

119TH CONGRESS
1ST SESSION

H. R. 6512

To Empower American Families with Direct Control Over Healthcare Dollars, Codify President Trump's Proven Reforms for Flexibility and Choice, Prohibit Taxpayer Funding for Abortion and Gender Transition Procedures, Eliminate Waste and Fraud in the Affordable Care Act, and Reject Extensions of Enhanced Subsidies to Insurance Companies.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 9, 2025

Mr. BIGGS of Arizona (for himself, Mr. OGLES, and Mr. CLYDE) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and Workforce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To Empower American Families with Direct Control Over Healthcare Dollars, Codify President Trump's Proven Reforms for Flexibility and Choice, Prohibit Taxpayer Funding for Abortion and Gender Transition Procedures, Eliminate Waste and Fraud in the Affordable Care Act, and Reject Extensions of Enhanced Subsidies to Insurance Companies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Putting Patients First
3 Healthcare Freedom Act”

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—PUTTING PATIENTS OVER HEALTH INSURANCE
COMPANIES**

Subtitle A—More Affordable Care Act

Sec. 1001. Short title.

Sec. 1002. Health freedom waiver program.

Sec. 1003. Trump health freedom accounts.

Subtitle B—Improving HSA Access, Utility, and Flexibility

Sec. 1011. Individuals entitled to part A of medicare by reason of age allowed
to contribute to health savings account.

Sec. 1012. Allow both spouses to make catch-up contributions to the same
health savings account.

Sec. 1013. FSA and HRA terminations or conversions to fund HSAs.

Sec. 1014. Special rule for certain medical expenses incurred before establish-
ment of health savings account.

Sec. 1015. Contributions permitted if spouse has health flexible spending ar-
rangement.

Sec. 1016. Increase in health savings account contribution limitation for certain
individuals.

Sec. 1017. Health savings accounts used to purchase insurance.

Subtitle C—Health Care Sharing Ministries

Sec. 1018. Treatment of health care sharing ministries.

Sec. 1019. Health care sharing ministry fees treated as medical care.

Sec. 1020. Health care sharing ministries not treated as health insurance.

TITLE II—CODIFYING TRUMP HEALTHCARE FREEDOM AGENDA

Subtitle A—Association Health Plans Act

Sec. 2001. Short title.

Sec. 2002. Treatment of group or association of employers.

Sec. 2003. Rules applicable to employee welfare benefit plans established and
maintained by a group or association of employers.

Sec. 2004. Rule of construction.

Subtitle B—CHOICE Arrangement Act

Sec. 2011. Short title.

- Sec. 2012. Treatment of health reimbursement arrangements integrated with individual market coverage.
- Sec. 2013. Participants in choice arrangement eligible for purchase of exchange insurance for purchase of cafeteria plan.
- Sec. 2014. Employer credit for choice arrangement.

Subtitle C—Self-Insurance Protection Act

- Sec. 2021. Short title.
- Sec. 2022. Findings.
- Sec. 2023. Certain medical stop-loss insurance obtained by certain plan sponsors of group health plans not included under the definition of health insurance coverage.
- Sec. 2024. Effect on other laws.

Subtitle D—Small Business Flexibility Act

- Sec. 2031. Short title.
- Sec. 2032. Notification of flexible health insurance benefits.

Subtitle E—Health Coverage Choice Act

- Sec. 2041. Short title.
- Sec. 2042. Definition of short-term limited duration insurance.

Subtitle F—IMPACT Act of 2025

- Sec. 2051. Short title.
- Sec. 2052. Expanding eligibility for catastrophic plans.

Subtitle G—New Health Options Act

- Sec. 2061. Short title.
- Sec. 2062. Creation of a reinsurance program for a new health insurance risk pool.
- Sec. 2062. Promotion of high-value care.
- Sec. 2064. Disclosure of lower prices.

Subtitle H—Fighting Waste Fraud and Abuse in the Unaffordable Care Act

- Sec. 2071. Short title.
- Sec. 2072. Addressing waste, fraud, and abuse in the ACA exchanges.
- Sec. 2073. Funding cost-sharing reduction payments.

TITLE III—ENDING TAXPAYER FUNDING FOR ABORTION AND GENDER TRANSITION PROCEDURES

Subtitle A—No Taxpayer Funding for Abortion and Abortion Insurance Full Disclosure Act of 2025

- Sec. 3000. Applicability to entire act.
- Sec. 3001. Short title.
- Sec. 3002. Prohibiting taxpayer funded abortions.
- Sec. 3003. Amendment to table of chapters.
- Sec. 3004. Clarifying application of prohibition to premium credits and cost-sharing reductions under aca.
- Sec. 3005. Revision to notice requirements regarding disclosure of extent of health plan coverage of abortion and abortion premium surcharges.

Subtitle B—Prohibiting Federal Funding for Gender Transition Procedures

Sec. 3006. Short title.

Sec. 3007. Prohibiting Federal funding for gender transition procedures.

1 **TITLE I—PUTTING PATIENTS**
 2 **OVER HEALTH INSURANCE**
 3 **COMPANIES**

4 **Subtitle A—More Affordable Care**
 5 **Act**

6 **SEC. 1001. SHORT TITLE.**

7 This Act may be cited as the “More Affordable Care
 8 Act”.

9 **SEC. 1002. HEALTH FREEDOM WAIVER PROGRAM.**

10 Part 4 of subtitle D of title I of the Patient Protec-
 11 tion and Affordable Care Act (42 U.S.C. 18051 et seq.)
 12 is amended by adding the following:

13 **“SEC. 1335. HEALTH FREEDOM WAIVER PROGRAM.**

14 **“(a) IN GENERAL.—**

15 **“(1) WAIVER PROGRAM.—**The Secretary shall
 16 waive all or any requirements described in para-
 17 graph (4), as determined by the applicable State, for
 18 plan years beginning on or after January 1, 2026,
 19 with respect to health insurance coverage within any
 20 State that submits a notification under paragraph
 21 (2), provided that the State maintains an invisible
 22 high-risk insurance pool or another program de-
 23 signed to mitigate risk to insurance premium costs.

1 “(2) NOTIFICATION.—A State entity described
2 in paragraph (3) desiring a waiver under this section
3 for any plan year beginning on or after January 1,
4 2026, shall notify the Secretary of its intent to par-
5 ticipate in the waiver program with respect to all or
6 any requirements described in paragraph (4). Such
7 notification shall be filed at such time, not later than
8 90 days before the State intends to begin participa-
9 tion in the waiver program, and in such manner as
10 the Secretary may require, and contain such infor-
11 mation as the Secretary may require, including the
12 requirements under paragraph (4) that the State in-
13 tends to waive and evidence that the State main-
14 tains a high-risk insurance pool.

15 “(3) STATE SUBMISSION.—A notification with
16 respect to a State may be submitted by—

17 “(A) the governor of the State; or

18 “(B) the legislature of the State, upon a
19 majority vote by the State legislature.

20 “(4) REQUIREMENTS.—The requirements de-
21 scribed in this paragraph with respect to health in-
22 surance coverage within the State are as follows:

23 “(A) Part 1 of subtitle D.

24 “(B) Part 2 of subtitle D.

25 “(C) Section 1402.

1 “(D) Sections 36B and 5000A of the In-
2 ternal Revenue Code of 1986.

3 “(5) MONEY FOLLOWS THE PERSON.—

4 “(A) IN GENERAL.—With respect to a
5 State waiver under paragraph (1), under which,
6 due to the structure of the State plan, individ-
7 uals and small employers in the State would not
8 qualify for the premium tax credits, cost-shar-
9 ing reductions, or small business credits under
10 sec. 36B of the Internal Revenue Code of 1986
11 or under part I of subtitle E for which they
12 would otherwise be eligible, the Secretary shall
13 provide for an alternative means by which the
14 aggregate amount of such credits or reductions
15 that would have been paid on behalf of partici-
16 pants in the Exchanges established under this
17 title had the State not received such waiver,
18 shall be paid into the Trump Health Freedom
19 Accounts established under section 223(i) of the
20 Internal Revenue Code of 1986 of eligible resi-
21 dents of the State.

22 “(B) PAYMENTS TO TRUMP HEALTH FREE-
23 DOM ACCOUNTS.—The Secretary shall pay into
24 the Trump Health Freedom Accounts of each
25 eligible resident of a State for which a waiver

1 is in effect for a play year the amount equal to
2 the total amount for which the resident would
3 have been eligible in premium tax credit
4 amounts under section 36B of the Internal Rev-
5 enue Code of 1986 and cost-sharing reduction
6 amounts under section 1402 for the year, had
7 the State not had such waiver in effect. In de-
8 termining the appropriate payment amount
9 under this subparagraph, the Secretary shall
10 calculate premium tax credit amounts and cost-
11 sharing reduction amounts based on the na-
12 tional average annual premium amount for a
13 silver tier benchmark plan among States that
14 do not have such waivers in effect for the appli-
15 cable year. The Secretary shall make payments
16 into the Trump Health Freedom Accounts of el-
17 igible residents on a monthly basis, quarterly
18 basis, or in one lump sum at the beginning of
19 the year, at the option of each eligible resident.

20 “(6) COORDINATED WAIVER PROCESS.—The
21 Secretary shall develop a process for coordinating
22 and consolidating the State waiver processes applica-
23 ble under the provisions of this section, and the ex-
24 isting waiver processes applicable under section
25 1332, and titles XVIII, XIX, and XXI of the Social

1 Security Act, and any other Federal law relating to
 2 the provision of health care items or services. Such
 3 processes shall permit a State to submit a single ap-
 4 plication for a waiver under any or all of such provi-
 5 sions.

6 “(7) EXCHANGES.—

7 “(A) IN GENERAL.—In the case of a State
 8 in which a waiver is in effect under this section
 9 for a plan year—

10 “(i) the State may—

11 “(I) operate an Exchange estab-
 12 lished as described in section 1311(b);
 13 or

14 “(II) allow one or more private
 15 entities to run commercial platforms
 16 that sell health plans approved by the
 17 State insurance commissioner; or

18 “(ii) if the State does not operate an
 19 Exchange as described in clause (i)(I) or
 20 allow for one or more commercial plat-
 21 forms described in clause (i)(II), the Sec-
 22 retary shall operate a Federal Exchange,
 23 as described in section 1321(c), provided
 24 that any State laws regarding the avail-
 25 ability of health plans on, and the oper-

1 ation of, such Exchange shall apply in lieu
2 of any provision under part 1 or part 2
3 that such State has waived.

4 “(B) APPLICATION PROGRAM INTER-
5 FACE.—The Secretary shall make available to
6 any State that allows for commercial platforms
7 described in subparagraph (A)(i)(II), the appli-
8 cation program interface used for operating
9 Federal and State Exchanges, for use by any
10 private entity running such a platform under
11 State authority.

12 “(8) DEFINITIONS.—In this section:

13 “(A) ELIGIBLE RESIDENT.—The term ‘eli-
14 gible resident’ means, with respect to a State
15 for which a waiver is in effect under this sec-
16 tion, a resident who—

17 “(i) in the absence of such a waiver in
18 the State, would be eligible for a premium
19 tax credit under section 36B of the Inter-
20 nal Revenue Code of 1986 or a cost-shar-
21 ing reduction under section 1402, if the
22 resident enrolled in a qualified health plan
23 offered on the Exchange of such State; and

1 “(ii) enrolls in a plan offered on the
2 Exchange described in paragraph (7) for
3 the applicable plan year.

4 “(B) SECRETARY.—The term ‘Secretary’
5 means—

6 “(i) the Secretary of Health and
7 Human Services with respect to waivers re-
8 lating to the provisions described in sub-
9 paragraph (A) through (C) of paragraph
10 (4); and

11 “(ii) the Secretary of the Treasury
12 with respect to waivers relating to the pro-
13 visions described in paragraph (4)(D).

14 “(b) WAIVER PERIOD.—Each waiver under this sec-
15 tion shall be in effect beginning on January 1 of the plan
16 year for which a timely notice is submitted by the State
17 under subsection (a)(2), and continuing until the entity
18 of the State described in subparagraph (A) or (B) of sub-
19 section (a)(3) that submitted the notification under sub-
20 section (a)(2) submits to the Secretary a notification of
21 intent to discontinue participation in the waiver program
22 under this section.

23 “(c) LIMITATION.—The Secretary may not permit a
24 waiver under this section of any Federal law or require-
25 ment that is not within the authority of the Secretary.

1 “(d) AVAILABILITY OF PLANS.—

2 “(1) IN GENERAL.—Any health insurance cov-
3 erage offered in a State for which a waiver under
4 this section is in effect, and authorized by the insur-
5 ance commissioner of the State, shall be made avail-
6 able on, as applicable, the Federal or State Ex-
7 change or commercial platforms described in sub-
8 section (a)(7), of all States for which such a waiver
9 is in effect, subject to the laws of each such State.

10 “(2) CHILD-ONLY PLANS.—In any State for
11 which a waiver under this section is in effect, a
12 health insurance issuer may offer a plan in which
13 the only individuals eligible to enroll are individuals
14 who, as of the beginning of a plan year, have not at-
15 tained the age of 21.

16 “(e) REGULATIONS.—Not later than 1 year after the
17 date of enactment of the More Affordable Care Act, the
18 Secretary of Health and Human Services, in coordination
19 with the Secretary of the Treasury, shall promulgate regu-
20 lations to carry out this section.

21 “(f) RULE OF CONSTRUCTION REGARDING CON-
22 SUMER PROTECTIONS, INCLUDING THE PRE-EXISTING
23 CONDITION PROTECTION.—Nothing in this section shall
24 be construed to allow a State to waive the requirements
25 of title XXVII of the Public Health Service Act, including

1 sections 2701, 2702, 2703, 2704, 2705, 2706, 2711,
2 2712, and 2718 of such Act.”.

3 **SEC. 1003. TRUMP HEALTH FREEDOM ACCOUNTS.**

4 (a) IN GENERAL.—Section 223 of the Internal Rev-
5 enue Code of 1986 is amended by adding at the end the
6 following new subsection:

7 “(i) TRUMP HEALTH FREEDOM AC-
8 COUNTS.—For purposes of this section—

9 “(1) IN GENERAL.—In the case of a Trump
10 Health Freedom Account, this section shall be ap-
11 plied as provided in paragraphs (3) through (8).

12 “(2) TRUMP HEALTH FREEDOM ACCOUNT.—
13 The term ‘Trump Health Freedom Account’ means
14 a health savings account (determined as provided in
15 this subsection) established by or on behalf of an in-
16 dividual residing in a State for which a waiver under
17 section 1335 of the Patient Protection and Afford-
18 able Care Act is in effect which receives deposits of
19 amounts transferred to the individual pursuant to
20 section 1335(a)(5) of such Act.

21 “(3) ELIGIBLE INDIVIDUAL.—Any individual
22 covered under a health plan authorized to be made
23 available on an Exchange by section 1335(d) of such
24 Act shall be treated as an eligible individual.

