115TH CONGRESS
1ST SESSION

H. R. 2579

AN ACT

To amend the Internal Revenue Code of 1986 to allow the premium tax credit with respect to unsubsidized COBRA continuation coverage.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Broader Options for Americans Act''.

SEC. 2. PREMIUM TAX CREDIT ALLOWED WITH RESPECT TO UNSUBSIDIZED COBRA CONTINUATION COVERAGE.

(a) IN GENERAL.—Section 36B(f) of the Internal Revenue Code of 1986 is amended—

(1) by inserting after ''in section 9832(b))'' the following: ''offered in the individual health insurance market within a State (within the meaning of section 5000A(f)(1)(C)), or any unsubsidized COBRA continuation coverage,'', and

(2) by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(b) CERTIFICATION OF UNSUBSIDIZED COBRA CONTINUATION COVERAGE.—Section 36B(g) of such Code is amended by redesignating paragraph (9) as paragraph (10) and by inserting after paragraph (8) the following new paragraph:

''(9) SPECIAL RULE FOR UNSUBSIDIZED COBRA CONTINUATION COVERAGE.—In the case of unsubsidized COBRA continuation coverage—

''(A) subsection (d)(1) shall be applied by substituting 'COBRA continuation coverage which is certified by the plan administrator (as defined in section 414(g)) of the group health plan' for 'health insurance coverage which is certified by the State in which such insurance is offered', and

"(B) the requirements of paragraph (8) shall be treated as satisfied if the certification meets such requirements as the Secretary may provide.".

(c) UNSUBSIDIZED COBRA CONTINUATION COVERAGE.—Section 36B of such Code is amended by adding at the end the following new subsection:

"(h) UNSUBSIDIZED COBRA CONTINUATION COVERAGE.—For purposes of this section—

"(1) IN GENERAL.—The term 'unsubsidized COBRA continuation coverage' means COBRA continuation coverage the payment of applicable premiums (as defined in section 4980B(f)(4)) for which is solely the obligation of the taxpayer.

"(2) COBRA CONTINUATION COVERAGE.—The term 'COBRA continuation coverage' means continuation coverage provided—

"(A) pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (other than under sections

602(5) and 609), title XXII of the Public Health Service Act, section 4980B (other than subsection (f)(1) thereof insofar as it relates to pediatric vaccines), or section 8905a of title 5, United States Code,

"(B) under a State law or program that provides coverage comparable to coverage described in subparagraph (A), or

"(C) under a group health plan that is a church plan (as defined in section 414(e)) and is comparable to coverage provided pursuant to section 4980B.

Such term shall not include coverage under a health flexible spending arrangement.".

(d) CONFORMING AMENDMENT.—

(1) Section 36B(d)(2)(A) is amended by inserting "COBRA continuation coverage or" after "other than".

(2) Section 36B(g)(6) of such Code is amended by striking "subsection (f)(5)" and inserting "subsection (f)(4)".

(e) AMENDMENT OF SECTION 36B AS AMENDED BY AMERICAN HEALTH CARE ACT OF 2017.—Whenever in this section an amendment is expressed in terms of an amendment to section 36B of the Internal Revenue Code of 1986, the reference shall be considered to be made to such section as amended by the American Health Care Act of 2017 and in effect for months beginning after December 31, 2019.

(f) EFFECTIVE DATE.—The amendments made by this section are contingent upon the enactment of the American Health Care Act of 2017 and shall apply (if at all) to months beginning after December 31, 2019, in taxable years ending after such date.

Passed the House of Representatives June 15, 2017.

Attest:

Clerk.

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