

**AMENDMENT**  
**OFFERED BY MR. FITZPATRICK OF**  
**PENNSYLVANIA**

At the end of title II, add the following new sections:

1   **SEC. 203. EXTENSION AND MODIFICATION OF ENHANCED**  
2                   **PREMIUM TAX CREDIT.**

3           (a) EXTENSION AND MODIFICATION OF RULES TO  
4 INCREASE PREMIUM ASSISTANCE AMOUNTS.—Section  
5 36B(b)(3)(A)(iii) of the Internal Revenue Code of 1986  
6 is amended to read as follows:

7                   “(iii) TEMPORARY RULES FOR 2026  
8                   AND 2027.—In the case of any taxable  
9                   year beginning after December 31, 2025,  
10                  and before January 1, 2028—

11                   “(I) TAXPAYERS WHOSE HOUSE-  
12                   HOLD INCOME DOES NOT EXCEED 150  
13                   PERCENT OF POVERTY LINE.—With  
14                   respect to any taxpayer whose house-  
15                   hold income does not exceed 150 per-  
16                   cent of the poverty line for such tax-  
17                   able year—

1 “(aa) the applicable percent-  
2 age for such taxpayer shall be  
3 0%, and

4 “(bb) the premium assist-  
5 ance amount (determined after  
6 application of clause (aa)) with  
7 respect to any coverage month  
8 shall not exceed the excess of the  
9 amount described in paragraph  
10 (2)(A) over \$5.

11 “(II) TAXPAYERS WHOSE HOUSE-  
12 HOLD INCOME DOES NOT EXCEED 200  
13 PERCENT OF POVERTY LINE.—With  
14 respect to any taxpayer whose house-  
15 hold income exceeds 150 percent of  
16 the poverty line but does not exceed  
17 200 percent of the poverty line for  
18 such taxable year, the premium assist-  
19 ance amount determined under para-  
20 graph (2), with respect to any cov-  
21 erage month, shall be the amount  
22 such that the premium assistance  
23 amount for such a taxpayer shall de-  
24 crease, on a sliding scale in a linear  
25 manner, from—

1 “(aa) the premium assist-  
2 ance amount which would be de-  
3 termined under subclause (I) if  
4 the household income of such  
5 taxpayer were 150 percent of the  
6 poverty line, to

7 “(bb) the premium assist-  
8 ance amount which would be de-  
9 termined under paragraph (2) if  
10 subparagraph (B)(ii) thereof  
11 were applied by substituting ‘2  
12 percent’ for ‘the applicable per-  
13 centage’.

14 “(III) TAXPAYERS WHOSE  
15 HOUSEHOLD INCOME EXCEEDS 200  
16 PERCENT OF POVERTY LINE.—With  
17 respect to any taxpayer whose house-  
18 hold income exceeds 200 percent of  
19 the poverty line for such taxable year,  
20 clause (ii) shall not apply and the ap-  
21 plicable percentage for such taxable  
22 year shall be the percentage such that  
23 the applicable percentage for such a  
24 taxpayer whose household income is  
25 within an income tier specified in the

1 following table shall increase, on a  
 2 sliding scale in a linear manner, from  
 3 the initial premium percentage to the  
 4 final premium percentage specified in  
 5 such table for such income tier:

“In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is-	The final premium percentage is-
200% up to 250%	2.0%	4.0%
250% up to 300%	4.0%	6.0%
300% up to 400%	6.0%	8.5%
400% up to 600%	8.5%	8.5%
600% up to 700%	8.5%	9.25%”.

6 (b) EXTENSION AND MODIFICATION OF RULE TO  
 7 ALLOW CREDIT TO TAXPAYERS WHOSE HOUSEHOLD IN-  
 8 COME EXCEEDS 400 PERCENT OF POVERTY LINE.—Sec-  
 9 tion 36B(c)(1)(E) of such Code is amended to read as fol-  
 10 lows:

11 “(E) TEMPORARY RULE FOR 2026 AND  
 12 2027.—In the case of a taxable year beginning  
 13 after December 31, 2025, and before January  
 14 1, 2028, subparagraph (A) shall be applied by  
 15 substituting ‘but does not exceed 700 percent’  
 16 for ‘but does not exceed 400 percent’.”.