1 “(4) TREATMENT OF TRANSFERRED CONTRIBU-
2 TIONS.—Amounts transferred to a Trump Health
3 Freedom Account pursuant to section 1335(a)(5) of
4 such Act shall not be taken into account in deter-
5 mining the deduction allowed by subsection (a).

6 “(5) ACCOUNT MUST BE ONLY HSA OF INDIV-
7 VIDUAL.—

8 “(A) IN GENERAL.—An individual who has
9 a Trump Health Freedom Account shall not be
10 treated as an eligible individual with respect to
11 any health savings account other than such
12 Trump Health Freedom Account.

13 “(B) ROLLOVER OF EXISTING ACCOUNT
14 PERMITTED.—An individual on whose behalf a
15 Trump Health Freedom Account is established
16 may roll over the balance of any other health
17 savings account of the individual to such
18 Trump Health Freedom Account according to
19 the rule of subsection (f)(5).

20 “(6) NO ROLLOVERS PERMITTED.—Except as
21 provided in paragraph (6)(B), subsection (f)(5) shall
22 not apply and no amount shall be contributed from
23 a Trump Health Freedom Account to any health
24 saving account other than a Trump Health Freedom
25 Account.

1 “(7) RESTRICTION ON USE OF AMOUNTS.—No
2 amounts in a Trump Health Freedom Account may
3 be used—

4 “(A) to pay premiums for a health plan
5 that covers—

6 “(i) gender transition procedures; or

7 “(ii) abortion; or

8 “(B) pay for any service described in
9 clause (i) or (ii) or subparagraph (A).

10 “(8) DEFINITIONS.—For purposes of paragraph
11 (8)—

12 “(A) GENDER TRANSITION PROCEDURE.—

13 “(i) IN GENERAL.—The term ‘gender
14 transition procedure’ means any hormonal
15 or surgical intervention for the purpose of
16 gender transition, including—

17 “(I) gonadotropin-releasing hor-
18 mone (GNRH) agonists or other pu-
19 berty-blocking or suppressing drugs to
20 stop or delay normal puberty;

21 “(II) testosterone, estrogen, pro-
22 gesterone, or other androgens to an
23 individual at doses that are super-
24 physiologic to what would normally be

1 produced endogenously in a healthy
2 individual of the same age and sex;
3 “(III) castration;
4 “(IV) orchiectomy;
5 “(V) scrotoplasty;
6 “(VI) implantation of erection or
7 testicular prostheses;
8 “(VII) vasectomy;
9 “(VIII) hysterectomy;
10 “(IX) oophorectomy;
11 “(X) ovariectomy;
12 “(XI) reconstruction of the fixed
13 part of the urethra with or without a
14 metoidioplasty or a phalloplasty;
15 “(XII) metoidioplasty;
16 “(XIII) penectomy;
17 “(XIV) phalloplasty;
18 “(XV) vaginoplasty;
19 “(XVI) clitoroplasty;
20 “(XVII) vaginectomy;
21 “(XVIII) vulvoplasty;
22 “(XIX) reduction
23 thyrochondroplasty;
24 “(XX) chondrolaryngoplasty;
25 “(XXI) mastectomy;

1 “(XXII) tubal ligation;

2 “(XXIII) sterilization;

3 “(XXIV) any plastic, cosmetic, or
4 aesthetic surgery that feminizes or
5 masculinizes the facial or other phys-
6 iological features of an individual;

7 “(XXV) any placement of chest
8 implants to create feminine breasts;

9 “(XXVI) any placement of fat or
10 artificial implants in the gluteal re-
11 gion;

12 “(XXVII) augmentation
13 mammoplasty;

14 “(XXVIII) liposuction;

15 “(XXIX) lipofilling;

16 “(XXX) voice surgery;

17 “(XXXI) hair reconstruction;

18 “(XXXII) pectoral implants; and

19 “(XXXIII) the removal of any
20 otherwise healthy or non-diseased
21 body part or tissue.

22 “(ii) EXCLUSIONS.—The term ‘gender
23 transition procedure’ does not include the
24 following when furnished to an individual
25 by a health care provider with the consent

1 of such individual or, if applicable, such in-
2 dividual's parents or legal guardian:

3 “(I) Services to individuals born
4 with a medically verifiable disorder of
5 sex development, including an indi-
6 vidual with external sex characteris-
7 tics that are irresolvably ambiguous
8 such as an individual born with 46
9 XX chromosomes with virilization,
10 and individual born with 46 XY chro-
11 mosomes with undervirilization, or an
12 individual born having both ovarian
13 and testicular tissue.

14 “(II) Service provided when a
15 physician has otherwise diagnosed a
16 disorder of sexual development in
17 which the physician has determined
18 through genetic or biochemical testing
19 that the individual does not have nor-
20 mal sex chromosome structure, sex
21 steroid hormone production, or sex
22 steroid hormone action for a healthy
23 individual of the same sex and age.

24 “(III) The treatment of any in-
25 fection, injury, disease, or disorder

1 that has been caused by or exacer-
2 bated by the performance of gender
3 transition procedures, whether or not
4 the gender transition procedure was
5 performed in accordance with State
6 and Federal law or whether or not
7 funding for the gender transition pro-
8 cedure is permissible under this sec-
9 tion.

10 “(IV) Any procedure undertaken
11 because the individual suffers from a
12 physical disorder, physical injury, or
13 physical illness (but not mental, be-
14 havioral, or emotional distress or a
15 mental, behavioral, or emotional dis-
16 order) that would, as certified by a
17 physician, place the individual in im-
18 minent danger of death or impairment
19 of major bodily function, unless the
20 procedure is performed.

21 “(V) Puberty suppression or
22 blocking prescription drugs for the
23 purpose of normalizing puberty for a
24 minor experiencing precocious pu-
25 berty.

1 “(VI) Male circumcision.

2 “(B) GENDER TRANSITION.—The term
3 ‘gender transition’ means the process in which
4 an individual goes from identifying with or pre-
5 senting as his or her sex to identifying with or
6 presenting a self-proclaimed identity that does
7 not correspond with or is different from his or
8 her sex and may be accompanied with social,
9 legal, or physical changes.

10 “(C) SEX.—The term ‘sex’, when referring
11 to an individual’s sex, means to refer to either
12 male or female, as biologically determined.

13 “(D) FEMALE.—The term ‘female’, when
14 used to refer to a natural person, means an in-
15 dividual who naturally has, had, will have, or
16 would have, but for a congenital anomaly, his-
17 toric accident, or intentional or unintentional
18 disruption, the reproductive system that at
19 some point produces, transports, and utilizes
20 eggs for fertilization.

21 “(E) MALE.—The term ‘male’, when used
22 to refer to a natural person, means an indi-
23 vidual who naturally has, had, will have, or
24 would have, but for a congenital anomaly, his-
25 torical accident, or intentional or unintentional

1 disruption, the reproductive system that at
 2 some point produces, transports, and utilizes
 3 sperm for fertilization.

4 “(b) EFFECTIVE DATE.—The amendment made by
 5 this section shall apply to taxable years beginning after
 6 December 31, 2025.”.

7 **Subtitle B—Improving HSA Access,** 8 **Utility, and Flexibility**

9 **SEC. 1011. INDIVIDUALS ENTITLED TO PART A OF MEDI-** 10 **CARE BY REASON OF AGE ALLOWED TO CON-** 11 **TRIBUTE TO HEALTH SAVINGS ACCOUNT.**

12 (a) IN GENERAL.—Section 223(c)(1)(B) is amended
 13 by striking “and” at the end of clause (ii), by striking
 14 the period at the end of clause (iii) and inserting “, and”,
 15 and by adding at the end the following new clause:

16 “(iv) entitlement to hospital insurance
 17 benefits under part A of title XVIII of the
 18 Social Security Act by reason of section
 19 226(a) of such Act.”.

20 (b) TREATMENT OF HEALTH INSURANCE PUR-
 21 CHASED FROM ACCOUNT.—Section 223(d)(2)(C)(iv) is
 22 amended by inserting “and who is not an eligible indi-
 23 vidual” after “who has attained the age specified in sec-
 24 tion 1811 of the Social Security Act”.

1 (c) COORDINATION WITH PENALTY ON DISTRIBUTIONS NOT USED FOR QUALIFIED MEDICAL EXPENSES.—Section 223(f)(4)(C) is amended by striking
 2 “Subparagraph (A)” and inserting “Except in the case of
 3 an eligible individual, subparagraph (A)”.

4 (d) CONFORMING AMENDMENT.—Section 223(b)(7)
 5 is amended by inserting “(other than an entitlement to
 6 benefits described in subsection (c)(1)(B)(iv))” after “So-
 7 cial Security Act”.

8 (e) EFFECTIVE DATE.—The amendments made by
 9 this section shall apply to months beginning after Decem-
 10 ber 31, 2025.

11 **SEC. 1012. ALLOW BOTH SPOUSES TO MAKE CATCH-UP CON-**
 12 **TRIBUTIONS TO THE SAME HEALTH SAVINGS**
 13 **ACCOUNT.**

14 (a) IN GENERAL.—Section 223(b)(5) is amended to
 15 read as follows:

16 “(5) SPECIAL RULE FOR MARRIED INDIVIDUALS
 17 WITH FAMILY COVERAGE.—

18 “(A) IN GENERAL.—In the case of individ-
 19 uals who are married to each other, if both
 20 spouses are eligible individuals and either
 21 spouse has family coverage under a high de-
 22 ductible health plan as of the first day of any
 23 month—
 24
 25

1 “(i) the limitation under paragraph
2 (1) shall be applied by not taking into ac-
3 count any other high deductible health
4 plan coverage of either spouse (and if such
5 spouses both have family coverage under
6 separate high deductible health plans, only
7 one such coverage shall be taken into ac-
8 count),

9 “(ii) such limitation (after application
10 of clause (i)) shall be reduced by the ag-
11 gregate amount paid to Archer MSAs of
12 such spouses for the taxable year, and

13 “(iii) such limitation (after application
14 of clauses (i) and (ii)) shall be divided
15 equally between such spouses unless they
16 agree on a different division.

17 “(B) TREATMENT OF ADDITIONAL CON-
18 TRIBUTION AMOUNTS.—If both spouses referred
19 to in subparagraph (A) have attained age 55
20 before the close of the taxable year, the limita-
21 tion referred to in subparagraph (A)(iii) which
22 is subject to division between the spouses shall
23 include the additional contribution amounts de-
24 termined under paragraph (3) for both spouses.
25 In any other case, any additional contribution

1 amount determined under paragraph (3) shall
 2 not be taken into account under subparagraph
 3 (A)(iii) and shall not be subject to division be-
 4 tween the spouses.”.

5 (b) EFFECTIVE DATE.—The amendments made by
 6 this section shall apply to taxable years beginning after
 7 December 31, 2025.

8 **SEC. 1013. FSA AND HRA TERMINATIONS OR CONVERSIONS**
 9 **TO FUND HSAS.**

10 (a) IN GENERAL.—Section 106(e)(2) is amended to
 11 read as follows:

12 “(2) QUALIFIED HSA DISTRIBUTION.—For pur-
 13 poses of this subsection—

14 “(A) IN GENERAL.—The term ‘qualified
 15 HSA distribution’ means, with respect to any
 16 employee, a distribution from a health flexible
 17 spending arrangement or health reimbursement
 18 arrangement of such employee contributed di-
 19 rectly to a health savings account of such em-
 20 ployee if—

21 “(i) such distribution is made in con-
 22 nection with such employee establishing
 23 coverage under a high deductible health
 24 plan (as defined in section 223(c)(2)) if
 25 during the 4-year period preceding the

1 date the employee so establishes coverage
2 the employee was not covered under such
3 a high deductible health plan, and

4 “(ii) such arrangement is described in
5 section 223(c)(1)(B)(v) with respect to any
6 portion of the plan year remaining after
7 such distribution is made, if such employee
8 remains enrolled in such arrangement.

9 “(B) DOLLAR LIMITATION.—The aggre-
10 gate amount of distributions from health flexi-
11 ble spending arrangements and health reim-
12 bursement arrangements of any employee which
13 may be treated as qualified HSA distributions
14 in connection with an establishment of coverage
15 described in subparagraph (A)(i) shall not ex-
16 ceed the dollar amount in effect under section
17 125(i)(1) (twice such amount in the case of cov-
18 erage which is described in section
19 223(b)(2)(B)).”.

20 (b) PARTIAL REDUCTION OF LIMITATION ON DE-
21 DUCTIBLE HSA CONTRIBUTIONS.—Section 223(b)(4) is
22 amended by striking “and” at the end of subparagraph
23 (B), by striking the period at the end of subparagraph
24 (C) and inserting “, and”, and by inserting after subpara-
25 graph (C) the following new subparagraph:

1 “(D) so much of any qualified HSA dis-
2 tribution (as defined in section 106(e)(2)) made
3 to a health savings account of such individual
4 during the taxable year as does not exceed the
5 aggregate increases in the balance of the ar-
6 rangement from which such distribution is
7 made which occur during the portion of the
8 plan year which precedes such distribution
9 (other than any balance carried over to such
10 plan year and determined without regard to any
11 decrease in such balance during such portion of
12 the plan year).”.

13 (c) CONVERSION TO HSA-COMPATIBLE ARRANGE-
14 MENT FOR REMAINDER OF PLAN YEAR.—Section
15 223(c)(1)(B), as amended by this preceding provisions of
16 this Act, is amended by striking “and” at the end of clause
17 (iii), by striking the period at the end of clause (iv) and
18 inserting “, and”, and by adding at the end the following
19 new clause:

20 “(v) coverage under a health flexible spending ar-
21 rangement or health reimbursement arrangement for the
22 portion of the plan year after a qualified HSA distribution
23 (as defined in section 106(e)(2) determined without regard
24 to subparagraph (A)(ii) thereof) is made, if the terms of
25 such arrangement which apply for such portion of the plan

1 year are such that, if such terms applied for the entire
 2 plan year, then such arrangement would not be taken into
 3 account under subparagraph (A)(ii) of this paragraph for
 4 such plan year.”.

5 (d) INCLUSION OF QUALIFIED HSA DISTRIBUTIONS
 6 ON W-2.—

7 (1) IN GENERAL.—Section 6051(a), as amend-
 8 ed by the preceding provisions of this Act, is amend-
 9 ed by striking “and” at the end of paragraph (19),
 10 by striking the period at the end of paragraph (20)
 11 and inserting “, and”, and by inserting after para-
 12 graph (20) the following new paragraph:

13 “(21) the amount of any qualified HSA dis-
 14 tribution (as defined in section 106(e)(2)) with re-
 15 spect to such employee.”.

16 (2) CONFORMING AMENDMENT.—Section
 17 6051(a)(12) is amended by inserting “(other than
 18 any qualified HSA distribution, as defined in section
 19 106(e)(2))” before the comma at the end.

20 (e) EFFECTIVE DATE.—The amendments made by
 21 this section shall apply to distributions made after Decem-
 22 ber 31, 2025.

