

117TH CONGRESS
1ST SESSION

H. R. 2898

To amend the Internal Revenue Code of 1986 to allow qualified distributions from health savings accounts for certain home care expenses.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2021

Ms. PORTER (for herself, Mr. BACON, Mr. SMITH of Nebraska, Ms. JACKSON LEE, Mr. MALINOWSKI, Mr. RASKIN, Mr. FORTENBERRY, Mr. VAN DREW, Mr. GRIJALVA, Mr. COOPER, Ms. WILSON of Florida, Mrs. WALORSKI, Ms. WILLIAMS of Georgia, Mrs. AXNE, Mr. FITZPATRICK, Mr. GRIFFITH, Mr. SAN NICOLAS, Mr. GROTHMAN, Mr. CLINE, Ms. HERRERA BEUTLER, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow qualified distributions from health savings accounts for certain home care expenses.

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 “Homecare for Seniors
5 Act”.

1 **SEC. 2. CERTAIN HOME CARE EXPENSES TREATED AS**
2 **QUALIFIED DISTRIBUTIONS FROM HEALTH**
3 **SAVINGS ACCOUNTS.**

4 (a) IN GENERAL.—Section 223(d)(2) of the Internal
5 Revenue Code of 1986 is amended—

6 (1) by striking “medical care (as defined in sec-
7 tion 213(d)” in subparagraph (A) and inserting
8 “specified medical care”, and

9 (2) by adding at the end the following new sub-
10 paragraph:

11 “(E) SPECIFIED MEDICAL CARE.—For
12 purposes of this paragraph—

13 “(i) IN GENERAL.—The term ‘speci-
14 fied medical care’ means medical care (as
15 defined in section 213(d)) and qualified
16 home care.

17 “(ii) QUALIFIED HOME CARE.—The
18 term ‘qualified home care’ means a con-
19 tract to provide 3 or more of the following
20 services in the residence of the service re-
21 cipient:

22 “(I) Assistance with eating.

23 “(II) Assistance with toileting.

24 “(III) Assistance with transfer-
25 ring.

26 “(IV) Assistance with bathing.

1 “(V) Assistance with dressing.

2 “(VI) Assistance with continence.

3 “(VII) Medication adherence.

4 Such term shall not include any contract
5 unless the services provided pursuant to
6 such contract are provided by a service
7 provider which is licensed by the State to
8 provide such services or such services are
9 otherwise provided in a manner that is
10 consistent with State requirements.

11 “(iii) RELATED PARTIES.—The term
12 ‘qualified home care’ shall not include any
13 contract which is, directly or indirectly, be-
14 tween a service provider and a service re-
15 cipient who are related within the meaning
16 of section 267(b) or 707(b).”.

17 (b) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to amounts paid with respect to
19 taxable years beginning after the date of the enactment
20 of this Act.

21 (c) PROMOTION OF PUBLIC AWARENESS OF IN-
22 HOME SERVICE EXPENSES ELIGIBLE FOR TAX-FREE
23 DISTRIBUTION FROM HEALTH SAVINGS ACCOUNTS.—The
24 Secretary of Health and Human Services, in consultation
25 with the Secretary of the Treasury, shall carry out a cam-

- 1 paign to increase public awareness of the in-home service
- 2 expenses that are eligible for tax-free distribution from
- 3 health savings accounts.

