

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)—

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

4 (B) in paragraph (2)—

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

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

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

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

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

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

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

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

6 “(B) the cost-of-living adjustment deter-
7 mined under section 1(f)(3) for the calendar
8 year in which such taxable year begins, deter-
9 mined by substituting ‘2003’ for ‘2016’ in sub-
10 paragraph (A)(ii) thereof.”, and

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

15 (4) in subsection (h)(2), by striking “high de-
16 ductible health plan” and inserting “qualified health
17 plan”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) Section 26(b)(2)(S) of the Internal Revenue
20 Code of 1986 is amended by striking “high deduct-
21 ible health plan” and inserting “qualified health
22 plan”.

23 (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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