1 **SEC. 1014. SPECIAL RULE FOR CERTAIN MEDICAL EX-**
2 **PENSES INCURRED BEFORE ESTABLISHMENT**
3 **OF HEALTH SAVINGS ACCOUNT.**

4 (a) IN GENERAL.—Section 223(d)(2), as amended by
5 the preceding provisions of this Act, is amended by adding
6 at the end the following new subparagraph:

7 “(F) TREATMENT OF CERTAIN MEDICAL
8 EXPENSES INCURRED BEFORE ESTABLISHMENT
9 OF ACCOUNT.—If a health savings account is
10 established during the 60-day period beginning
11 on the date that coverage of the account bene-
12 ficiary under a high deductible health plan be-
13 gins, then, solely for purposes of determining
14 whether an amount paid is used for a qualified
15 medical expense, such account shall be treated
16 as having been established on the date that
17 such coverage begins.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply with respect to coverage beginning
20 after December 31, 2025.

21 **SEC. 1015. CONTRIBUTIONS PERMITTED IF SPOUSE HAS**
22 **HEALTH FLEXIBLE SPENDING ARRANGE-**
23 **MENT.**

24 (a) CONTRIBUTIONS PERMITTED IF SPOUSE HAS A
25 HEALTH FLEXIBLE SPENDING ARRANGEMENT.—Section
26 223(c)(1)(B), as amended by this preceding provisions of

1 this Act, is amended by striking “and” at the end of clause
 2 (iv), by striking the period at the end of clause (v) and
 3 inserting “, and”, and by adding at the end the following
 4 new clause:

5 “(vi) coverage under a health flexible
 6 spending arrangement of the spouse of the
 7 individual for any plan year of such ar-
 8 rangement if the aggregate reimburse-
 9 ments under such arrangement for such
 10 year do not exceed the aggregate expenses
 11 which would be eligible for reimbursement
 12 under such arrangement if such expenses
 13 were determined without regard to any ex-
 14 penses paid or incurred with respect to
 15 such individual.”.

16 (b) EFFECTIVE DATE.—The amendment made by
 17 this section shall apply to plan years beginning after De-
 18 cember 31, 2025.

19 **SEC. 1016. INCREASE IN HEALTH SAVINGS ACCOUNT CON-**
 20 **TRIBUTION LIMITATION FOR CERTAIN INDIV-**
 21 **VIDUALS.**

22 (a) INCREASE.—

23 (1) IN GENERAL.—Section 223(b) is amended
 24 by adding at the end the following new paragraph:

1 “(9) INCREASE IN LIMITATION FOR CERTAIN
2 TAXPAYERS.—

3 “(A) IN GENERAL.—The applicable limita-
4 tion under subparagraphs (A) and (B) of para-
5 graph (2) shall be increased by \$4,300 and
6 \$8,550, respectively.

7 “(B) LIMITATION BASED ON MODIFIED
8 ADJUSTED GROSS INCOME.—The amount of the
9 increase under subparagraph (A) (determined
10 without regard to this subparagraph) shall be
11 reduced (but not below zero) by the amount
12 which bears the same ratio to the amount of
13 such increase (as so determined) as—

14 “(i) the excess (if any) of—

15 “(I) the taxpayer’s adjusted
16 gross income for such taxable year,
17 over

18 “(II) \$75,000 (\$150,000 in the
19 case of a joint return, if the eligible
20 individual has family coverage), bears
21 to

22 “(ii) \$25,000 (\$50,000 in the case of
23 a joint return, if the eligible individual has
24 family coverage).

1 For purposes of the preceding sentence, ad-
 2 justed gross income shall be determined in the
 3 same manner as under section 219(g)(3)(A),
 4 except determined without regard to any deduc-
 5 tion allowed under this section.”.

6 (2) ONLY TO APPLY TO EMPLOYEE CONTRIBU-
 7 TIONS.—Section 106(d)(1) is amended by inserting
 8 “and section 223(b)(9)” after “determined without
 9 regard to this subsection”.

10 (b) INFLATION ADJUSTMENT.—Section 223(g), as
 11 amended by the preceding provisions of this Act, is amend-
 12 ed—

13 (1) by inserting “, (b)(9)(A), (b)(9)(B)(i)(II),”
 14 before “and (c)(2)(A)” each place it appears,

15 (2) by striking “clauses (ii) and (ii)” in para-
 16 graph (1)(B)(i) and inserting “clauses (ii), (iii), and
 17 (iv)”,

18 (3) by striking “and” at the end of paragraph
 19 (1)(B)(ii),

20 (4) by striking the period at the end of para-
 21 graph (1)(B)(iii) and inserting “, and”, and

22 (5) by inserting after paragraph (1)(B)(iii) the
 23 following new clause:

1 “(iv) in the case of the dollar amounts
 2 in subsections (b)(9)(A) and
 3 (b)(9)(B)(i)(II), calendar year 2025”.

4 (c) EFFECTIVE DATE.—

5 (1) SUBSECTION (A).—The amendments made
 6 by subsection (a) shall apply to taxable years begin-
 7 ning after December 31, 2025.

8 (2) SUBSECTION (B).—The amendments made
 9 by subsection (b) shall apply to taxable years begin-
 10 ning after December 31, 2026.

11 **SEC. 1017. HEALTH SAVINGS ACCOUNTS USED TO PUR-**
 12 **CHASE INSURANCE.**

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

15 (1) by striking subparagraphs (B) and (C), and
 16 (2) by redesignating subparagraph (D) as sub-
 17 paragraph (C).

18 (b) EFFECTIVE DATE.—The amendment made by
 19 this section shall apply to plan years beginning after De-
 20 cember 31, 2025.

1 **Subtitle C—Health Care Sharing**
2 **Ministries**

3 **SEC. 1018. TREATMENT OF HEALTH CARE SHARING MIN-**
4 **ISTRIES.**

5 (a) INCLUSION AS MEDICAL EXPENSES.—Paragraph
6 (2) of section 223(c) of the Internal Revenue Code of
7 1986, as redesignated and amended by the preceding pro-
8 visions of this Act, is further amended by adding at the
9 end the following new subparagraph:

10 “(D) INCLUSION OF HEALTH CARE SHAR-
11 ING MINISTRIES.—The term ‘qualified medical
12 expenses’ shall include amounts paid by a mem-
13 ber of a health care sharing ministry (as de-
14 fined in section 5000A(d)(2)(B)(ii) without re-
15 gard to subclause (IV) thereof) for—

16 “(i) the sharing of medical expenses
17 among members, and

18 “(ii) administrative fees of the min-
19 istry.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 the date of enactment of this Act.

1 **SEC. 1019. HEALTH CARE SHARING MINISTRY FEES TREAT-**
 2 **ED AS MEDICAL CARE.**

3 (a) IN GENERAL.—Section 213(d) of the Internal
 4 Revenue Code of 1986 is amended by adding at the end
 5 the following new paragraph:

6 “(12) HEALTH CARE SHARING MINISTRIES.—
 7 For purposes of this section, the term ‘medical care’
 8 shall include amounts paid by a member of a health
 9 care sharing ministry (as defined in section
 10 5000A(d)(2)(B)(ii) without regard to subclause (IV)
 11 thereof) for—

12 “(A) the sharing of medical expenses
 13 among members, and

14 “(B) administrative fees of the ministry.”.

15 (b) EFFECTIVE DATE.—The amendment made by
 16 this section shall apply to taxable years beginning after
 17 the date of the enactment of this Act.

18 **SEC. 1020. HEALTH CARE SHARING MINISTRIES NOT**
 19 **TREATED AS HEALTH INSURANCE.**

20 (a) IN GENERAL.—Section 223(c) of the Internal
 21 Revenue Code of 1986, as redesignated and amended by
 22 the preceding provisions of this Act, is amended by adding
 23 at the end the following new paragraph:

24 “(5) HEALTH CARE SHARING MINISTRIES NOT
 25 TREATED AS HEALTH INSURANCE.—A health care
 26 sharing ministry (as defined in section

1 5000A(d)(2)(B)(ii) without regard to subclause (IV)
 2 thereof) shall not be treated as health plan or insur-
 3 ance for purposes of this title.”.

4 (b) EFFECTIVE DATE.—The amendments made by
 5 this section shall apply to taxable years beginning after
 6 the date of enactment of this Act.

7 **TITLE II—CODIFYING TRUMP**
 8 **HEALTHCARE FREEDOM**
 9 **AGENDA**
 10 **Subtitle A—Association Health**
 11 **Plan Act**

12 **SEC. 2001. SHORT TITLE.**

13 This Act may be cited the “Association Health Plan
 14 Act”.

15 **SEC. 2002. TREATMENT OF GROUP OR ASSOCIATION OF EM-**
 16 **PLOYERS.**

17 (a) IN GENERAL.—Section 3(5) of the Employee Re-
 18 tirement Income Security Act of 1974 (29 U.S.C.
 19 1002(5)) is amended—

20 (1) by striking “The term” and inserting “(A)
 21 The term”; and

22 (2) by adding at the end the following:

23 “(B) For purposes of subparagraph (A), a
 24 group or association of employers shall be treat-
 25 ed as an ‘employer’, regardless of whether the

1 employers composing such group or association
2 are in the same industry, trade, or profession,
3 if such group or association—

4 “(i)(I) has established and maintains
5 an employee welfare benefit plan that is a
6 group health plan (as defined in section
7 733(a)(1));

8 “(II) provides coverage under
9 such plan to at least 51 employees
10 after all of the employees employed by
11 all of the employer members of such
12 group or association have been aggre-
13 gated and counted together as de-
14 scribed in subparagraph (D);

15 “(III) has been actively in exist-
16 ence for at least 2 years;

17 “(IV) has been formed and main-
18 tained in good faith for purposes
19 other than providing medical care (as
20 defined in section 733(a)(2)) through
21 the purchase of insurance or other-
22 wise;

23 “(V) does not condition member-
24 ship in the group or association on
25 any health status-related factor (as

1 described in section 702(a)(1)) relat-
2 ing to any individual;

3 “(VI) makes coverage under such
4 plan available to all employer mem-
5 bers of such group or association re-
6 gardless of any health status-related
7 factor (as described in section
8 702(a)(1)) relating to such employer
9 members;

10 “(VII) does not provide coverage
11 under such plan to any individual
12 other than an employee of an em-
13 ployer member of such group or asso-
14 ciation;

15 “(VIII) has established a gov-
16 erning board with by-laws or other
17 similar indications of formality to
18 manage and operate such plan in both
19 form and substance, of which at least
20 75 percent of the board members shall
21 be made up of employer members of
22 such group or association partici-
23 pating in the plan that are duly elect-
24 ed by each participating employer

1 member casting 1 vote during a
2 scheduled election;

3 “(IX) is not a health insurance
4 issuer (as defined in section
5 733(b)(2)), and is not owned or con-
6 trolled by such a health insurance
7 issuer or by a subsidiary or affiliate of
8 such a health insurance issuer, other
9 than to the extent such a health in-
10 surance issuer may participate in the
11 group or association as a member;

12 “(ii) is structured in good faith with
13 any set of criteria to qualify for such treat-
14 ment in any advisory opinion issued prior
15 to the date of enactment of the Association
16 Health Plans Act; or

17 “(iii) meets any other set of criteria to
18 qualify for such treatment that the Sec-
19 retary by regulation may provide.

20 “(C)(i) For purposes of subparagraph (B),
21 a self-employed individual shall be treated as—

22 “(I) an employer who may be-
23 come a member of a group or associa-
24 tion of employers;

1 “(II) an employee who may par-
2 ticipate in an employee welfare benefit
3 plan established and maintained by
4 such group or association; and

5 “(III) a participant of such plan
6 subject to the eligibility determination
7 and monitoring requirements set forth
8 in clause (iii).

9 “(ii) For purposes of this subpara-
10 graph, the term ‘self-employed individual’
11 means an individual who—

12 “(I) does not have any common
13 law employees;

14 “(II) has a bona fide ownership
15 right in a trade or business, regard-
16 less of whether such trade or business
17 is incorporated or unincorporated;

18 “(III) earns wages (as defined in
19 section 3121(a) of the Internal Rev-
20 enue Code of 1986) or self-employ-
21 ment income (as defined in section
22 1402(b) of such Code) from such
23 trade or business; and

24 “(IV) works at least 10 hours a
25 week or 40 hours per month providing

1 personal services to such trade or
2 business.

3 “(iii) The board of a group or associa-
4 tion of employers shall—

5 “(I) initially determine whether
6 an individual meets the requirements
7 under clause (ii) to be considered to a
8 self-employed individual for the pur-
9 poses of being treated as an—

10 “(aa) employer member of
11 such group or association (in ac-
12 cordance with clause (i)(I)); and

13 “(bb) employee who may
14 participate in the employee wel-
15 fare benefit plan established and
16 maintained by such group or as-
17 sociation (in accordance with
18 clause (i)(II));

19 “(II) through reasonable moni-
20 toring procedures, periodically deter-
21 mine whether the individual continues
22 to meet such requirements; and

23 “(III) if the board determines
24 that an individual no longer meets
25 such requirements, not make such

1 plan coverage available to such indi-
2 vidual (or dependents thereof) for any
3 plan year following the plan year dur-
4 ing which the board makes such de-
5 termination. If, subsequent to a deter-
6 mination that an individual no longer
7 meets such requirements, such indi-
8 vidual furnishes evidence of satisfying
9 such requirements, such individual
10 (and dependents thereof) shall be eli-
11 gible to receive plan coverage.

12 “(D) For purposes of subparagraph (B),
13 all of the employees (including self-employed in-
14 dividuals) employed by all of the employer
15 members (including self-employed individuals)
16 of a group or association of employers shall
17 be—

18 “(i) treated as participants in a single
19 plan multiple employer welfare arrange-
20 ment; and

21 “(ii) aggregated and counted together
22 for purposes of any regulation of an em-
23 ployee welfare benefit plan established and
24 maintained by such group or association.”.

1 (b) DETERMINATION OF EMPLOYER OR JOINT EM-
2 PLOYER STATUS.—The provision of employee welfare ben-
3 efit plan coverage by a group or association of employers
4 shall not be construed as evidence for establishing an em-
5 ployer or joint employer relationship under any Federal
6 or State law.

7 **SEC. 2003. RULES APPLICABLE TO EMPLOYEE WELFARE**
8 **BENEFIT PLANS ESTABLISHED AND MAIN-**
9 **TAINED BY A GROUP OR ASSOCIATION OF**
10 **EMPLOYERS.**

11 Part 7 of subtitle B of title I of the Employee Retire-
12 ment Income Security Act of 1974 (29 U.S.C. 1181, et
13 seq.) is amended by adding at the end the following:

14 **“SEC. 736. RULES APPLICABLE TO EMPLOYEE WELFARE**
15 **BENEFIT PLANS ESTABLISHED AND MAIN-**
16 **TAINED BY A GROUP OR ASSOCIATION OF**
17 **EMPLOYERS.**

18 “(a) PREMIUM RATES FOR A GROUP OR ASSOCIA-
19 TION OF EMPLOYERS.—

20 “(1)(A) In the case of an employee welfare ben-
21 efit plan established and maintained by a group or
22 association of employers described in section
23 3(5)(B), such plan may, to the extent not prohibited
24 under State law—

1 “(i) establish base premium rates
2 formed on an actuarially sound, modified
3 community rating methodology that con-
4 sider the pooling of all plan participant
5 claims; and

6 “(ii) utilize the specific risk profile of
7 each employer member of such group or
8 association to determine contribution rates
9 for each such employer member’s share of
10 a premium by actuarially adjusting above
11 or below the established base premium
12 rates.