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

1 **SEC. 204. GUARDRAILS TO PREVENT FRAUD IN EX-**  
2 **CHANGES.**

3 (a) REDUCTION OF FRAUDULENT ENROLLMENT IN  
4 QUALIFIED HEALTH PLANS.—

5 (1) PENALTIES FOR AGENTS AND BROKERS.—

6 Section 1411(h)(1) of the Patient Protection and Af-  
7 fordable Care Act (42 U.S.C. 18081(h)(1)) is  
8 amended—

9 (A) in subparagraph (A)—

10 (i) by redesignating clause (ii) as  
11 clause (iv);

12 (ii) in clause (i)—

13 (I) in the matter preceding sub-  
14 clause (I), by striking “If—” and all  
15 that follows through the “such per-  
16 son” in the matter following subclause  
17 (II) and inserting the following: “If  
18 any person (other than an agent or  
19 broker) fails to provide correct infor-  
20 mation under subsection (b) and such  
21 failure is attributable to negligence or  
22 disregard of any rules or regulations  
23 of the Secretary, such person”; and

24 (II) in the second sentence, by  
25 striking “For purposes” and inserting  
26 the following:

1 “(iii) DEFINITIONS OF NEGLIGENCE,  
2 DISREGARD.—For purposes”;

3 (iii) by inserting after clause (i) the  
4 following:

5 “(ii) CIVIL PENALTIES FOR CERTAIN  
6 VIOLATIONS BY AGENTS OR BROKERS.—If  
7 any agent or broker fails to provide correct  
8 information under subsection (b) or section  
9 1311(c)(8) or other information, as speci-  
10 fied by the Secretary, and such failure is  
11 attributable to negligence or disregard of  
12 any rules or regulations of the Secretary,  
13 such agent or broker shall be subject, in  
14 addition to any other penalties that may be  
15 prescribed by law, to a civil penalty of not  
16 less than \$10,000 and not more than  
17 \$50,000 with respect to each individual  
18 who is the subject of an application for  
19 which such incorrect information is pro-  
20 vided.”; and

21 (iv) in clause (iv) (as so redesignated),  
22 by inserting “or (ii)” after “clause (i)”;  
23 and

24 (B) in subparagraph (B)—

1 (i) by striking “Any person” and in-  
2 serting the following:

3 “(i) IN GENERAL.—Any person”; and

4 (ii) by adding at the end the fol-  
5 lowing:

6 “(ii) CIVIL PENALTIES FOR KNOWING  
7 VIOLATIONS BY AGENTS OR BROKERS.—

8 “(I) IN GENERAL.—Any agent or  
9 broker who knowingly provides false  
10 or fraudulent information under sub-  
11 section (b) or section 1311(c)(8), or  
12 other false or fraudulent information  
13 as part of an application for enroll-  
14 ment in a qualified health plan offered  
15 through an Exchange, as specified by  
16 the Secretary, shall be subject, in ad-  
17 dition to any other penalties that may  
18 be prescribed by law, to a civil penalty  
19 of not more than \$200,000 with re-  
20 spect to each individual who is the  
21 subject of an application for which  
22 such false or fraudulent information is  
23 provided.

24 “(II) PROCEDURE.—The provi-  
25 sions of section 1128A of the Social

1 Security Act (other than subsections  
2 (a) and (b) of such section) shall  
3 apply to a civil monetary penalty  
4 under subclause (I) in the same man-  
5 ner as such provisions apply to a pen-  
6 alty or proceeding under section  
7 1128A of the Social Security Act.”.

8 (2) CONSUMER PROTECTIONS.—

9 (A) IN GENERAL.—Section 1311(c) of the  
10 Patient Protection and Affordable Care Act (42  
11 U.S.C. 18031(c)) is amended by adding at the  
12 end the following new paragraph:

13 “(8) AGENT- OR BROKER-ASSISTED ENROLL-  
14 MENT IN QUALIFIED HEALTH PLANS IN CERTAIN  
15 EXCHANGES.—

16 “(A) IN GENERAL.—For plan years begin-  
17 ning on or after such date specified by the Sec-  
18 retary, but not later than January 1, 2029, in  
19 the case of an Exchange that the Secretary op-  
20 erates pursuant to section 1321(c)(1), the Sec-  
21 retary shall establish a verification process for  
22 new enrollments of individuals in, and changes  
23 in coverage for individuals under, a qualified  
24 health plan offered through such Exchange,  
25 which are submitted by an agent or broker in



1           accordance with section 1312(e) and for which  
2           the agent or broker is eligible to receive a com-  
3           mission.

