

116TH CONGRESS
2D SESSION

S. 3821

To amend the Public Health Service Act to provide more options for
affordable health insurance to uninsured Americans.

IN THE SENATE OF THE UNITED STATES

MAY 21, 2020

Mrs. LOEFFLER introduced the following bill; which was read twice and
referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act to provide more
options for affordable health insurance to uninsured
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.**

4 This Act may be cited as the “Affordable Health Care
5 Options Act of 2020”.

6 **SEC. 2. SHORT-TERM LIMITED DURATION INSURANCE.**

7 (a) IN GENERAL.—Section 2791(b) of the Public
8 Health Service Act (42 U.S.C. 300gg–91(b)) is amended
9 by adding at the end the following:

1 “(6) SHORT-TERM LIMITED DURATION INSUR-
2 ANCE.—The term ‘short-term, limited duration in-
3 surance’ means insurance covering medical care pro-
4 vided pursuant to a contract with an issuer that—

5 “(A) has an expiration date specified in
6 the contract that is less than 1 year after the
7 original effective date of the contract and, tak-
8 ing into account renewals or extensions, has a
9 duration of no longer than 3 years in total;

10 “(B) may include a renewal guarantee; and

11 “(C) with respect to such a contract hav-
12 ing a coverage start date on or after January
13 1, 2019, displays prominently in the contract
14 and in any application materials provided in
15 connection with enrollment in such insurance in
16 at least 14 point type the language in the fol-
17 lowing notice, with any additional information
18 required by applicable State law: ‘This coverage
19 is not required to comply with certain Federal
20 market requirements for health insurance, prin-
21 cipally those contained in the Affordable Care
22 Act. Be sure to check your policy carefully to
23 make sure you are aware of any exclusions or
24 limitations regarding coverage of preexisting
25 conditions or health benefits (such as hos-

1 pitalization, emergency services, maternity care,
2 preventive care, prescription drugs, and mental
3 health and substance use disorder services).
4 Your policy might also have lifetime or annual
5 dollar limits on health benefits. If this coverage
6 expires or you lose eligibility for this coverage,
7 you might have to wait until an open enroll-
8 ment period to get other health insurance cov-
9 erage.’.

10 “(7) RENEWAL GUARANTEE.—The term ‘re-
11 newal guarantee’, with respect to short-term limited
12 duration insurance, means a provision in the con-
13 tract that permits a policyholder, when purchasing
14 the initial insurance contract, to pay an additional
15 amount for a guarantee that the policyholder can
16 elect to purchase, for periods of time following expi-
17 ration of the initial contract, another policy or poli-
18 cies at some future date, at a specific premium that
19 would not reflect any additional underwriting.”.

20 (b) TREATMENT OF SHORT-TERM LIMITED DURA-
21 TION INSURANCE AS EXCEPTED BENEFIT.—Section
22 2791(c)(1) of the Public Health Service Act (42 U.S.C.
23 300gg–91(c)(1)) is amended—

24 (1) by redesignating subparagraph (H) as sub-
25 paragraph (I); and

1 (2) by inserting after subparagraph (G) the fol-
2 lowing:

3 “(H) Short-term limited duration insur-
4 ance.”.

5 (c) **SHORT-TERM HEALTH INSURANCE OPTIONS.**—
6 Part C of title XXVII of the Public Health Service Act
7 (42 U.S.C. 300gg–91 et seq.) is amended—

8 (1) by redesignating section 2794 (42 U.S.C.
9 300gg–95) (regarding uniform fraud and abuse re-
10 ferral format), as added by section 6603 of the Pa-
11 tient Protection and Affordable Care Act (Public
12 Law 111–148), as section 2795; and

13 (2) by adding at the end the following:

14 **“SEC. 2796. SHORT-TERM HEALTH INSURANCE OPTIONS.**

15 “Nothing in this title shall be construed to restrict
16 individuals from purchasing insurance covering medical
17 care, including short-term limited-duration insurance, that
18 features renewal guarantees, as defined in section
19 2791(b)(6).”.

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