13 “(B) For purposes of paragraph (1), the
14 term ‘employer member’ means—

15 “(i) an employer who is a member of
16 such group or association of employers and
17 employs at least 1 common law employee;
18 or

19 “(ii) a group made up solely of self-
20 employed individuals, within which all of
21 the self-employed individual members of
22 such group or association are aggregated
23 together as a single employer member
24 group, provided the group includes at least
25 20 self-employed individual members.

1 “(2) In the event a group or association is
2 made up solely of self-employed individuals (and no
3 employers with at least 1 common law employee are
4 members of such group or association), the employee
5 welfare benefit plan established by such group or as-
6 sociation shall—

7 “(A) treat all self-employed individuals
8 who are members of such group or association
9 as a single risk pool;

10 “(B) pool all plan participant claims; and

11 “(C) charge each plan participant the
12 same premium rate.

13 “(b) DISCRIMINATION AND PRE-EXISTING CONDI-
14 TION PROTECTIONS.—An employee welfare benefit plan
15 established and maintained by a group or association of
16 employers described in section 3(5)(B) shall be prohibited
17 from—

18 “(1) establishing any rule for eligibility (includ-
19 ing continued eligibility) of any individual (including
20 an employee of an employer member or a self-em-
21 ployed individual, or a dependent of such employee
22 or self-employed individual) to enroll for benefits
23 under the terms of the plan that discriminates based
24 on any health status-related factor that relates to

1 such individual (consistent with the rules under sec-
2 tion 702(a)(1));

3 “(2) requiring an individual (including an em-
4 ployee of an employer member or a self-employed in-
5 dividual, or a dependent of such employee or self-
6 employed individual), as a condition of enrollment or
7 continued enrollment under the plan, to pay a pre-
8 mium or contribution that is greater than the pre-
9 mium or contribution for a similarly situated indi-
10 vidual enrolled in the plan based on any health sta-
11 tus-related factor that relates to such individual
12 (consistent with the rules under section 702(b)(1));
13 and

14 “(3) denying coverage under such plan on the
15 basis of a pre-existing condition (consistent with the
16 rules under section 2704 of the Public Health Serv-
17 ice Act).”.

18 **SEC. 2004. RULE OF CONSTRUCTION.**

19 Nothing in this Act shall be construed to exempt a
20 group health plan which is an employee welfare benefit
21 plan offered through a group or association of employers
22 from the requirements of part 7 of subtitle B of title I
23 of the Employee Retirement Income Security Act of 1974
24 (29 U.S.C. 1181 et. seq.), including the provisions of part

1 A of title XXVII of the Public Health Service Act as incor-
2 porated by reference into this Act through section 715.

3 **Subtitle B—CHOICE Arrangement**
4 **Act**

5 **SEC. 2011. SHORT TITLE.**

6 This Act may be cited as the “CHOICE Arrangement
7 Act”.

8 **SEC. 2012. TREATMENT OF HEALTH REIMBURSEMENT AR-**
9 **RANGEMENTS INTEGRATED WITH INDIV-**
10 **IDUAL MARKET COVERAGE.**

11 (a) IN GENERAL.—Section 9815(b) is amended—

12 (1) By striking “exception Notwithstanding
13 subsection (a)” and inserting the following: “Excep-
14 tions.—

15 “(1) SELF-INSURED GROUP HEALTH PLANS.—
16 Notwithstanding subsection (a)”

17 (2) by adding at the end the following new
18 paragraph:

19 “(2) CUSTOM HEALTH OPTION AND INDIVIDUAL
20 CARE EXPENSE ARRANGEMENTS.—

21 “(A) IN GENERAL.—For purposes of this
22 subchapter, a custom health option and indi-
23 vidual care expense arrangement shall be treat-
24 ed as meeting the requirements of section 9802

1 and sections 2705, 2711, 2713, and 2715 of
2 title XXVII of the Public Health Service Act.

3 “(B) CUSTOM HEALTH OPTION AND INDIVIDUAL CARE EXPENSE ARRANGEMENTS DEFINED.—For purposes of this section, the term
4 ‘custom health option and individual care expense arrangement’ means a health reimbursement arrangement—
5
6
7
8

9 “(i) which is an employer-provided
10 group health plan funded solely by employer contributions to provide payments
11 or reimbursements for medical care subject
12 to a maximum fixed dollar amount for a
13 period,
14

15 “(ii) under which such payments or
16 reimbursements may only be made for
17 medical care provided during periods during which the individual is covered—
18

19 “(I) under individual health insurance coverage (other than coverage
20 that consists solely of excepted benefits), or
21
22

23 “(II) under part A and B of title
24 XVIII of the Social Security Act or
25 part C of such title,

1 “(iii) which meets the nondiscrimina-
2 tion requirements of subparagraph (C),

3 “(iv) which meets the substantiation
4 requirements of subparagraph (D), and

5 “(v) which meets the notice require-
6 ments of subparagraph (E).

7 “(C) NONDISCRIMINATION.—

8 “(i) IN GENERAL.—An arrangement
9 meets the requirements of this subpara-
10 graph if an employer offering such ar-
11 rangement to an employee within a speci-
12 fied class of employee—

13 “(I) offers such arrangement to
14 all employees within such specified
15 class on the same terms, and

16 “(II) does not offer any other
17 group health plan (other than an ac-
18 count-based group health plan or a
19 group health plan that consists solely
20 of excepted benefits) to any employees
21 within such specified class.

22 In the case of an employer who offers a
23 group health plan provided through health
24 insurance coverage in the small group mar-
25 ket (that is subject to section 2701 of the

1 Public Health Service Act) to all employees
2 within such specified class, subclause (II)
3 shall not apply to such group health plan.

4 “(ii) SPECIFIED CLASS OF EM-
5 PLOYEE.—For purposes of this subpara-
6 graph, any of the following may be des-
7 ignated as a specified class of employee:

8 “(I) Full-time employees.

9 “(II) Part-time employees.

10 “(III) Salaried employees.

11 “(IV) Non-salaried employees.

12 “(V) Employees whose primary
13 site of employment is in the same rat-
14 ing area.

15 “(VI) Employees who are in-
16 cluded in a unit of employees covered
17 under a collective bargaining agree-
18 ment to which the employer is subject
19 (determined under rules similar to the
20 rules of section 105(h)).

21 “(VII) Employees who have not
22 met a group health plan, or health in-
23 surance issuer offering group health
24 insurance coverage, waiting period re-

1 requirement that satisfies section 2708
2 of the Public Health Service Act.

3 “(VIII) Seasonal employees.

4 “(IX) Employees who are non-
5 resident aliens and who receive no
6 earned income (within the meaning of
7 section 911(d)(2)) from the employer
8 which constitutes income from sources
9 within the United States (within the
10 meaning of section 861(a)(3)).

11 “(X) Such other classes of em-
12 ployees as the Secretary may des-
13 ignate.

14 An employer may designate (in such man-
15 ner as is prescribed by the Secretary) two
16 or more of the classes described in the pre-
17 ceding subclauses as the specified class of
18 employees to which the arrangement is of-
19 fered for purposes of applying this sub-
20 paragraph.

21 “(iii) SPECIAL RULE FOR NEW
22 HIRES.—An employer may designate pro-
23 spectively so much of a specified class of
24 employees as are hired after a date set by
25 the employer. Such subclass of employees

1 shall be treated as the specified class for
2 purposes of applying clause (i).

3 “(iv) RULES FOR DETERMINING TYPE
4 OF EMPLOYEE.—For purposes for clause
5 (ii), any determination of full-time, part-
6 time, or seasonal employment status shall
7 be made under rules similar to the rules of
8 section 105(h) or 4980H, whichever the
9 employer elects for the plan year. Such
10 election shall apply with respect to all em-
11 ployees of the employer for the plan year.

12 “(v) PERMITTED VARIATION.—For
13 purposes of clause (i)(I), an arrangement
14 shall not fail to be treated as provided on
15 the same terms within a specified class
16 merely because the maximum dollar
17 amount of payments and reimbursements
18 which may be made under the terms of the
19 arrangement for the year with respect to
20 each employee within such class—

21 “(I) increases as additional de-
22 pendants of the employee are covered
23 under the arrangement, and

24 “(II) increases with respect to a
25 participant as the age of the partici-

1 pant increases, but not in excess of an
2 amount equal to 300 percent of the
3 lowest maximum dollar amount with
4 respect to such a participant deter-
5 mined without regard to age.

6 “(D) SUBSTANTIATION REQUIREMENTS.—
7 An arrangement meets the requirements of this
8 subparagraph if the arrangement has reason-
9 able procedures to substantiate—

10 “(i) that the participant and any de-
11 pendents are, or will be, enrolled in cov-
12 erage described in subparagraph (B)(ii) as
13 of the beginning of the plan year of the ar-
14 rangement (or as of the beginning of cov-
15 erage under the arrangement in the case of
16 an employee who first becomes eligible to
17 participate in the arrangement after the
18 date notice is given with respect to the
19 plan under subparagraph (E) (determined
20 without regard to clause (iii) thereof)), and

21 “(ii) any requests made for payment
22 or reimbursement of medical care under
23 the arrangement and that the participant
24 and any dependents remain so enrolled.

25 “(E) NOTICE.—

1 “(i) IN GENERAL.—Except as pro-
2 vided in clause (iii), an arrangement meets
3 the requirements of this subparagraph if,
4 under the arrangement, each employee eli-
5 gible to participate is, not later than 60
6 days before the beginning of the plan year,
7 given written notice of the employee’s
8 rights and obligations under the arrange-
9 ment which—

10 “(I) is sufficiently accurate and
11 comprehensive to apprise the employee
12 of such rights and obligations, and

13 “(II) is written in a manner cal-
14 culated to be understood by the aver-
15 age employee eligible to participate.

16 “(ii) NOTICE REQUIREMENTS.—Such
17 notice shall include such information as the
18 Secretary may by regulation prescribe.

19 “(iii) NOTICE DEADLINE FOR CER-
20 TAIN EMPLOYEES.—In the case of an em-
21 ployee—

22 “(I) who first becomes eligible to
23 participate in the arrangement after
24 the date notice is given with respect
25 to the plan under clause (i) (deter-

1 mined without regard to this clause),
 2 or
 3 “(II) whose employer is first es-
 4 tablished fewer than 120 days before
 5 the beginning of the first plan year of
 6 the arrangement,
 7 the requirements of this subparagraph
 8 shall be treated as met if the notice re-
 9 quired under clause (i) is provided not
 10 later than the date the arrangement may
 11 take effect with respect to such em-
 12 ployee.”.

13 (b) INCLUSION OF CHOICE ARRANGEMENT PER-
 14 MITTED BENEFITS ON W-2.—

15 (1) IN GENERAL.—Section 6051(a), as amend-
 16 ed by the preceding provisions of this Act, is amend-
 17 ed by striking “and” at the end of paragraph (18),
 18 by striking the period at the end of paragraph (19)
 19 and inserting “, and”, and by inserting after para-
 20 graph (19) the following new paragraph:

21 “(20) the total amount of permitted benefits for
 22 enrolled individuals under a custom health option
 23 and individual care expense arrangement (as defined
 24 in section 9815(b)(2)) with respect to such em-
 25 ployee.”.

1 (c) TREATMENT OF CURRENT RULES RELATING TO
2 CERTAIN ARRANGEMENTS.—

3 (1) NO INFERENCE.—To the extent not incon-
4 sistent with the amendments made by this section—

5 (A) no inference shall be made from such
6 amendments with respect to the rules pre-
7 scribed in the Federal Register on June 20,
8 2019 (84 Fed. Reg. 28888), relating to health
9 reimbursement arrangements and other ac-
10 count-based group health plans, and

11 (B) any reference to custom health option
12 and individual care expense arrangements shall
13 for purposes of such rules be treated as includ-
14 ing a reference to individual coverage health re-
15 imbursement arrangements.

16 (2) OTHER CONFORMING OF RULES.—The Sec-
17 retary of the Treasury, the Secretary of Health and
18 Human Services, and the Secretary of Labor shall
19 modify such rules as may be necessary to conform
20 to the amendments made by this section.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to plan years beginning after De-
23 cember 31, 2025.

1 **SEC. 2013. PARTICIPANTS IN CHOICE ARRANGEMENT ELI-**
2 **GIBLE FOR PURCHASE OF EXCHANGE INSUR-**
3 **ANCE FOR PURCHASE OF CAFETERIA PLAN.**

4 (a) IN GENERAL.—Section 125(f)(3) is amended by
5 adding at the end the following new subparagraph:

6 “(C) EXCEPTION FOR PARTICIPANTS IN
7 CHOICE ARRANGEMENT.—Subparagraph (A)
8 shall not apply in the case of an employee par-
9 ticipating in a custom health option and indi-
10 vidual care expense arrangement (within the
11 meaning of section 9815(b)(2)) offered by the
12 employee’s employer.”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to taxable years beginning after
15 December 31, 2025.

16 **SEC. 2014. EMPLOYER CREDIT FOR CHOICE ARRANGE-**
17 **MENT.**

18 (a) IN GENERAL.—Subpart D of part IV of sub-
19 chapter A of chapter 1 is amended by adding at the end
20 the following new section:

21 **“SEC. 45BB. EMPLOYER CREDIT FOR CHOICE ARRANGE-**
22 **MENT.**

23 “(a) IN GENERAL.—For purposes of section 38, in
24 the case of an eligible employer, the CHOICE arrange-
25 ment credit determined under this section for any taxable
26 year is an amount, with respect to each employee enrolled

1 during the credit period in a CHOICE arrangement main-
 2 tained by the employer, equal to—

3 “(1) \$100 multiplied by the number of months
 4 for which the employee is so enrolled during the first
 5 year in the credit period, and

6 “(2) one-half of the dollar amount in effect
 7 under paragraph (1) for the taxable year, multiplied
 8 by the number of months for which the employee is
 9 so enrolled during the second year of the credit pe-
 10 riod.

11 “(b) ARRANGEMENT MUST CONSTITUTE MINIMUM
 12 ESSENTIAL COVERAGE.—An employee shall not be taken
 13 into account under subsection (a) unless such employee’s
 14 eligibility for the CHOICE arrangement (determined with-
 15 out regard to the employee being enrolled) would cause
 16 the employee to be treated under section 36B(c)(2) as
 17 being eligible for minimum essential coverage consisting
 18 of an eligible employer-sponsored plan (as defined in sec-
 19 tion 5000A(f)(2)).