4           “(B) REQUIREMENTS.—The enrollment  
5           verification process under subparagraph (A)  
6           shall include—

7                   “(i) a requirement that the agent or  
8                   broker provide with the new enrollment or  
9                   coverage change such documentation or  
10                  evidence (such as a standardized consent  
11                  form) or other sources as the Secretary de-  
12                  termines necessary to establish that the  
13                  agent or broker has the consent of the in-  
14                  dividual for the new enrollment or coverage  
15                  change;

16                  “(ii) a requirement that any commis-  
17                  sions due to a broker or agent for such  
18                  new enrollment or coverage change are  
19                  paid after the enrollee has resolved all in-  
20                  consistencies in accordance with para-  
21                  graphs (3) and (4) of section 1411(e);

22                  “(iii) a requirement that the informa-  
23                  tion required under clause (i) and, as ap-  
24                  plicable, the date on which inconsistencies  
25                  are resolved as described in clause (ii), is

1 accessible to the applicable qualified health  
2 plan through a database or other resource,  
3 as determined by the Secretary, so that  
4 any commissions due to a broker or agent  
5 for such enrollment can be effectuated at  
6 the appropriate time;

7 “(iv) a requirement that individuals  
8 are notified of any changes to enrollment,  
9 coverage, the agent of record, or premium  
10 tax credits in a timely manner and that  
11 such notice provides plain language in-  
12 structions on how individuals can cancel  
13 unauthorized activity;

14 “(v) a requirement that individuals be  
15 able to access their account information on  
16 a website or other technology platform, as  
17 defined by the Secretary, when used to  
18 submit an enrollment or plan change, in  
19 lieu of the Exchange website described in  
20 subsection (d)(4)(C), including information  
21 on the agent of record, the qualified health  
22 plan, and when any changes are made to  
23 the agent of record or the qualified health  
24 plan, on a consumer-facing website or  
25 through a toll-free telephone hotline; and

1 “(vi) a requirement that the agent or  
2 broker report to the Secretary any third-  
3 party marketing organization or field mar-  
4 keting organization (as such terms are de-  
5 fined in section 1312(e)) involved in the  
6 chain of enrollment (as so defined) with re-  
7 spect to such new enrollment or coverage  
8 change.

9 “(C) CONSUMER PROTECTION.—The Sec-  
10 retary shall ensure that the enrollment  
11 verification process under subparagraph (A)  
12 prioritizes continuity of coverage and care for  
13 individuals, including by not disenrolling indi-  
14 viduals from a qualified health plan without the  
15 consent of the individual, regardless of whether  
16 the broker, agent, or qualified health plan is in  
17 violation of any requirement under this para-  
18 graph.”.

19 (B) REQUIRED REPORTING.—Section  
20 1311(c)(1) of the Patient Protection and Af-  
21 fordable Care Act (42 U.S.C. 18031(c)(1)) is  
22 amended—

23 (i) in subparagraph (H), by striking  
24 “and” at the end;

1 (ii) in subparagraph (I), by striking  
2 the period at the end and inserting “;  
3 and”; and

4 (iii) by adding at the end the fol-  
5 lowing:

6 “(J) report to the Secretary the termi-  
7 nation (as defined in section 1312(e)(1)(C)) of  
8 an issuer.”.

