

106TH CONGRESS
1ST SESSION

H. R. 2238

To authorize the provision of waivers to allow welfare-to-work funds to be used to cover the start-up costs of forming alliances designed to enable small businesses to purchase discounted health insurance for their employees among whom are individuals eligible for assistance under a welfare-to-work program.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1999

Mr. BALDACCIO introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To authorize the provision of waivers to allow welfare-to-work funds to be used to cover the start-up costs of forming alliances designed to enable small businesses to purchase discounted health insurance for their employees among whom are individuals eligible for assistance under a welfare-to-work program.

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 For Working Families Act”.

1 **SEC. 2. AUTHORITY TO PROVIDE WAIVERS TO ALLOW**
2 **STATES TO USE WELFARE-TO-WORK FUNDS**
3 **TO COVER THE START-UP COSTS OF SMALL**
4 **BUSINESS HEALTH INSURANCE PURCHASING**
5 **ALLIANCES.**

6 Section 415 of the Social Security Act (42 U.S.C.
7 615) is amended by adding at the end the following:

8 “(e) WAIVERS TO ALLOW WELFARE-TO-WORK
9 FUNDS TO BE USED TO COVER THE START-UP COSTS
10 OF SMALL BUSINESS HEALTH INSURANCE PURCHASING
11 ALLIANCES.—

12 “(1) WAIVER AUTHORITY.—

13 “(A) IN GENERAL.—The Secretary may
14 waive section 408(a)(6)(A) to the extent nec-
15 essary to enable approved entities receiving
16 funds provided under section 403(a)(5) to use
17 such funds, subject to subparagraph (B), to
18 cover the start-up costs of forming alliances de-
19 signed to enable small businesses to purchase
20 discounted health insurance for their employees,
21 and any use of funds pursuant to such a waiver
22 shall be considered an allowable activity for
23 purposes of section 403(a)(5)(C).

24 “(B) LIMITATION.—The Secretary, under
25 subparagraph (A), shall allow not more than
26 \$2,000,000 of the funds provided with respect

1 to a single State under section 403(a)(5) to be
2 used in accordance with subparagraph (A) of
3 this paragraph.

4 “(2) APPROVED ENTITY.—An entity shall be
5 considered an approved entity for purposes of para-
6 graph (1) if the Secretary determines that the State
7 in which the entity is located—

8 “(A) has developed a plan to establish a
9 nonprofit health insurance purchasing alliance
10 consisting of small businesses, each of which—

11 “(i) employs at least 1 individual who
12 is receiving assistance or benefits provided
13 under section 403(a)(5);

14 “(ii) has not less than 2 and not more
15 than 50 employees;

16 “(iii) is able to obtain health insur-
17 ance through the alliance at the same pre-
18 mium rates for all employees; and

19 “(iv) has not obtained health insur-
20 ance for any employee during the 365-day
21 period ending with the establishment of the
22 alliance;

23 “(B) will regulate any insurance plan of-
24 fered through the alliance.

1 “(3) START-UP COSTS.—For purposes of para-
2 graph (1), the term ‘start-up costs’ includes the
3 costs of providing administrative staff and facilities,
4 and the costs of activities in developing the range
5 and scope of an alliance’s operations.”.

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