20 “(c) DEFINITIONS.—For purposes of this section—

21 “(1) CHOICE ARRANGEMENT.—The term
 22 ‘CHOICE arrangement’ means a custom health op-
 23 tion and individual care expense arrangement (as de-
 24 fined in section 9815(b)(2)(B)).

1 “(2) CREDIT PERIOD.—The credit period with
 2 respect to an eligible employer is the first 2 one-year
 3 periods beginning with the month during which the
 4 employer first establishes a CHOICE arrangement
 5 on behalf of employees of the employer.

6 “(3) ELIGIBLE EMPLOYER.—The term ‘eligible
 7 employer’ means, with respect to any taxable year
 8 beginning in a calendar year, an employer who is not
 9 an applicable large employer for the calendar year
 10 under section 4980H.

11 “(d) INFLATION ADJUSTMENT.—

12 “(1) IN GENERAL.—In the case of any taxable
 13 year beginning in a calendar year after 2026, the
 14 dollar amount in subsection (a) shall be increased by
 15 an amount equal to—

16 “(A) such dollar amount, multiplied by

17 “(B) the cost-of-living adjustment deter-
 18 mined under section 1(f)(3) for the calendar
 19 year in which such taxable year begins by sub-
 20 stituting ‘calendar year 2025’ for ‘calendar year
 21 2016’ in subparagraph (A)(ii) thereof.

22 “(2) ROUNDING.—If any amount after adjust-
 23 ment under paragraph (1) is not a multiple of \$10,
 24 such amount shall be rounded to the next lower mul-
 25 tiple of \$10.”.

1 (b) CREDIT MADE PART OF GENERAL BUSINESS

2 CREDIT.—Section 38(b) is amended by striking “plus” at
 3 the end of paragraph (40), by striking the period at the
 4 end of paragraph (41) and inserting “, plus”, and by add-
 5 ing at the end the following new paragraph:

6 “(42) the CHOICE arrangement credit deter-
 7 mined under section 45BB(a).”.

8 (c) CREDIT ALLOWED AGAINST ALTERNATIVE MIN-
 9 IMUM TAX.—Section 38(c)(4)(B) is amended—

10 (1) by redesignating clauses (x), (xi), and (xii)
 11 as clauses (xi), (xii), and (xiii), respectively, and

12 (2) by inserting after clause (ix) the following
 13 new clause:

14 “(x) the credit determined under sec-
 15 tion 45BB,”.

16 (d) CLERICAL AMENDMENT.—The table of sections
 17 for subpart D of part IV of subchapter A of chapter 1
 18 is amended by adding at the end the following new item:

19 (e) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to taxable years beginning after
 21 December 31, 2025.

1 **Subtitle C—Self-Insurance**
2 **Protection Act**

3 **SEC. 2021. SHORT TITLE.**

4 This Act may be cited as the “Self-Insurance Protec-
5 tion Act”.

6 **SEC. 2022. FINDINGS.**

7 Congress finds the following:

8 (1) Small and large employers offer health ben-
9 efit plan coverage to employees in self-funded ar-
10 rangements using company assets or a fund, or by
11 paying premiums to purchase fully-insured coverage
12 from a health insurance company.

13 (2) Employers that self-fund health benefit
14 plans will often purchase stop-loss insurance as a fi-
15 nancial risk management tool to protect against ex-
16 cess or unexpected catastrophic health plan claims
17 losses that arise above projected costs paid out of
18 company assets.

19 (3) Stop-loss coverage insures the employer
20 sponsoring the health benefit plan against unfore-
21 seen health plan claims, does not insure the em-
22 ployee health benefit plan itself, and does not pay
23 health care providers for medical services provided to
24 the employees.

1 (4) Employer-sponsored health benefit plans are
2 regulated under the Employee Retirement Income
3 Security Act of 1974, however, States regulate the
4 availability and the coverage terms of stop-loss in-
5 surance coverage that employers purchase to protect
6 company assets and to protect a fund against excess
7 or unexpected claims losses.

8 (5) Both large and small employers that choose
9 to self-fund must also be able to protect company as-
10 sets or a fund against excess or unexpected claims
11 losses and States must reasonably regulate stop-loss
12 insurance to assure its availability to both large and
13 small employers.

14 **SEC. 2023. CERTAIN MEDICAL STOP-LOSS INSURANCE OB-**
15 **TAINED BY CERTAIN PLAN SPONSORS OF**
16 **GROUP HEALTH PLANS NOT INCLUDED**
17 **UNDER THE DEFINITION OF HEALTH INSUR-**
18 **ANCE COVERAGE.**

19 Section 733(b)(1) of the Employee Retirement In-
20 come Security Act of 1974 (29 U.S.C. 1191b(b)(1)) is
21 amended by adding at the end the following sentence:
22 “Such term shall not include a stop-loss policy obtained
23 by a self-insured group health plan or a plan sponsor of
24 a group health plan that self-insures the health risks of
25 its plan participants to reimburse the plan or sponsor for

1 losses that the plan or sponsor incurs in providing health
 2 or medical benefits to such plan participants in excess of
 3 a predetermined level set forth in the stop-loss policy ob-
 4 tained by such plan or sponsor.”.

5 **SEC. 2024. EFFECT ON OTHER LAWS.**

6 Section 514(b) of the Employee Retirement Income
 7 Security Act of 1974 (29 U.S.C. 1144(b)) is amended by
 8 adding at the end the following:

9 “(10) The provisions of this title (including
 10 part 7 relating to group health plans) shall preempt
 11 State laws insofar as they may now or hereafter pre-
 12 vent an employee benefit plan that is a group health
 13 plan from insuring against the risk of excess or un-
 14 expected health plan claims losses.”.

15 **Subtitle D—Small Business**
 16 **Flexibility Act**

17 **SEC. 2031. SHORT TITLE.**

18 This Act may be cited as the “Small Business Flexi-
 19 bility Act”.

20 **SEC. 2032. NOTIFICATION OF FLEXIBLE HEALTH INSUR-**
 21 **ANCE BENEFITS.**

22 (a) IN GENERAL.—Subchapter C of chapter 100 of
 23 the Internal Revenue Code of 1986 is amended by adding
 24 at the end the following new section:

1 **“SEC. 9835. NOTIFICATION OF FLEXIBLE HEALTH INSUR-**
2 **ANCE BENEFITS.**

3 “(a) IN GENERAL.—Not later than 1 year after the
4 date of enactment of this section, the Secretary shall no-
5 tify employers of the availability of tax-advantaged flexible
6 health insurance benefits, with an initial focus on small
7 businesses, particularly in rural areas (as defined in sec-
8 tion 1393(a)(2)).

9 “(b) DEFINITIONS.—In this section:

10 “(1) EMPLOYER.—The term ‘employer’ has the
11 meaning given such term in section 3(5) of the Em-
12 ployee Retirement Income Security Act (29 U.S.C.
13 1002(5)).

14 “(2) FLEXIBLE HEALTH INSURANCE BENE-
15 FITS.—The term ‘flexible health insurance benefits’
16 means—

17 “(A) an individual contribution health re-
18 imbursement arrangement (as described in the
19 rule entitled ‘Health Reimbursement Arrange-
20 ments and Other Account-Based Group Health
21 Plans’ (84 Fed. Reg. 28888 (June 20, 2019)));

22 “(B) a qualified small employer health re-
23 imbursement arrangement (as defined in sec-
24 tion 9831(d)(2)); and

25 “(C) the small employer health insurance
26 credit determined under section 45R.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 for subchapter C of chapter 100 of such Code is amended
 3 by adding at the end the following new item:

“Sec. 9835. Notification of flexible health insurance benefits”.

4 **Subtitle E—Health Coverage** 5 **Choice Act**

6 **SEC. 2041. SHORT TITLE.**

7 This Act may be cited as the “Health Coverage
 8 Choice Act”.

9 **SEC. 2042. DEFINITION OF SHORT-TERM LIMITED DURA-** 10 **TION INSURANCE.**

11 Section 2791(b) of the Public Health Service Act (42
 12 U.S.C. 300gg–91(b)) is amended by adding at the end the
 13 following new paragraph:

14 “(6) SHORT-TERM LIMITED DURATION INSUR-
 15 ANCE.—The term ‘short-term limited duration insur-
 16 ance’ means health insurance coverage provided
 17 under a contract with a health insurance issuer
 18 that—

19 “(A) has an expiration date specified in
 20 the contract that is less than 12 months after
 21 the original effective date of the contract; and

22 “(B) has a duration of not more than 10
 23 years (taking into account renewals or exten-
 24 sions) after the original effective date of the
 25 contract.”.

3 This Act may be cited as the “Improved Medical Pa-
4 tients Affordable Care Today Act of 2025” or the “IM-
5 PACT Act of 2025.”

(a) IN GENERAL.—Section 1302(e)(2) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(e)(2) is amended—

13 (2) by adding at the end the following new sub-
14 paragraph:

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to plan years beginning on or after January 1, 2026.

1 **Subtitle G—New Health Options**
2 **Act**

3 **SEC. 2061. SHORT TITLE.**

4 This Act may be cited as the “New Health Options
5 Act”.

6 **SEC. 2062. CREATION OF A REINSURANCE PROGRAM FOR A**
7 **NEW HEALTH INSURANCE RISK POOL.**

8 (a) IN GENERAL.—Part V of subtitle B of title I of
9 the Patient Protection and Affordable Care Act (42
10 U.S.C. 18061 et seq.) is amended by adding at the end
11 the following new section:

12 **“SEC. 1344. REINSURANCE PROGRAM FOR CERTAIN OFF-EX-**
13 **CHANGE PLANS.**

14 “(a) IN GENERAL.—There is established a Reinsur-
15 ance Program, to be administered by the Secretary of
16 Health and Human Services, to provide payments to
17 health insurance issuers with respect to claims for eligible
18 individuals for the purpose of lowering premiums for such
19 individuals.

20 “(b) FUNDING.—

21 “(1) APPROPRIATION.—For the purpose of pro-
22 viding funding for the Reinsurance Program, for
23 each year during the period beginning on January 1,
24 2026, and ending on December 31, 2030, there is
25 appropriated out of any monies in the Treasury not

1 otherwise obligated an amount equal to the product
2 of \$50 and the aggregate number of member months
3 for all eligible individuals enrolled in a covered plan
4 during such year.

5 “(2) LIMITATION ON APPROPRIATION.—In no
6 year shall the appropriation for the Reinsurance
7 Program authorized in paragraph (1) exceed
8 \$6,000,000,000.

9 “(3) USE OF UNEXPENDED FUNDS.—Appro-
10 priated amounts remaining unexpended at the end of
11 any year may be used to make payments under the
12 Reinsurance Program in any future year.

13 “(4) LIMITATION ON USE OF FUNDS.—No
14 funds received under the Reinsurance Program may
15 be used to pay for services described in section
16 1303(b)(1)(B)(i) (as in effect on the date of the en-
17 actment of this section).

18 “(c) OPERATION OF PROGRAM.—

19 “(1) IN GENERAL.—The Secretary shall estab-
20 lish parameters for the operation of the Reinsurance
21 Program consistent with this section.

22 “(2) DEADLINE FOR INITIAL OPERATION.—Not
23 later than 120 days after the date of the enactment,
24 the Secretary shall establish sufficient parameters to
25 specify how the Program will operate for 2026.

1 “(3) DEFINITIONS.—In this section:

2 “(A) COVERED PLAN.—The term ‘covered
3 plan’ means individual health insurance cov-
4 erage (as such term is defined in section 2791
5 of the Public Health Service Act)—

6 “(i) with respect to which the issuer
7 of such coverage has made the election de-
8 scribed in section 1312(c)(1)(A); and

9 “(ii) that does not provide coverage
10 for services described in section
11 1303(b)(1)(B)(i) (as in effect on the date
12 of the enactment of this section).

13 “(B) ELIGIBLE INDIVIDUAL.—The term
14 ‘eligible individual’ means an individual enrolled
15 in a covered plan.

16 “(d) ATTACHMENT DOLLAR AMOUNT AND PAYMENT
17 PROPORTION.—

18 “(1) IN GENERAL.—The Secretary shall annu-
19 ally establish an attachment point, payment propor-
20 tion, and reinsurance cap with respect to claims for
21 eligible individuals for payments under the Reinsur-
22 ance Program, consistent with the following:

23 “(A) The attachment point for the period
24 beginning January 1, 2026, and ending Decem-
25 ber 31, 2026, shall be \$110,000.

1 “(B) The payment proportion for the pe-
 2 riod beginning January 1, 2026, and ending
 3 December 31, 2026, shall be 90 percent.

4 “(C) The reinsurance cap for the period
 5 beginning January 1, 2026 and ending Decem-
 6 ber 31, 2026, shall be \$300,000.

7 “(2) ADJUSTMENT AUTHORITY.—The Secretary
 8 may adjust any amounts described in paragraph (1)
 9 as necessary to ensure the Reinsurance Program
 10 does not make payment for a year in excess of the
 11 amount available for such year under subsection
 12 (b).”.

13 (b) ELECTION TO OPT OUT OF SINGLE RISK
 14 POOL.—

15 (1) IN GENERAL.—Section 1312(c)(1) of the
 16 Patient Protection and Affordable Care Act (42
 17 U.S.C. 18032(c)(1)) is amended—

18 (A) by striking “A health insurance
 19 issuer” and inserting the following:

20 “(A) IN GENERAL.—A health insurance
 21 issuer”;

22 (B) in subparagraph (A), as inserted by
 23 paragraph (1), by inserting “and other than
 24 any health plan with respect to which such

1 issuer has elected for this subparagraph not to
2 apply” after “grandfathered health plans”; and

3 (C) by adding at the end the following new
4 subparagraph:

5 “(B) TREATMENT OF PLANS OPTING OUT
6 OF SINGLE RISK POOL.—A health insurance
7 issuer shall consider all enrollees in all health
8 plans offered by such issuer in the individual
9 market with respect to which such issuer has
10 made the election described in subparagraph
11 (A) to be members of a single risk pool.”.

12 (2) PROHIBITING SINGLE RISK POOL OPT OUT
13 FOR QUALIFIED HEALTH PLANS.—Section
14 1301(a)(1)(C) of the Patient Protection and Afford-
15 able Care Act (42 U.S.C. 18021(a)(1)) is amend-
16 ed—

17 (A) in clause (iii), by striking “and” at the
18 end;

19 (B) in clause (iv), by striking the period
20 and inserting “; and”; and

21 (C) by adding at the end the following new
22 clause:

23 “(v) has not made the election described in section
24 1312(c)(1)(A) with respect to such plan.”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply with respect to plan
3 years beginning on or after January 1, 2026.