9 (3) AUTHORITY TO REGULATE FIELD MAR-  
10 KETING ORGANIZATIONS AND THIRD-PARTY MAR-  
11 KETING ORGANIZATIONS.—Section 1312(e) of the  
12 Patient Protection and Affordable Care Act (42  
13 U.S.C. 18032(e)) is amended—

14 (A) by redesignating paragraphs (1) and  
15 (2) as subclauses (I) and (II), respectively, and  
16 adjusting the margins accordingly;

17 (B) in subclause (II) (as so redesignated),  
18 by striking the period at the end and inserting  
19 “; and”;

20 (C) by striking the subsection designation  
21 and heading and all that follows through “bro-  
22 kers—” and inserting the following:

23 “(e) REGULATION OF AGENTS, BROKERS, AND CER-  
24 TAIN MARKETING ORGANIZATIONS.—

1           “(1) AGENTS, BROKERS, AND CERTAIN MAR-  
2           KETING ORGANIZATIONS.—

3           “(A) IN GENERAL.—The Secretary shall  
4           establish procedures under which a State may  
5           allow—

6                     “(i) agents or brokers—”; and

7                     (D) by adding at the end the following:

8                     “(ii) field marketing organizations  
9                     and third-party marketing organizations to  
10                    participate in the chain of enrollment for  
11                    an individual with respect to qualified  
12                    health plans offered through an Exchange.

13           “(B) CRITERIA.—For plan years beginning  
14           on or after such date specified by the Secretary,  
15           but not later than January 1, 2029, the Sec-  
16           retary, by regulation, shall establish criteria for  
17           States to use in determining whether to allow  
18           agents and brokers to enroll individuals and  
19           employers in qualified health plans as described  
20           in subclause (I) of subparagraph (A)(i) and to  
21           assist individuals as described in subclause (II)  
22           of such subparagraph and field marketing orga-  
23           nizations and third-party marketing organiza-  
24           tions to participate in the chain of enrollment

1 as described in subparagraph (A)(ii). Such cri-  
2 teria shall, at a minimum, require that—

3 “(i) an agent or broker act in accord-  
4 ance with a standard of conduct that in-  
5 cludes a duty of such agent or broker to  
6 act in the best interests of the enrollee;

7 “(ii) a field marketing organization or  
8 third-party marketing organization agree  
9 to report the termination of an agent or  
10 broker to the applicable State and the Sec-  
11 retary, including the reason for termi-  
12 nation; and

13 “(iii) an agent, broker, field mar-  
14 keting organization, or third-party mar-  
15 keting organization—

16 “(I) meet such marketing re-  
17 quirements as are required by the  
18 Secretary;

19 “(II) meet marketing require-  
20 ments in accordance with other appli-  
21 cable Federal or State law;

22 “(III) does not employ practices  
23 that are confusing or misleading, as  
24 determined by the Secretary;

1                   “(IV) submit all marketing mate-  
2                   rials to the Secretary for, as deter-  
3                   mined appropriate by the Secretary,  
4                   review and approval;

5                   “(V) is a licensed agent or broker  
6                   or meets other licensure requirements,  
7                   as required by the State;

8                   “(VI) register with the Secretary;  
9                   and

10                  “(VII) does not compensate any  
11                  individual or organization for referrals  
12                  or any other service relating to the  
13                  sale of, marketing for, or enrollment  
14                  in qualified health plans unless such  
15                  individual or organization meets the  
16                  criteria described in subclauses (I)  
17                  through (VI).

18                  “(C) DEFINITIONS.—In this paragraph:

19                  “(i) CHAIN OF ENROLLMENT.—The  
20                  term ‘chain of enrollment’, with respect to  
21                  enrollment of an individual in a qualified  
22                  health plan offered through an Exchange,  
23                  means any steps taken from marketing to  
24                  such individual, to such individual making

1 an enrollment decision with respect to such  
2 a plan.

3 “(ii) FIELD MARKETING ORGANIZA-  
4 TION.—The term ‘field marketing organi-  
5 zation’ means an organization or individual  
6 that directly employs or contracts with  
7 agents and brokers, or contracts with car-  
8 riers, to provide functions relating to en-  
9 rollment of individuals in qualified health  
10 plans offered through an Exchange as part  
11 of the chain of enrollment.

12 “(iii) MARKETING.—The term ‘mar-  
13 keting’ means the use of marketing mate-  
14 rials to provide information to current and  
15 prospective enrollees in a qualified health  
16 plan offered through an Exchange.

