

113TH CONGRESS
2D SESSION

S. 2701

To require the Secretary of Health and Human Services to address certain inconsistencies between the self-attested information provided by an applicant in enrolling in a health plan on an Exchange and being determined eligible for premium tax credits and cost-sharing reductions or in being determined to be eligible for enrollment in a State Medicaid plan or a State child health plan under the State Children's Health Insurance Program and the data received through the Federal Data Services Hub or from other data sources.

IN THE SENATE OF THE UNITED STATES

JULY 30, 2014

Mr. VITTER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To require the Secretary of Health and Human Services to address certain inconsistencies between the self-attested information provided by an applicant in enrolling in a health plan on an Exchange and being determined eligible for premium tax credits and cost-sharing reductions or in being determined to be eligible for enrollment in a State Medicaid plan or a State child health plan under the State Children's Health Insurance Program and the data received through the Federal Data Services Hub or from other data sources.

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 “Stopping Illegal
 5 Obamacare Subsidies Act”.

6 **SEC. 2. LIMITATION ON AUTO-ENROLLMENT.**

7 Notwithstanding any other provision of law, Amer-
 8 ican Health Benefit Exchanges shall not provide for auto-
 9 matic enrollment in health plans under such exchanges
 10 until the Inspector General of the Department of Health
 11 and Human Services verifies that each State Exchange es-
 12 tablished under section 1311 of the Patient Protection and
 13 Affordable Care Act (42 U.S.C. 13031) and the Federal
 14 Exchange established under section 1321 of such Act (42
 15 U.S.C. 18041) has resolved the inconsistencies (as defined
 16 in section 3(a)) outlined in the June 2014 report of such
 17 Inspector General.

18 **SEC. 3. PROCESS FOR APPLICATIONS WITH INCONSIST-**
 19 **ENCIES.**

20 (a) IN GENERAL.—The Secretary of Health and
 21 Human Services (referred to in this section as the “Sec-
 22 retary”) shall make public the steps that the Centers for
 23 Medicare & Medicaid Services and the Federal Exchange
 24 will take to clear any inconsistencies that arose on or be-
 25 fore the date of enactment of this Act and to ensure that

1 the systems used by the Centers for Medicare & Medicaid
2 Services to determine or assess eligibility for premium tax
3 credits, cost-sharing reductions, Medicaid, and the State
4 Children's Health Insurance Program (CHIP) can resolve
5 such inconsistencies not later than 30 days after the date
6 of enactment of this Act.

7 (b) METHODS TO MONITOR PROGRESS.—Not later
8 than 30 days after the date of enactment of this Act, the
9 Secretary shall make public the methods that the Centers
10 for Medicare & Medicaid Services use to monitor, track,
11 and measure the progress of the Federal Exchange and
12 State Exchanges in resolving inconsistencies.

13 (c) SUSPENSION OF FINANCIAL ASSISTANCE PRO-
14 GRAMS.—Premium assistance tax credits under section
15 36B of the Internal Revenue Code of 1986 and the re-
16 duced cost-sharing program under section 1402 of the Pa-
17 tient Protection and Affordable Care Act (42 U.S.C.
18 18071) shall not be available for plan year 2015. Such
19 premium tax credit and cost-sharing programs shall re-
20 sume only after—

21 (1) the Commissioner of the Social Security Ad-
22 ministration affirmatively declares that all inconsis-
23 tencies related to invalid social security numbers have
24 been resolved; and

1 (2) the Inspector General of the Department of
2 Health and Human Services determines that all in-
3 consistencies, as defined in section 4(1), have been
4 resolved.

5 (d) REQUESTS FOR ADDITIONAL INFORMATION.—

6 (1) IN GENERAL.—If applicant information pro-
7 vided by an individual seeking to enroll in a qualified
8 health plan on a State or Federal Exchange contains
9 inconsistencies, the Secretary shall request addi-
10 tional information from the individual, and the indi-
11 vidual shall have 90 days to provide such informa-
12 tion.

13 (2) RESTRICTIONS DURING INCONSISTENCY PE-
14 RIOD.—During the inconsistency period, an indi-
15 vidual may be enrolled in qualified health plan, but
16 may not participate in the premium assistance credit
17 program under section 36B of the Internal Revenue
18 Code of 1986 or the reduced cost-sharing program
19 under section 1402 of the Patient Protection and
20 Affordable Care Act (42 U.S.C. 18071). An indi-
21 vidual who cooperates with a request for additional
22 information and whom the Secretary later deter-
23 mines to be eligible for such programs, shall retro-
24 actively receive the benefits of such programs that

1 such individual was eligible to receive for the incon-
2 sistency period.

3 (3) FAILURE TO SUBMIT ADDITIONAL INFORMA-
4 TION.—If the applicant does not submit additional
5 information requested under subparagraph (A)—

6 (A)(i) the applicant shall be withdrawn
7 from the premium assistance credit program
8 under section 36B of the Internal Revenue
9 Code of 1986 and the reduced cost-sharing pro-
10 gram under section 1402 of the Patient Protec-
11 tion and Affordable Care Act (42 U.S.C.
12 18071), as applicable, at the end of the incon-
13 sistency period; and

14 (ii) the Secretary shall send notification of
15 such disenrollment to the applicable health in-
16 surance issuer; and

17 (B) the applicant shall re-enroll in a quali-
18 fied health plan with appropriate and accurate
19 information during the next open enrollment
20 period.

21 **SEC. 4. DEFINITIONS.**

22 In this Act—

23 (1) the term “inconsistencies” means dif-
24 ferences between the self-attested information pro-
25 vided by an applicant in enrolling in a health plan

on an Exchange and being determined eligible for premium tax credits and cost-sharing reductions or in being determined to be eligible for enrollment in a State Medicaid plan or a State child health plan under the State Children’s Health Insurance Program (CHIP) and the data received through the Federal Data Services Hub or from other data sources, including differences with respect to—

(A) citizenship;

(B) income;

(C) coverage under an eligible employer-sponsored plan;

(D) incarceration status; or

(E) any other issue that would impact individual’s eligibility for financial assistance programs under the Patient Protection and Affordable Care Act (including the amendments made by such Act); and

(2) the term “inconsistency period” means the 90-day period beginning on the date the notice of an inconsistency is sent to the applicant.

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