4 (c) REMOVING AGE PREMIUM VARIATION LIMITA-
5 TION FOR CERTAIN PLANS.—

6 (1) IN GENERAL.—

7 (A) REMOVAL OF LIMITATION FOR CER-
8 TAIN PLANS.—Section 2701(a)(1)(A)(iii) of the
9 Public Health Service Act (42 U.S.C
10 300gg(a)(1)(A)(iii)) is amended by inserting
11 “or, in the case of such coverage with respect
12 to which the issuer of such coverage has made
13 the election described in section 1312(c)(1)(A)
14 of the Patient Protection and Affordable Care
15 Act, by more than an actuarially justified
16 amount for adults” before “; and”.

17 (B) EFFECTIVE DATE.—The amendment
18 made by subparagraph (A) shall apply with re-
19 spect to plan years beginning on or after Janu-
20 ary 1, 2026.

21 (2) MAINTAINING AGE PREMIUM VARIATION
22 LIMITATION FOR QUALIFIED HEALTH PLANS.—Sec-
23 tion 1301(a)(1) of the Patient Protection and Af-
24 fordable Care Act (42 U.S.C. 18021(a)(1)), as
25 amended by subsection (b), is further amended—

1 (A) in subparagraph (B), by striking
2 “and” at the end;

3 (B) in subparagraph (C)(v), by striking
4 the period and inserting “; and”; and

5 (C) by adding at the end the following new
6 subparagraph:

7 “(D) with respect to the premium rate
8 charged by such plan, if such plan varies such
9 rate by age, does not vary such rate by more
10 than 3 to 1 for adults (consistent with section
11 2707(c) of the Public Health Service Act).”.

12 (d) TREATMENT OF OPT OUT PLANS IN RELATION
13 TO INDIVIDUAL HEALTH COVERAGE REIMBURSEMENT
14 ARRANGEMENTS.—The Secretaries of Health and Human
15 Services, Labor, and the Treasury shall not fail to treat
16 any individual health insurance coverage (as defined in
17 section 2791 of the Public Health Service Act (42 U.S.C.
18 300gg–91)) as eligible for integration with an individual
19 health care reimbursement arrangement on the basis that
20 the health insurance issuer (as so defined) of such cov-
21 erage has made the election described in section
22 1312(c)(1)(A) of the Patient Protection and Affordable
23 Care Act (as inserted by subsection (b)).

1 **SEC. 2062. PROMOTION OF HIGH-VALUE CARE.**

2 (a) IN GENERAL.—Subpart II of part A of title
3 XXVII of the Public Health Service Act (42 U.S.C.
4 300gg–11 et seq.) is amended by adding at the end the
5 following new section:

6 **“SEC. 2730. APPLICATION OF CERTAIN OUT-OF-NETWORK**
7 **COSTS TO DEDUCTIBLES AND OUT-OF-POCK-**
8 **ET MAXIMUMS.**

9 “(a) IN GENERAL.—A group health plan, and a
10 health insurance issuer offering group or individual health
11 insurance coverage, shall, in the case that an individual
12 enrolled under such plan or coverage is furnished items
13 or services by a health care provider or health care facility
14 that does not have in effect a contractual relationship with
15 such plan or issuer for the furnishing of such items or
16 services and such individual incurs any out-of-pockets
17 costs with respect to such items and services, at the option
18 of such individual, apply such costs to any deductible or
19 out-of-pocket maximum applicable to items and services
20 furnished by health care providers or health care facilities
21 with contracts in effect with such plan or issuer for the
22 furnishing of such items or services, but only if the fol-
23 lowing requirements are met:

24 “(1) The item or service furnished by such pro-
25 vider or facility without a contract in effect with

1 such plan or issuer is an item or service for which
2 benefits are available under such plan or coverage.

3 “(2) The amount charged by such provider or
4 facility for such item or service is equal to or less
5 than—

6 “(A) the lowest amount recognized by the
7 plan or coverage as payment for such item or
8 service out of all health care providers and
9 health care facilities with a contract in effect
10 with such plan or issuer to furnish such item or
11 service in the same rating area (as defined for
12 purposes of section 2701) in which the item or
13 service described in paragraph (1) was fur-
14 nished; or

15 “(B) the 25th percentile of charges for
16 such item or service furnished in the same
17 State in which the item or service described in
18 paragraph (1) was furnished.

19 “(b) DISCLOSURE OF INFORMATION.—A group
20 health plan, and a health insurance issuer offering group
21 or individual health insurance coverage, shall, with respect
22 to each item or service for which benefits are available
23 under such plan or coverage, make available the lowest
24 amount described in subsection (a)(2)(A) and the 25th

1 percentile described in subsection (a)(2)(B) to all individ-
 2 uals enrolled under such plan or coverage.”.

3 (b) EFFECTIVE DATE.—The amendment made by
 4 subsection (a) shall apply to plan years beginning on or
 5 after January 1, 2026.

6 **SEC. 2064. DISCLOSURE OF LOWER PRICES.**

7 Part E of title XXVII of the Public Health Service
 8 Act (42 U.S.C. 300gg–131) is amended by adding at the
 9 end the following new section:

10 **“SEC. 2799B–10. DISCLOSURE OF LOWER PRICES.**

11 “(a) IN GENERAL.—Beginning January 1, 2026,
 12 each health care provider and health care facility shall dis-
 13 close to patients and prospective patients enrolled in a
 14 group health plan, group or individual health insurance
 15 coverage, or a Federal health care program (as defined
 16 in section 1128B but including the program established
 17 under chapter 89 of title 5, United States Code) being
 18 furnished or seeking to be furnished an item or service
 19 by such provider or facility for which benefits are available
 20 under such plan, coverage, or program, as applicable,
 21 whether the amount of cost sharing (including deductibles,
 22 copayments, and coinsurance) that would be incurred by
 23 such individual for such item or service under such plan,
 24 coverage, or program, as applicable, exceeds the charge
 25 that would apply for such item or service for an individual

1 without benefits under any such plan, coverage, or pro-
 2 gram for such item or service.

3 “(b) ADDITIONAL ENFORCEMENT.—In addition to
 4 any other penalty applicable with respect to a violation of
 5 subsection (a), an individual who is harmed by a violation
 6 of this section by a health care provider or health care
 7 facility may bring an action against such provider or facil-
 8 ity in an appropriate district court of the United States
 9 for—

10 “(1) appropriate injunctive relief; and

11 “(2) damages in an amount that is equal to the
 12 amount provided for such harm in a civil action
 13 under the law of the State in which the provider or
 14 facility is located.”.

15 **Subtitle H—Fighting Waste Fraud**
 16 **and Abuse in the Unaffordable**
 17 **Care Act**

18 **SEC. 2071. SHORT TITLE.**

19 This Act may be cited as the “Fighting Waste Fraud
 20 and Abuse in the Unaffordable Care Exchanges Act of
 21 2025”.

22 **SEC. 2072. ADDRESSING WASTE, FRAUD, AND ABUSE IN THE**
 23 **ACA EXCHANGES.**

24 (a) CHANGES TO ENROLLMENT PERIODS FOR EN-
 25 ROLLING IN EXCHANGES.—Section 1311 of the Patient

1 Protection and Affordable Care Act (42 U.S.C. 18031) is
2 amended—

3 (1) in subsection (c)(6)—

4 (A) by striking subparagraph (A);

5 (B) by striking “The Secretary” and in-
6 serting the following:

7 “(A) IN GENERAL.—The Secretary”;

8 (C) by redesignating subparagraphs (B)
9 through (D) as clauses (i) through (iii) respec-
10 tively, and adjusting the margins accordingly;

11 (D) in clause (i), as so redesignated, by
12 striking “periods, as determined by the Sec-
13 retary for calendar years after the initial enroll-
14 ment period;” and inserting the following: “pe-
15 riods for plans offered in the individual mar-
16 ket—

17 “(I) for enrollment for plan years
18 beginning before January 1, 2027, as
19 determined by the Secretary; and

20 “(II) for enrollment for plan
21 years beginning on or after January
22 1, 2027, beginning on November 1,
23 and ending on December 15 of the
24 preceding calendar year;”.

1 (E) in clause (ii), as so redesignated, by
2 inserting “subject to subparagraph (B),” before
3 “special enrollment period specified”; and

4 (F) by adding at the end the following new
5 subparagraph;

6 “(B) PROHIBITED SPECIAL ENROLLMENT
7 PERIOD.—With respect to plans years beginning
8 on or after January 1, 2027, the Secretary may
9 not require an Exchange to provide for a spe-
10 cial enrollment period for an individual on the
11 basis of the relationship of the income of such
12 individual to the poverty line, other than a spe-
13 cial enrollment period based on a change in cir-
14 cumstances or the occurrence of a specific
15 event.”;

16 (2) in subsection (d), by adding at the end the
17 following new paragraphs:

18 “(8) PROHIBITED ENROLLMENT PERIODS.—An
19 exchange may not provide for, with respect to enroll-
20 ment for plan years beginning on or after January
21 1, 2027—

22 “(A) an annual open enrollment period
23 other than the period described in subpara-
24 graph (A)(i) of subsection (c)(6); or

1 “(B) a special enrollment period described
2 in subparagraph (B) of such subsection.

3 “(9) VERIFICATION OF ELIGIBILITY FOR SPE-
4 CIAL ENROLLMENT PERIODS.—

5 “(A) IN GENERAL.—With respect to enroll-
6 ment for plan years beginning on or after Janu-
7 ary 1, 2027, an Exchange shall verify that each
8 individual seeking to enroll in a qualified health
9 plan offered by the Exchange during a special
10 enrollment period selected under paragraph (B)
11 is eligible to enroll during such special enroll-
12 ment period prior to enrolling such individual in
13 such plan.

14 “(B) SELECTED SPECIAL ENROLLMENT
15 PERIODS.—For purposes of subparagraph (A),
16 an Exchange shall select one or more special
17 enrollment periods for a plan year with respect
18 to which such Exchange shall conduct the
19 verification required under subparagraph (A)
20 such that the Exchange conducts such
21 verification for not less than 75 percent of all
22 individuals enrolling in a qualified health plan
23 offered by the Exchange during any special en-
24 rollment period with respect to such plan
25 year.”.

1 (b) VERIFYING INCOME FOR INDIVIDUALS EN-
2 ROLLED IN A QUALIFIED HEALTH PLAN THROUGH AN
3 EXCHANGE.—

4 (1) IN GENERAL.—Section 1411(e)(4) of the
5 Patient Protection and Affordable Care Act (42
6 U.S.C. 18081(e)(4)) is amended—

7 (A) by redesignating subparagraph (C) as
8 subparagraph (E); and

9 (B) by inserting after subparagraph (B)
10 the following new subparagraphs:

11 “(C) REQUIRING VERIFICATION OF IN-
12 COME AND FAMILY SIZE WHEN TAX DATA IS
13 UNAVAILABLE.—For plan years beginning on or
14 after January 1, 2027, for purposes of subpara-
15 graph (A), in the case that the Exchange re-
16 quests data from the Secretary of the Treasury
17 regarding an individual’s household income and
18 the Secretary of the Treasury does not return
19 such data, such information may not be verified
20 solely on the basis of the attestation of such in-
21 dividual with respect to such household income,
22 and the Exchange shall take the actions de-
23 scribed in subparagraph (A).

1 “(D) REQUIRING VERIFICATION OF IN-
2 COME IN THE CASE OF CERTAIN INCOME DIS-
3 CREPANCIES.—

4 “(i) IN GENERAL.—Subject to clause
5 (iii), for plan years beginning on or after
6 January 1, 2027, for purposes of subpara-
7 graph (A), in the case that a specified in-
8 come discrepancy described in clause (ii) of
9 this subparagraph exists with respect to
10 the information provided by an applicant
11 under subsection (b)(3), the household in-
12 come of such individual shall be treated as
13 inconsistent with information in the
14 records maintained by persons under sub-
15 section (c), or as not verified under sub-
16 section (d), and the Exchange shall take
17 the actions described in such subparagraph
18 (A).

19 “(ii) SPECIFIED INCOME DISCREP-
20 ANCY.—For purposes of clause (i), a speci-
21 fied income discrepancy exists with respect
22 to the information provided by an appli-
23 cant under subsection (b)(3) if—

24 “(I) the applicant attests to a
25 projected annual household income

1 that would qualify such applicant to
2 be an applicable taxpayer under sec-
3 tion 36B(c)(1)(A) of the Internal Rev-
4 enue Code of 1986 with respect to the
5 taxable year involved;

6 “(II) the Exchange receives data
7 from the Secretary of the Treasury or
8 other reliable, third party data, that
9 indicates that the household income of
10 such applicant is less than the house-
11 hold income that would qualify such
12 applicant to be an applicable taxpayer
13 under such section 36B(c)(1)(A) with
14 respect to the taxable year involved;

15 “(III) such attested projected an-
16 nual household income exceeds the in-
17 come reflected in the data described in
18 subclause (II) by a reasonable thresh-
19 old established by the Exchange and
20 approved by the Secretary (which
21 shall be not less than 10 percent, and
22 may also be a dollar amount); and

23 “(IV) the Exchange has not as-
24 sessed or determined based on the
25 data described in subclause (II) that

1 the household income of the applicant
2 meets the applicable income-based eli-
3 gibility standard for the Medicaid pro-
4 gram under title XIX of the Social
5 Security Act or the State children’s
6 health insurance program under title
7 XXI of such Act.

8 “(iii) EXCLUSION OF CERTAIN INDI-
9 VIDUALS INELIGIBLE FOR MEDICAID.—The
10 subparagraph shall not apply in the case of
11 an applicant who is an alien lawfully
12 present in the United States, who is not el-
13 igible for the Medicaid program under title
14 XIX of the Social Security Act by reason
15 of such alien status.”.

16 (2) REQUIRING INDIVIDUALS ON WHOSE BE-
17 HALF ADVANCE PAYMENTS OF THE PREMIUM TAX
18 CREDIT ARE MADE TO FILE AND RECONCILE ON AN
19 ANNUAL BASIS.—Section 1412(b) of the Patient
20 Protection and Affordable Care Act (42 U.S.C.
21 18082(b)) is amended by adding at the end the fol-
22 lowing new paragraph:

23 “(3) ANNUAL REQUIREMENT TO FILE AND REC-
24 ONCILE.—

1 “(A) IN GENERAL.—For plan years begin-
2 ning on or after January 1, 2027, in the case
3 of an individual with respect to whom any ad-
4 vance payment of the premium tax credit allow-
5 able under section 36B of the Internal Revenue
6 Code of 1986 was made under this section to
7 the issuers of a qualified health plan for the rel-
8 evant prior tax year, an advance determination
9 of eligibility for such premium tax credit may
10 not be made under this subsection with respect
11 to such individual and such plan year if the Ex-
12 change determines, based on information pro-
13 vided by the Secretary of the Treasury, that
14 such individual—

15 “(i) has not filed an income tax re-
16 turn, as required under section 6011 and
17 6012 of such code (and implementing reg-
18 ulations), for the relevant prior tax year;
19 or

20 “(ii) as necessarily, has not been rec-
21 onciled (in accordance with subsection (f)
22 of such section 36B) the advance payment
23 of the premium tax credit made with re-
24 spect to such individual for such relevant
25 prior tax year.