17 “(iv) MARKETING MATERIALS.—The  
18 term ‘marketing materials’ means mate-  
19 rials relating to a qualified health plan of-  
20 fered through an Exchange or benefits of-  
21 fered through an Exchange that—

22 “(I) are intended—

23 “(aa) to draw an individual’s  
24 attention to such plan or the pre-  
25 mium tax credits or cost-sharing



1 reductions for such plan or plans  
2 offered through an Exchange;

3 “(bb) to influence an indi-  
4 vidual’s decision-making process  
5 when selecting a qualified health  
6 plan in which to enroll; or

7 “(cc) to influence an enroll-  
8 ee’s decision to stay enrolled in  
9 such plan; and

10 “(II) include or address content  
11 regarding the benefits, benefit struc-  
12 ture, premiums, or cost sharing of  
13 such plan.

14 “(v) TERMINATION.—The term ‘ter-  
15 mination’, with respect to a contract or  
16 business arrangement between an agent or  
17 broker and a field marketing organization,  
18 third-party marketing organization, or  
19 health insurance issuer, means—

20 “(I) the ending of such contract  
21 or business arrangement, either uni-  
22 laterally by one of the parties or on  
23 mutual agreement; or

24 “(II) the expiration of such con-  
25 tract or business arrangement that is

1 not replaced by a substantially similar  
2 agreement.

3 “(vi) THIRD-PARTY MARKETING ORGA-  
4 NIZATION.—The term ‘third-party mar-  
5 keting organization’ means an organization  
6 or individual that is compensated to per-  
7 form lead generation, marketing, or sales  
8 relating to enrollment of individuals in  
9 qualified health plans offered through an  
10 Exchange as part of the chain of enroll-  
11 ment.”.

12 (4) TRANSPARENCY.—Section 1312(e) of the  
13 Patient Protection and Affordable Care Act (42  
14 U.S.C. 18032(e)), as amended by paragraph (3), is  
15 further amended by adding at the end the following  
16 new paragraphs:

17 “(2) AUDITS.—

18 “(A) IN GENERAL.—For plan years begin-  
19 ning on or after such date specified by the Sec-  
20 retary, but not later than January 1, 2029, the  
21 Secretary, in coordination with the States and  
22 in consultation with the National Association of  
23 Insurance Commissioners, shall implement a  
24 process for the oversight and enforcement of  
25 agent and broker compliance with this section

1 and other applicable Federal and State law (in-  
2 cluding regulations) that shall include—

3 “(i) periodic audits of agents and bro-  
4 kers based on—

5 “(I) complaints filed with the  
6 Secretary by individuals enrolled by  
7 such an agent or broker in a qualified  
8 health plan offered through an Ex-  
9 change;

10 “(II) an incident or enrollment  
11 pattern that suggests fraud; and

12 “(III) other factors determined  
13 by the Secretary; and

14 “(ii) a process under which the Sec-  
15 retary shall share audit results and refer  
16 potential cases of fraud to the relevant  
17 State department of insurance.

18 “(B) EFFECT.—Nothing in this paragraph  
19 limits or restricts any referrals made under sec-  
20 tion 1311(i)(3) or any enforcement actions  
21 under section 1411(h).

22 “(3) LIST.—The Secretary shall develop a proc-  
23 ess to regularly provide to qualified health plans,  
24 Exchanges, and States a list of suspended and ter-  
25 minated agents and brokers.”.

1 (b) REMOVAL OF DECEASED INDIVIDUALS FROM EX-  
2 CHANGE PLANS.—

3 (1) IN GENERAL.—Section 1311(c) of the Pa-  
4 tient Protection and Affordable Care Act (42 U.S.C.  
5 18031(c)), as amended by subsection (a), is further  
6 amended by adding at the end the following new  
7 paragraph:

8 “(9) REMOVAL OF DECEASED INDIVIDUALS  
9 FROM EXCHANGE PLANS.—

10 “(A) IN GENERAL.—Not later than Janu-  
11 ary 1, 2027, and on a biannual basis thereafter,  
12 the Secretary shall conduct a check of the  
13 Death Master File (as defined in section 203(d)  
14 of the Bipartisan Budget Act of 2013) for pur-  
15 poses of identifying individuals enrolled in a  
16 qualified health plan through an Exchange who  
17 are deceased.

