

116TH CONGRESS
1ST SESSION

S. 2441

To amend the Internal Revenue Code of 1986 to allow individuals who are not enrolled in a high deductible health plan to have access to health savings accounts, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2019

Mr. SASSE 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 allow individuals who are not enrolled in a high deductible health plan to have access to health savings accounts, 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 “Health Savings Ac-
5 count Expansion Act of 2019”.

1 **SEC. 2. EXPANSION OF HEALTH SAVINGS ACCOUNT ELIGI-**
 2 **BILITY.**

3 (a) IN GENERAL.—Section 223 of the Internal Rev-
 4 enue Code of 1986 is amended—

5 (1) in subsection (b)—

6 (A) in paragraph (2)—

7 (i) in subparagraph (A), by striking
 8 “high deductible health plan as of the first
 9 day of such month, \$2,250” and inserting
 10 “qualified health plan as of the first day of
 11 such month, \$5,000”, and

12 (ii) in subparagraph (B), by striking
 13 “high deductible health plan as of the first
 14 day of such month, \$4,500” and inserting
 15 “qualified health plan as of the first day of
 16 such month, twice the dollar amount under
 17 subparagraph (A)”, and

18 (B) in paragraph (8)—

19 (i) in subparagraph (A)(ii), by strik-
 20 ing “high deductible health plan” and in-
 21 serting “qualified health plan”, and

22 (ii) in the heading of subparagraph
 23 (B), by striking “HIGH DEDUCTIBLE
 24 HEALTH PLAN” and inserting “QUALIFIED
 25 HEALTH PLAN”,

26 (2) in subsection (c)—

(A) in paragraph (1)(A), by striking “high deductible health plan” each place it appears and inserting “qualified health plan”, and

(B) in paragraph (2)—

(i) in the heading, by striking “HIGH DEDUCTIBLE HEALTH PLAN” and inserting “QUALIFIED HEALTH PLAN”,

(ii) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—The term ‘qualified health plan’ means a health plan that provides a level of coverage that is designed to provide benefits that are actuarially equivalent to not greater than 80 percent of the full actuarial value of the benefits provided under the plan.”,

(iii) by amending subparagraph (C) to read as follows:

“(C) ABSENCE OF DEDUCTIBLE.—A health plan shall not fail to be treated as a qualified health plan by reason of failing to have a deductible for any care, services, or coverage, such as preventive care, primary care, or prescription drug coverage.”, and

(iv) by striking subparagraph (D),
(3) in subsection (g)(1)—

(A) by striking “Each dollar amount in subsections (b)(2) and (c)(2)(A)” and inserting “The dollar amount in subsection (b)(2)(A)”,

(B) by amending subparagraph (B) to read as follows:

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins, determined by substituting ‘2003’ for ‘2016’ in subparagraph (A)(ii) thereof.”, and

(C) by striking “adjusted amounts under subsections (b)(2) and (c)(2)(A)” and inserting “adjusted amounts under subsection (b)(2)”, and

(4) in subsection (h)(2), by striking “high deductible health plan” and inserting “qualified health plan”.

(b) CONFORMING AMENDMENTS.—

(1) Section 26(b)(2)(S) of the Internal Revenue Code of 1986 is amended by striking “high deductible health plan” and inserting “qualified health plan”.

(2) Section 106(e) of such Code is amended—

1 (A) in the heading of paragraph (3), by
 2 striking “HIGH DEDUCTIBLE HEALTH PLAN”
 3 and inserting “QUALIFIED HEALTH PLAN”, and
 4 (B) in paragraph (5)(B)(ii), by striking
 5 “high deductible health plan” and inserting
 6 “qualified health plan”.

7 (3) Section 408(d)(9) of such Code is amend-
 8 ed—

9 (A) in subparagraph (C)—

10 (i) in clause (i)(I), by striking “high
 11 deductible health plan” and inserting
 12 “qualified health plan”, and

13 (ii) in clause (ii)(II), by striking “high
 14 deductible health plan” each place it ap-
 15 pears and inserting “qualified health
 16 plan”, and

17 (B) in the heading of subparagraph (D),
 18 by striking “HIGH DEDUCTIBLE HEALTH PLAN”
 19 and inserting “QUALIFIED HEALTH PLAN”.

20 (4) Section 1906A(b)(2)(B) of the Social Secu-
 21 rity Act (42 U.S.C. 1396e–1(b)(2)(B)) is amended
 22 by striking “high deductible health plan” and insert-
 23 ing “qualified health plan”.

24 (5) Section 1938(a)(3) of the Social Security
 25 Act (42 U.S.C. 1396u–8(a)(3)) is amended by in-

1 serting “(as in effect on the day before the date of
 2 the enactment of the Health Savings Account Ex-
 3 pansion Act of 2019)” after “section 223(c)(2)(C) of
 4 the Internal Revenue Code of 1986”.

5 (6) Section 2105(c)(10)(B)(ii)(II) of the Social
 6 Security Act (42 U.S.C. 1397ee(c)(10)(B)(ii)(II)) is
 7 amended by striking “high deductible health plan”
 8 and inserting “qualified health plan”.

9 (7) Section 1101(c)(2)(B)(ii) of the Patient
 10 Protection and Affordable Care Act (42 U.S.C.
 11 18001(c)(2)(B)(ii)) is amended by striking “section
 12 223(c)(2)” and inserting “section 223(b)(2)”.

13 (c) EFFECTIVE DATE.—The amendments made by
 14 this section shall apply to taxable years beginning after
 15 December 31, 2019.

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