1 “(B) RELEVANT PRIOR TAX YEAR.—For
2 purposes of subparagraph (A), the term ‘rel-
3 evant prior tax year’ means, with respect to the
4 advance determination of eligibility made under
5 this subsection with respect to an individual,
6 the taxable year for which tax return data
7 would be used for purposes of verifying the
8 household income and family size of such indi-
9 vidual (as described in section 1411(b)(3)(A)).

10 “(C) PRELIMINARY ATTESTATION.—If an
11 individual subject to subparagraph (A) attests
12 that such individual has fulfilled the require-
13 ments to file an income tax return for the rel-
14 evant prior tax year and, as necessary, to rec-
15 oncile the advance payment of the premium tax
16 credit made with respect to such individual for
17 such relevant prior tax year (as described in
18 clauses (i) and (ii) of such subparagraph), the
19 Secretary may make an initial advance deter-
20 mination of eligibility with respect to such indi-
21 vidual and may delay for a reasonable period
22 (as determined by the Secretary) any deter-
23 mination based on information provided by the
24 Secretary of the Treasury that such individual
25 has not fulfilled such requirements.

1 “(D) NOTICE.—If the Secretary deter-
2 mines that an individual did not meet the re-
3 quirements described in subparagraph (A) with
4 respect to the relevant prior tax year and noti-
5 fies the Exchange of such determination, the
6 Exchange shall comply with the notification re-
7 quirement described in section 155.305(f)(4)(i)
8 of title 45, Code of Federal Regulations (as in
9 effect with respect to plan year 2025).”.

10 (3) REMOVING AUTOMATIC EXTENSION OF PE-
11 RIOD TO RESOLVE INCOME INCONSISTENCIES.—The
12 Secretary of Health and Human Services shall revise
13 section 155.315(f) of title 45, Code of Federal Regu-
14 lations, to remove paragraph (7) of such section,
15 such that, with respect to enrollment for plan years
16 beginning on or after January 1, 2027, in the case
17 that an Exchange established under subtitle D of
18 title I of the Patient Protection and Affordable Care
19 Act (42 U.S.C. 18021 et seq.) provides an individual
20 applying for enrollment in a qualified health plan
21 with a 90-day period to resolve an inconsistency in
22 the application of such individual pursuant to sec-
23 tion 1411(e)(4)(A)(ii)(II) of such Act, the Exchange
24 may not provide for an automatic extension to such
25 90-day period on the basis that such individual is re-

1 quired to present satisfactory documentary evidence
2 to verify household income.

3 (c) REVISING RULES OF ALLOWABLE VARIATION IN
4 ACTUARIAL VALUE OF HEALTH PLANS.—The Secretary
5 of Health and Human Services shall—

6 (1) revise section 156.140(c) of title 45, Code
7 of Federal Regulations, to provide that, for plan
8 years beginning on or after January 1, 2027, the al-
9 lowable variation in the actuarial value of a health
10 plan applicable under such section shall be the allow-
11 able variation for such plan applicable under such
12 section for plan year 2022;

13 (2) revise sections 156.29(b)(3) of title 45,
14 Code of Federal Regulations, to provide that, for
15 plan years beginning on or after January 1, 2027,
16 the requirement for a qualified health plan issuer de-
17 scribed in such section is that the issuer ensures
18 that each qualified health plan complies with benefit
19 design standards, as defined in section 156.20 of
20 such title; and

21 (3) revise section 156.400 of title 45, Code of
22 Federal Regulations, to provide that, for plans years
23 beginning on or after January 1, 2027, the term “de-
24 minimum variation for a silver plan variation”

1 means a minus 1 percentage point and plus 1 per-
2 centage point allowable actuarial value variation.

3 (d) UPDATING PREMIUM ADJUSTMENT PERCENTAGE
4 METHODOLOGY.—Section 1302(c)(4) of the Patient Pro-
5 tection and Affordable Care Act (42 U.S.C. 18022(c)(4))
6 is amended—

7 (1) by striking “For purposes” and inserting:

8 “(A) IN GENERAL.—For purposes”; and

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

11 “(B) UPDATE TO METHODOLOGY.—For
12 calendar years beginning with 2027, the pre-
13 mium adjustment percentage under this para-
14 graph for such calendar year shall be deter-
15 mined consistent with the methodology pub-
16 lished in the Federal Register on April 25,
17 2019 (84 Fed. Reg. 17537 through 17541).”.

18 (e) ELIMINATING THE FIXED-DOLLAR AND GROSS-
19 PERCENTAGE THRESHOLDS APPLICABLE TO EXCHANGE
20 ENROLLMENTS.—The Secretary of Health and Human
21 Services shall revise section 155.400(g) of title 45, Code
22 of Federal Regulations to eliminate, for plan years begin-
23 ning on or after January 1, 2027, the gross premium per-
24 centage-base premium payment threshold policy described
25 in paragraph (2) of such section and the fixed-dollar pre-

1 mium payment threshold policy described in paragraph (3)
2 of such section.

3 (f) PROHIBITING AUTOMATIC REENROLLMENT FROM
4 BRONZE TO SILVER LEVEL QUALIFIED HEALTH PLANS
5 OFFERED BY EXCHANGES.—The Secretary of Health and
6 Human Services shall revise section 155.335(j) of title 45,
7 Code of Federal Regulations, to remove paragraph (4) of
8 such section that, with respect to reenrollments for plan
9 years beginning on or after January 1, 2027, an Exchange
10 established under subtitle D of title I of the Patient Pro-
11 tection and Affordable Care Act (42 U.S.C. 18021 et seq.)
12 may not reenroll an individual who was enrolled in a
13 bronze level qualified health plan in a silver level qualified
14 health plan (as such terms are defined in section 1301(a)
15 and described in 1302(d) of such Act) unless otherwise
16 permitted under section 155.335(j) of title 45, Code of
17 Federal Regulations, as in effect on the day before the
18 date of the enactment of this section.

19 (g) REDUCING ADVANCE PAYMENTS OF PREMIUM
20 TAX CREDITS FOR CERTAIN INDIVIDUALS REENROLLED
21 IN EXCHANGES.—Section 1412 of the Patient Protection
22 and Affordable Care Act (42 U.S.C. 18082) is amended—
23 (1) in subsection (a)(3), by inserting “, subject
24 to subsection (c)(2)(C),” after “qualified health
25 plans”; and

1 (2) in subsection (c)(2)—

2 (A) in subparagraph (A), by striking
3 “The” and inserting “Subject to subparagraph
4 (C), the”; and

5 (B) by adding at the end the following sub-
6 paragraph:

7 “(C) REDUCTION IN ADVANCE PAYMENT
8 FOR SPECIFIED REENROLLED INDIVIDUALS.—

9 “(i) IN GENERAL.—The amount of an
10 advance payment made under subpara-
11 graph (A) to reduce the premium payable
12 for a qualified health plan that provides
13 coverage to a specific reenrolled individual
14 for an applicable month shall be an
15 amount equal to the amount that would
16 otherwise be made under such subpara-
17 graph reduced by \$5 (or such higher
18 amount as the Secretary determines appro-
19 priate).

20 “(ii) DEFINITIONS.—In this subpara-
21 graph:

22 “(I) APPLICABLE MONTH.—The
23 term ‘applicable month’ means, with
24 respect to a specified reenrolled indi-
25 vidual, any month during a plan year

1 beginning on or after January 1,
2 2027 (or, in the case of an individual
3 reenrolled in a qualified health plan
4 by an Exchange established pursuant
5 to section 1321(c), January 1, 2027)
6 if, prior to the first day of such
7 month, such individual has failed to
8 confirm or update such information as
9 is necessary to redetermine the eligi-
10 bility of such individual for such plan
11 year pursuant to section 1411(f).

12 “(II) SPECIFIED REENROLLED
13 INDIVIDUAL.—The term ‘specified re-
14 enrolled individual’ means an indi-
15 vidual who is reenrolled in a qualified
16 health plan and with respect to whom
17 the advance payment made under sub-
18 paragraph (A) would, without applica-
19 tion of any reduction under this sub-
20 paragraph, reduce the premium pay-
21 able for a qualified health plan that
22 provides coverage to such an indi-
23 vidual to \$0.”.

1 (h) PROHIBITING COVERAGE OF GENDER TRANSI-
2 TION PROCEDURES AS AN ESSENTIAL HEALTH BENEFIT
3 UNDER PLANS OFFERED BY EXCHANGES.—

4 (1) IN GENERAL.—Section 1302(b)(2) of the
5 Patient Protection and Affordable Care Act (42
6 U.S.C. 18022(b)(2)) is amended by adding at the
7 end the following new subparagraph:

8 “(C) GENDER TRANSITION PROCE-
9 DURES.—For plan years beginning on or after
10 January 1, 2027, the essential health benefits
11 defined pursuant to paragraph (1) may not in-
12 clude items and services furnished for a gender
13 transition procedure.”.

14 (2) GENDER TRANSITION PROCEDURE DE-
15 FINED.—Section 1304 of the Patient Protection and
16 Affordable Care Act (42 U.S.C. 18024) is amended
17 by adding at the end the following new subsection:

18 “(f) GENDER TRANSITION PROCEDURE.—

19 “(1) IN GENERAL.—In this title, except as pro-
20 vided in paragraph (2), the term ‘gender transition
21 procedure’ means, with respect to an individual, any
22 of the following when performed for this purpose of
23 intentionally changing the body of such individual
24 (including by disrupting the body’s development, in-
25 hibiting its natural functions, or modifying its ap-

1 pearance) to no longer correspond to the individuals
2 sex:

3 “(A) Performing any surgery, including—

4 “(i) castration;

5 “(ii) sterilization;

6 “(iii) orchiectomy;

7 “(iv) scrotoplasty;

8 “(v) vasectomy;

9 “(vi) tubal ligation;

10 “(vii) hysterectomy;

11 “(viii) oophorectomy;

12 “(ix) ovariectomy;

13 “(x) metoidioplasty;

14 “(xi) clitoroplasty;

15 “(xii) reconstruction of the fixed part

16 of the urethra with or without a

17 metoidioplasty or a phalloplasty;

18 “(xiii) penectomy;

19 “(xiv) phalloplasty;

20 “(xv) vaginoplasty;

21 “(xvi) vaginectomy;

22 “(xvii) vulvoplasty;

23 “(xviii) reduction thyrochondroplasty;

24 “(xix) chondrolaryngoplasty;

25 “(xx) mastectomy; and

1 “(xxi) any plastic, cosmetic, or aes-
2 thetic surgery that feminizes or
3 masculinizes the facial or other body fea-
4 tures of an individual.

5 “(B) Any placement of chest implants to
6 create feminine breasts or any placement of
7 erection or testicular prostheses.

8 “(C) Any placement of fat or artificial im-
9 plants in the gluteal region.

10 “(D) Administering, prescribing, or dis-
11 pensing to an individual medications, includ-
12 ing—

13 “(i) gonadotropin-releasing hormone
14 (GnRH) analogues or other puberty-block-
15 ing drugs to stop or delay normal puberty;
16 and

17 “(ii) testosterone, estrogen, or other
18 androgens to an individual at doses that
19 are superphysiologic than would normally
20 be produced endogenously in a health indi-
21 vidual of the same age and sex.

22 “(2) EXCEPTION.—Paragraph (1) shall not
23 apply to the following:

24 “(A) Puberty suppression or blocking pre-
25 scription drugs for the purpose of normalizing

1 puberty for an individual experiencing pre-
2 cocious puberty.

3 “(B) Medically necessary procedures or
4 treatments to correct for—

5 “(i) a medically verifiable disorder of
6 sex development, including—

7 “(I) 46, XX chromosomes with
8 virilization;

9 “(II) 46, XY chromosomes with
10 undervirilization; and

11 “(III) both ovarian and testicular
12 tissue;

13 “(ii) sex chromosome structure, sex
14 steroid hormone production, or sex hor-
15 mone action, if determined to be abnormal
16 by a physician through genetic or bio-
17 chemical testing;

18 “(iii) infection, disease, injury, or dis-
19 order caused or exacerbated by a previous
20 procedure described in paragraph (1), or a
21 physical disorder, physical injury, or phys-
22 ical illness that would, as certified by a
23 physician, place the individual in imminent
24 danger of death or impairment of a major
25 bodily function unless the procedure is per-

1 formed, not including procedures per-
2 formed for the alleviation of mental dis-
3 tress; or

4 “(iv) procedures to restore or recon-
5 struct the body of the individual in order
6 to correspond to the individual’s sex after
7 one or more previous procedures described
8 in paragraph (1), which may include the
9 removal of a pseudo phallus or breast aug-
10 mentation.

11 “(3) SEX.—For purposes of this subsection, the
12 term ‘sex’ means either male or female, as bio-
13 logically determined and defined by subparagraph
14 (A) and subparagraph (B).

15 “(A) FEMALE.—The term ‘female’ means
16 an individual who naturally has, had, will have,
17 or would have, but for a developmental or ge-
18 netic anomaly or historical accident, the repro-
19 ductive systems that at some point produces,
20 transports, and utilizes eggs for fertilization.

21 “(B) MALE.—The term ‘male’ means an
22 individual who naturally has, had, will have, or
23 would have, but for a developmental or genetic
24 anomaly or historical accident, the reproductive

1 system that at some point produces, transports,
2 and utilizes sperm for fertilization.”.

3 (i) ENSURING APPROPRIATE APPLICATION OF GUAR-
4 ANTEED ISSUE REQUIREMENTS IN CASE OF NON-PAY-
5 MENT OF PAST PREMIUMS.—

6 (1) IN GENERAL.—Section 2702 of the Public
7 Health Service Act (42 U.S.C. 300gg–1) is amended
8 by adding at the end the following new subsection:
9 “(e) NONPAYMENT OF PAST PREMIUMS.—

10 “(1) IN GENERAL.—A health insurance issuer
11 offering individual health coverage may, to the ex-
12 tent allowed under State law, deny such coverage in
13 the case of an individual who owes any amount for
14 premiums for individual health insurance coverage
15 offered by such issuer (or by a health insurance
16 issuer in the same controlled group (as defined in
17 paragraph (3)) as such issuer) in which such indi-
18 vidual was previously enrolled.

19 “(2) ATTRIBUTION OF INITIAL PREMIUM PAY-
20 MENT OWED AMOUNT.—A health insurance issued
21 offering individual health insurance coverage may, in
22 the case of an individual described in paragraph (1)
23 and to the extent allowed under State law, attribute
24 the initial premium payment for such coverage appli-
25 cable to such individual to the amount owed by such

1 individual for premiums for individual health insur-
 2 ance coverage offered by such issuer (or by a health
 3 insurance issuer in the same controlled group as the
 4 issuer) in which such individual was previously en-
 5 rolled.

6 “(3) CONTROLLED GROUP DEFINED.—For pur-
 7 poses of this subsection, the term ‘controlled group’
 8 means a group of two or more persons that is treat-
 9 ed as a single employer under section 52(a), 52(b),
 10 414(m), or 414(o) of the Internal Revenue Code of
 11 1986.”.

