



To optimize federal healthcare policy by adjusting the Medicare premium schedule, creating a new refundable tax credit for health savings contributions, and broadening Medicaid eligibility to include a greater share of the low-income population.

IN THE CONGRESS OF THE UNITED STATES

MARCH 19, 2020

Mr. HOLBROOK introduced the following bill;

A BILL

To optimize federal healthcare policy by adjusting the Medicare premium schedule, creating a new refundable tax credit for health savings contributions, and broadening Medicaid eligibility to include a greater share of the low-income population.

Be it enacted by the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Health Security Act of 2020”.

SEC. 2. TWEAKING MEDICARE PREMIUMS.

(a) In General.— Section 1395r(i)(3)(C) is amended by striking subsection (i) and inserting the following:

“(i) In general

“(I) Subject to paragraph (5), for years prior to 2021:

“If the modified adjusted gross income is:	The applicable percentage is:
More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000 but not more than \$500,000	80 percent
More than \$500,000	85 percent

“(II) Subject to paragraph (5), for years beginning 2021:

“If the modified adjusted gross income is:	The applicable percentage is:
More than \$75,000 but not more than \$100,000	37 percent
More than \$100,000 but not more than \$125,000	49 percent
More than \$125,000 but not more than \$150,000	61 percent
More than \$150,000 but not more than \$175,000	73 percent
More than \$175,000 but not more than \$200,000	85 percent
More than \$200,000	97 percent

(b) In General.— Section 1395r(i)(2)(A) is amended—

- (1) by striking “\$80,000” and inserting “\$85,000”;
- (2) by striking “\$85,000” and inserting “\$75,000”;
- (3) by striking “2018” and inserting “2021”.

SEC. 3. TAX CREDIT FOR HEALTH SAVINGS.

(a) In General.— Subpart C of part VII of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“§ 35B. HEALTH SAVINGS CONTRIBUTIONS.

“(a) **Allowance Of Credit** — In the case of an individual who is an eligible individual for any month during the taxable year, there shall be allowed as a credit against the tax imposed by this Subtitle for such taxable year equal to the aggregate amount deposited during such taxable year by or on behalf of such individual into a health savings account of such individual.

“(b) **Limitations**

“(1) **Dollar Limitation** — The amount allowable as a credit under subsection (a) for the tax year shall not exceed—

“(A) — in the case of an individual who has self-only coverage under a health plan, \$1,250;

“(B) — in the case of a married individual who has family coverage under a health plan, \$2,500; and

“(C) — for each dependent (as defined in section 152) of the taxpayer for the taxable year, \$625.

“(2) **Limitation Based On Modified Adjusted Gross Income** — The amount allowable as a credit under subsection (a) for the taxable year shall be reduced (but not below zero) by—

“(A) — two-fifths multiplied by the excess (if any) of—

“(i) — the taxpayer’s modified adjusted gross income for such taxable year, over

“(ii) — \$75,000 (\$150,000 in the case of a joint return), increased by

“(iii) — \$25,000 for each dependent (as defined in section 152) of the taxpayer in the taxable year.

“(c) **Inflation Adjustment** — In the case of any taxable year beginning in a calendar year after 2021, the dollar amount contained in paragraphs (1) through (3) shall be increased by an amount equal to—

“(1) — such dollar amount, multiplied by

“(2) — the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the tax year begins.

(b) In General.— Section 223(f)(4)(A) is amended by striking “20 percent” and inserting “40 percent”.

SEC. 4. EXPANDING MEDICAID COVERAGE.

(a) In General.—Section 1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) by inserting the following new subsections:

“(X) beginning January 1, 2021, who are under 65 years of age, not pregnant, not entitled, or enrolled for, benefits under part A of subchapter XVIII, or enrolled for benefits under part B subchapter XVIII, and are not described in previous subclause of this clause, and whose income (as determined under subsection (e)(14)) does not exceed 150 percent of the poverty line (as defined in section 1397jj(c)(5) of this title) applicable to a family of the size involved, subject to subsection (k); or

“(XI) who—

“(aa) are under 26 years of age;

“(bb) are not described in or enrolled under any subclause (I) through (VII) of this clause or are described in any such subclauses but have income that exceeds the level of income applicable under the State plan for eligibility to enroll for medical assistance under such subclause;

“(cc) were in foster care under the responsibility of the State on the date of attaining 18 years of age or such higher age as the State has elected under section 675(8)(B)(iii) of this title; and

“(dd) were enrolled in the State plan under this subchapter or under a waiver of the plan in such foster care;

(2) in subsection (VIII) by striking “beginning January 1, 2014” and inserting “before January 1, 2021”.

SEC. 5. ENACTMENT.

(a) Effective Date.—The amendments made by this act shall apply immediately upon passage.