating area, but exempt from federal requirements described in subsection (d).

Subsection (c) would require an issuer to notify the Secretary of Health and Human Services and the applicable State insurance commissioner of the issuer's intention to apply subsection (b) in a rating area and certify to the Secretary that the issuer will make available through the Exchange in that rating area at least one gold level, one silver level, and one premium benchmark qualified health plan for that plan year.

Subsection (d) would describe the federal provisions that are waived for off-exchange plans pursuant to subsection (b). Subsection (e) would clarify that off-exchange plans offered pursuant to subsection (b) are not eligible for the premium tax credit under this Act; however, individuals with HSA-eligible off-exchange plans offered pursuant to subsection (b) may pay premiums out of HSAs.

Subsection (f) would clarify that off-exchange plans offered pursuant to subsection (b) are subject to state law governing health insurance coverage. Subsection (g) would clarify that off-exchange plans offered pursuant to subsection (b) are not creditable coverage, as defined in section 2704(c) of the Public Health Service Act.

Subsection (h) would exempt off-exchange plans offered pursuant to subsection (b) from section 1343 of the Patient Protection and Affordable Care Act. Subsection (i) would clarify that short-term and long-term stability funds may also be used to reduce the cost of on-exchange plans offered pursuant to subsection (c). Subsection (j) would limit the ability of states to redirect premium tax credits under 1332 waivers to off-exchange plans offered pursuant to subsection (b).

Subsection (k) would provide discretion to the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, to adjust the premium tax credit benchmark plan in order to ensure health insurance issuer participation in the Exchange. Subsection (l) would create a fund of \$2,000,000,000 in the stability fund for the purpose of providing allotments to states in which an issuer offers coverage in accordance with subsection (b), in order to offset the additional costs of states of regulating off-exchange plans authorized under subsection (b). Subsection (m) would clarify that the amendments made by this section apply to plan years beginning after December 31, 2019.