12 (2) EFFECTIVE DATE.—The amendment made
 13 by paragraph (1) shall apply with respect to plan
 14 years beginning on or after January 1, 2027.

15 **SEC. 2073. FUNDING COST-SHARING REDUCTION PAY-**
 16 **MENTS.**

17 Section 1402 of the Patient Protection and Afford-
 18 able Care Act (42 U.S.C. 18071) is amended by adding
 19 at the end the following new subsection:

20 “(h) FUNDING.—

21 “(1) IN GENERAL.—There are appropriated out
 22 of any monies in the Treasury not otherwise appro-
 23 priated such sums as may be necessary for purposes
 24 of making payments under this section for plan
 25 years beginning on or after January 1, 2027.

1 “(2) LIMITATION.—

2 “(A) IN GENERAL.—The amounts appro-
3 priated under paragraph (1) may not be used
4 for purposes of making payments under this
5 section for a qualified health plan that provides
6 health benefit coverage that includes coverage
7 of abortion.

8 “(B) EXCEPTION.—Subparagraph (A)
9 shall not apply to payments for a qualified
10 health plan that provides coverage of abortion
11 only if necessary to save the life of the mother
12 or if the pregnancy is a result of an act of rape
13 or incest.”.

14 **TITLE III—ENDING TAXPAYER**
15 **FUNDING FOR ABORTION**
16 **AND GENDER TRANSITION**
17 **PROCEDURES**

18 **Subtitle A—No Taxpayer Funding**
19 **for Abortion and Abortion In-**
20 **surance Full Disclosure Act of**
21 **2025**

22 **SEC. 3000. APPLICABILITY TO ENTIRE ACT.**

23 (a) Notwithstanding any other provision of law, the
24 prohibitions and limitations set forth in this title, includ-
25 ing the amendments made by this title, shall apply to all

1 funds authorized or appropriated under this Act, including
2 under title I, title II, and every subtitle thereof, and to
3 any trust fund to which such funds are contributed.

4 (b) EFFECTIVE DATE.—This section shall take effect
5 on the date of the enactment of this Act.

6 **SEC. 3001. SHORT TITLE.**

7 This Act may be cited as the “No Taxpayer Funding
8 for Abortion and Abortion Insurance Full Disclosure Act
9 of 2025”.

10 **SEC. 3002. PROHIBITING TAXPAYER FUNDED ABORTIONS.**

11 Title 1, United States Code, is amended by adding
12 at the end the following new chapter:

13 **“CHAPTER 4—PROHIBITING TAXPAYER**
14 **FUNDED ABORTIONS**

15 **“§ 301. Prohibition on funding for abortions**

16 “No funds authorized or appropriated by Federal
17 law, and none of the funds in any trust fund to which
18 funds are authorized or appropriated by Federal law, shall
19 be expended for any abortion.

20 **“§ 302. Prohibition on funding for health benefits**
21 **plans that cover abortion**

22 “None of the funds authorized or appropriated by
23 Federal law, and none of the funds in any trust fund to
24 which funds are authorized or appropriated by Federal

1 law, shall be expended for health benefits coverage that
2 includes coverage of abortion.

3 **“§ 303. Limitation on federal facilities and employees**

4 “No health care service furnished—

5 “(1) by or in a health care facility owned or op-
6 erated by the Federal Government; or

7 “(2) by any physician or other individual em-
8 ployed by the Federal Government to provide health
9 care services within the scope of the physician’s or
10 individual’s employment, may include abortion.

11 **“§ 304. Construction relating to separate coverage**

12 “Nothing in this chapter shall be construed as pro-
13 hibiting any individual, entity, or State or locality from
14 purchasing separate abortion coverage or health benefits
15 coverage that includes abortion so long as such coverage
16 is paid for entirely using only funds not authorized or ap-
17 propriated by Federal law and such coverage shall not be
18 purchased using matching funds required for a federally
19 subsidized program, including a State’s or locality’s con-
20 tribution of Medicaid matching funds.

21 **“§ 305. Construction relating to the use of non-federal**
22 **funds for health coverage**

23 “Nothing in this chapter shall be construed as re-
24 stricting the ability of any non-Federal health benefits cov-
25 erage provider from offering abortion coverage, or the abil-

1 ity of a State or locality to contract separately with such
2 a provider for such coverage, so long as only funds not
3 authorized or appropriated by Federal law are used and
4 such coverage shall not be purchased using matching
5 funds required for a federally subsidized program, includ-
6 ing a State's or locality's contribution of Medicaid match-
7 ing funds.

8 **“§ 306. Non-preemption of other federal laws**

9 “Nothing in this chapter shall repeal, amend, or have
10 any effect on any other Federal law to the extent such
11 law imposes any limitation on the use of funds for abortion
12 or for health benefits coverage that includes coverage of
13 abortion, beyond the limitations set forth in this chapter.

14 **“§ 307. Construction relating to complications arising**
15 **from abortion**

16 “Nothing in this chapter shall be construed to apply
17 to the treatment of any infection, injury, disease, or dis-
18 order that has been caused by or exacerbated by the per-
19 formance of an abortion. This rule of construction shall
20 be applicable without regard to whether the abortion was
21 performed in accord with Federal or State law, and with-
22 out regard to whether funding for the abortion is permis-
23 sible under section 308.

1 **“§ 308. Treatment of abortions related to rape, incest,**
2 **or preserving the life of the mother**

3 “The limitations established in sections 301, 302,
4 and 303 shall not apply to an abortion—

5 “(1) if the pregnancy is the result of an act of
6 rape or incest; or

7 “(2) in the case where a woman suffers from a
8 physical disorder, physical injury, or physical illness
9 that would, as certified by a physician, place the
10 woman in danger of death unless an abortion is per-
11 formed, including a life-endangering physical condi-
12 tion caused by or arising from the pregnancy itself.

13 **“§ 309. Application to district of columbia**

14 “In this chapter:

15 “(1) Any reference to funds appropriated by
16 Federal law shall be treated as including any
17 amounts within the budget of the District of Colum-
18 bia that have been approved by an Act of Congress
19 pursuant to section 446 of the District of Columbia
20 Home Rule Act (or any applicable successor Federal
21 law).

22 “(2) The term ‘Federal Government’ includes
23 the Government of the District of Columbia.”.

1 **SEC. 3003. AMENDMENT TO TABLE OF CHAPTERS.**

2 The table of chapters for title 1, United States Code,
3 is amended by adding at the end the following new item:

“4 Prohibiting taxpayer funded abortions 301”.

4 **SEC. 3004. CLARIFYING APPLICATION OF PROHIBITION TO**
5 **PREMIUM CREDITS AND COST-SHARING RE-**
6 **DUCTIONS UNDER ACA.**

7 (a) IN GENERAL.—

8 (1) DISALLOWANCE OF REFUNDABLE CREDIT
9 AND COST-SHARING REDUCTIONS FOR COVERAGE
10 UNDER QUALIFIED HEALTH PLAN WHICH PROVIDES
11 COVERAGE FOR ABORTION.—

12 (A) IN GENERAL.—Subparagraph (A) of
13 section 36B(c)(3) of the Internal Revenue Code
14 of 1986 is amended by inserting before the pe-
15 riod at the end the following: “or any health
16 plan that includes coverage for abortions (other
17 than any abortion or treatment described in
18 section 307 or 308 of title 1, United States
19 Code)”.

20 (B) OPTION TO PURCHASE OR OFFER SEP-
21 ARATE COVERAGE OR PLAN.—Paragraph (3) of
22 section 36B(c) of such Code is amended by
23 adding at the end the following new subpara-
24 graph:

1 “(C) SEPARATE ABORTION COVERAGE OR
2 PLAN ALLOWED.—

3 “(i) OPTION TO PURCHASE SEPARATE
4 COVERAGE OR PLAN.—Nothing in subpara-
5 graph (A) shall be construed as prohibiting
6 any individual from purchasing separate
7 coverage for abortions described in such
8 subparagraph, or a health plan that in-
9 cludes such abortions, so long as no credit
10 is allowed under this section with respect
11 to the premiums for such coverage or plan.

12 “(ii) OPTION TO OFFER COVERAGE OR
13 PLAN.—Nothing in subparagraph (A) shall
14 restrict any non-Federal health insurance
15 issuer offering a health plan from offering
16 separate coverage for abortions described
17 in such subparagraph, or a plan that in-
18 cludes such abortions, so long as premiums
19 for such separate coverage or plan are not
20 paid for with any amount attributable to
21 the credit allowed under this section (or
22 the amount of any advance payment of the
23 credit under section 1412 of the Patient
24 Protection and Affordable Care Act).’”.

1 (2) DISALLOWANCE OF SMALL EMPLOYER
2 HEALTH INSURANCE EXPENSE CREDIT FOR PLAN
3 WHICH INCLUDES COVERAGE FOR ABORTION.—Sub-
4 section (h) of section 45R of the Internal Revenue
5 Code of 1986 is amended—

6 (A) by striking “Any term” and inserting
7 the following:

8 “(1) IN GENERAL.—Any term”; and

9 (B) by adding at the end the following new
10 paragraph:

11 “(2) EXCLUSION OF HEALTH PLANS INCLUDING
12 COVERAGE FOR ABORTION.—

13 “(A) IN GENERAL.—The term ‘qualified
14 health plan’ does not include any health plan
15 that includes coverage for abortions (other than
16 any abortion or treatment described in section
17 307 or 308 of title 1, United States Code).

18 “(B) SEPARATE ABORTION COVERAGE OR
19 PLAN ALLOWED.—

20 “(i) OPTION TO PURCHASE SEPARATE
21 COVERAGE OR PLAN.—Nothing in subpara-
22 graph (A) shall be construed as prohibiting
23 any employer from purchasing for its em-
24 ployees separate coverage for abortions de-
25 scribed in such subparagraph, or a health

1 plan that includes such abortions, so long
 2 as no credit is allowed under this section
 3 with respect to the employer contributions
 4 for such coverage or plan.

5 “(ii) OPTION TO OFFER COVERAGE OR
 6 PLAN.—Nothing in subparagraph (A) shall
 7 restrict any non-Federal health insurance
 8 issuer offering a health plan from offering
 9 separate coverage for abortions described
 10 in such subparagraph, or a plan that in-
 11 cludes such abortions, so long as such sep-
 12 arate coverage or plan is not paid for with
 13 any employer contribution eligible for the
 14 credit allowed under this section.”.

15 (3) CONFORMING ACA AMENDMENTS.—Section
 16 1303(b) of Public Law 111–148 (42 U.S.C.
 17 18023(b)) is amended—

18 (A) by striking paragraph (2);

19 (B) by striking paragraph (3), as amended
 20 by section 202(a); and

21 (C) by redesignating paragraph (4) as
 22 paragraph (2).

23 (b) APPLICATION TO MULTI-STATE PLANS.—Para-
 24 graph (6) of section 1334(a) of Public Law 111–148 (42
 25 U.S.C. 18054(a)) is amended to read as follows:

1 “(6) COVERAGE CONSISTENT WITH FEDERAL
 2 ABORTION POLICY.—In entering into contracts
 3 under this subsection, the Director shall ensure that
 4 no multi-State qualified health plan offered in an
 5 Exchange provides health benefits coverage for
 6 which the expenditure of Federal funds is prohibited
 7 under chapter 4 of title 1, United States Code.”.

8 (c) EFFECTIVE DATE.—The amendments made by
 9 subsection (a) shall apply to taxable years ending after
 10 December 31, 2025, but only with respect to plan years
 11 beginning after such date, and the amendment made by
 12 subsection (b) shall apply to plan years beginning after
 13 such date.

14 **SEC. 3005. REVISION TO NOTICE REQUIREMENTS REGARD-**
 15 **ING DISCLOSURE OF EXTENT OF HEALTH**
 16 **PLAN COVERAGE OF ABORTION AND ABOR-**
 17 **TION PREMIUM SURCHARGES.**

18 (a) IN GENERAL.—Paragraph (3) of section 1303(b)
 19 of Public Law 111–148 (42 U.S.C. 18023(b)) is amended
 20 to read as follows:

21 “(3) RULES RELATING TO NOTICE.—

22 “(A) IN GENERAL.—The extent of cov-
 23 erage (if any) of services described in para-
 24 graph (1)(B)(i) or (1)(B)(ii) by a qualified
 25 health plan shall be disclosed to enrollees at the

1 time of enrollment in the plan and shall be
2 prominently displayed in any marketing or ad-
3 vertising materials, comparison tools, or sum-
4 mary of benefits and coverage explanation made
5 available with respect to such plan by the issuer
6 of the plan, by an Exchange, or by the Sec-
7 retary, including information made available
8 through an internet portal or Exchange under
9 sections 1311(c)(5) and 1311(d)(4)(C).

10 “(B) SEPARATE DISCLOSURE OF ABOR-
11 TION SURCHARGES.—In the case of a qualified
12 health plan that includes the services described
13 in paragraph (1)(B)(i) and where the premium
14 for the plan is disclosed, including in any mar-
15 keting or advertising materials or any other in-
16 formation referred to in subparagraph (A), the
17 surcharge described in paragraph (2)(B)(i)(II)
18 that is attributable to such services shall also be
19 disclosed and identified separately.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall apply to materials, tools, or other in-
22 formation made available more than 30 days after the date
23 of the enactment of this Act.

1 **Subtitle B—Prohibiting Federal**
2 **Funding for Gender Transition**
3 **Procedures**

4 **SEC. 3006. SHORT TITLE.**

5 This Act may be cited as the “End Taxpayer Fund-
6 ing of Gender Experimentation Act of 2025”

7 **SEC. 3007. PROHIBITING FEDERAL FUNDING FOR GENDER**
8 **TRANSITION PROCEDURES.**

9 (a) DEFINITION.—In this section, the term “Speci-
10 fied sex-trait modification procedure” means any pharma-
11 ceutical or surgical intervention that is provided for the
12 purpose of attempting to align an individual’s physical ap-
13 pearance or body with an asserted identity that differs
14 from the individual’s sex either by:

15 (1) Intentionally disrupting or suppressing the
16 normal development of natural biological functions,
17 including primary or secondary sex-based traits; or

18 (2) Intentionally altering an individual’s phys-
19 ical appearance or body, including amputating, mini-
20 mizing or destroying primary or secondary sex-based
21 traits such as the sexual and reproductive organs.

22 (3) This term does not include procedures un-
23 dertaken:

24 (A) To treat a person with a medically
25 verifiable disorder of sexual development; or

1 (B) For purposes other than attempting to
2 align an individual's physical appearance or
3 body with an asserted identity that differs from
4 the individual's sex.

5 (b) GENERAL PROHIBITION.—Notwithstanding any
6 other provision of law, no Federal funds (including funds
7 provided through grants, contracts, insurance, or any
8 other means) may be used to pay for, reimburse, or other-
9 wise support any specified sex-trait modification proce-
10 dure.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall take effect on the date of the enactment
13 of this Act and shall apply to payments, reimbursements,
14 and services provided on or after such date.

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