

109TH CONGRESS
2^D SESSION

H. R. 5475

To amend title XXVII of the Public Health Service Act to permit a health insurance issuer an alternative to guaranteed issue of health insurance coverage in the small group market in order to promote affordable access to portable health insurance coverage.

IN THE HOUSE OF REPRESENTATIVES

MAY 24, 2006

Mr. ROGERS of Michigan (for himself, Mr. MILLER of Florida, Ms. GINNY BROWN-WAITE of Florida, Mr. SOUDER, Mr. WICKER, and Mrs. CAPITO) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XXVII of the Public Health Service Act to permit a health insurance issuer an alternative to guaranteed issue of health insurance coverage in the small group market in order to promote affordable access to portable health insurance coverage.

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 “HSA Accessibility and
5 Portability Act of 2006”.

1 **SEC. 2. PROMOTING ACCESSIBILITY AND AFFORDABILITY**
2 **OF COVERAGE IN THE SMALL GROUP MAR-**
3 **KET.**

4 Section 2711 of the Public Health Service Act (42
5 U.S.C. 300gg–11) is amended—

6 (1) in subsection (a)(1), by striking “(f)” and
7 inserting “(g)”; and

8 (2) by adding at the end the following new sub-
9 section:

10 “(g) **ELECTION OF ALTERNATIVE TO GUARANTEED**
11 **ISSUE REQUIREMENT.**—

12 “(1) **ELECTION.**—

13 “(A) **IN GENERAL.**—A health insurance
14 issuer may elect, with respect to any small em-
15 ployer (as defined in section 2791(e)(4)), to
16 meet the requirements of paragraphs (2) and
17 (3) instead of complying with the guaranteed
18 issue requirement of subsection (a).

19 “(B) **REQUIREMENT OF ACCEPTING OR RE-**
20 **JECTING ALL ELIGIBLE INDIVIDUALS WITHIN**
21 **ENTIRE GROUP AT TIME OF ELECTION.**—An
22 election made under subparagraph (A) with re-
23 spect to a small employer shall apply with re-
24 spect to all eligible individuals of that small em-
25 ployer at the time of such election.

1 “(C) SUBSEQUENT ELIGIBLE INDIVID-
2 UALS.—In the case of an individual who be-
3 comes an eligible individual with respect to a
4 small employer after an election has been made
5 under subparagraph (A), the health insurance
6 issuer is not required to provide group health
7 insurance coverage for such individual.

8 “(2) PORTABILITY FOR INDIVIDUALS COV-
9 ERED.—If an election is made under paragraph
10 (1)(A) and under such election group health insur-
11 ance coverage is provided by a health insurance
12 issuer for an eligible individual of a small employer,
13 the health insurance issuer shall guarantee continu-
14 ation of coverage to the individual (and to covered
15 dependents), through issuance of individual health
16 insurance coverage, after the date the individual no
17 longer qualifies as an eligible individual of such em-
18 ployer, at a rate that does not exceed 150 percent
19 of the standard individual rate applicable to such in-
20 dividual coverage in the State in which the policy
21 was initially issued.

22 “(3) INFORMATION ON ELECTIONS.—Any
23 health insurance issuer making an election under
24 paragraph (1)(A) shall furnish to the Secretary such
25 information as the Secretary may require in order to

1 monitor the impact of such election on access to,
2 and affordability, of health insurance coverage in the
3 small group market and in the individual market.
4 Such information shall include at least information
5 relating to the following:

6 “(A) REJECTION RATE.—The characteris-
7 tics of small employers denied health insurance
8 coverage because of this subsection.

9 “(B) PREMIUM RATES.—The rates charged
10 for coverage offered under an election made
11 under this subsection (in comparison to rates
12 that are otherwise charged if this subsection
13 were not in effect).

14 “(4) LIMITATION.—An election under para-
15 graph (1)(A) may only be made with respect to cov-
16 erage of a small employer under health insurance
17 coverage that consists of a high deductible health
18 plan (as defined in section 223(c)(2) of the Internal
19 Revenue Code of 1986) and a contribution to a
20 health savings account (as defined in section 223(d)
21 of such Code).

22 “(5) REPORT.—At least 6 months before the
23 end of the 5-year period beginning on the date of the
24 enactment of this subsection, the Secretary shall
25 submit to Congress a report on the impact of this

1 subsection on the availability and affordability of
2 health insurance coverage in the small group market
3 and in the individual market. Such report shall in-
4 clude recommendations on whether this subsection
5 should be extended beyond such period and whether
6 it should be expanded to cover health insurance cov-
7 erage in addition to the coverage described in para-
8 graph (4).

9 “(6) CONTINGENT SUNSET.—This subsection
10 shall not apply to elections for small employers made
11 by a health insurance issuer after the end of the 5-
12 year period described in paragraph (5) if the Sec-
13 retary, in the report to Congress under such para-
14 graph, recommends that this subsection should not
15 be extended beyond such period. If the Secretary
16 makes such a recommendation, this subsection shall
17 still continue to apply to elections made before the
18 end of such 5-year period.”.

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