18 “(B) PROCESS.—The Secretary shall es-  
19 tablish a process to verify that an individual  
20 identified pursuant to a check described in sub-  
21 paragraph (A) is deceased and, in the case such  
22 individual is verified as being deceased—

23 “(i) if such individual is enrolled in  
24 self-only coverage, require an Exchange to

1 terminate such individual's enrollment  
2 under a qualified health plan; and  
3 “(ii) if such individual is enrolled in  
4 coverage other than self-only coverage, re-  
5 quire an Exchange to notify any individ-  
6 uals remaining on the qualified health plan  
7 of the deceased individual of the need to  
8 update coverage information under such  
9 plan.”.

10 (2) MANDATORY SPECIAL ENROLLMENT PE-  
11 RIOD.—The Secretary of Health and Human Serv-  
12 ices shall revise section 155.420(d)(2)(ii) of title 42,  
13 Code of Federal Regulations (or a successor regula-  
14 tion) to ensure that, for plan years beginning on or  
15 after January 1, 2027, a special enrollment period  
16 is required to be provided under all Exchanges es-  
17 tablished under title I of the Patient Protection and  
18 Affordable Care Act (Public Law 111–148) for indi-  
19 viduals experiencing an event described in such sec-  
20 tion.

21 (c) STANDARD OF PROOF FOR TERMINATING  
22 AGENTS AND BROKERS.—Section 1312(e) of the Patient  
23 Protection and Affordable Care Act (42 U.S.C. 18032(e)),  
24 as amended by subsection (a), is further amended by add-  
25 ing at the end the following new paragraph:

1           “(4) STANDARD FOR TERMINATION FOR CER-  
2           TAIN EXCHANGES.—In the case of an agent or  
3           broker with an agreement in effect with an Ex-  
4           change operated by the Secretary pursuant to sec-  
5           tion 1321(c) to perform activities described in para-  
6           graph (1)(A)(i) with respect to such Exchange, the  
7           Secretary may terminate such agreement for cause  
8           if the Secretary finds, based on a preponderance of  
9           the evidence, that such agent or broker has violated  
10          such agreement, otherwise applicable law, or any  
11          other requirement applicable to such agent or  
12          broker.”.

13          (d) REQUIREMENT FOR EXCHANGE TO NOTIFY INDIV-  
14          IDUALS OF VALUE OF PREMIUM TAX CREDITS.—Section  
15          1412(c)(2) of the Patient Protection and Affordable Care  
16          Act (42 U.S.C. 18082(c)(2)) is amended by adding at the  
17          end the following new subparagraph:

18                 “(C) EXCHANGE RESPONSIBILITIES.—Be-  
19                 ginning January 1, 2027, if an Exchange is no-  
20                 tified under paragraph (1) of an advance deter-  
21                 mination under section 1411 with respect to the  
22                 eligibility of an individual for a premium tax  
23                 credit under section 36B of the Internal Rev-  
24                 enue Code of 1986, the Exchange shall, prior to  
25                 enrolling such individual in a qualified health

1 plan, clearly notify such individual of the  
2 amount of such tax credit.”.

3 **SEC. 205. EXTENDING ANNUAL OPEN ENROLLMENT PERIOD**  
4 **FOR EXCHANGES FOR PLAN YEAR 2026.**

5 The Secretary of Health and Human Services shall  
6 revise section 155.410(e) of title 45, Code of Federal Reg-  
7 ulations (or any successor regulation) to provide that the  
8 annual open enrollment period determined for plan year  
9 2026 pursuant to section 1311(c)(6) of the Patient Pro-  
10 tection and Affordable Care Act (42 U.S.C. 18031(c)(6))  
11 shall begin on November 1, 2025, and end on March 1,  
12 2026.

13 **SEC. 206. QUALIFIED EXCHANGE ENROLLEES ELIGIBLE TO**  
14 **ESTABLISH HEALTH SAVINGS ACCOUNTS.**

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

18 “(i) QUALIFIED EXCHANGE ENROLLEES ELIGIBLE  
19 TO ESTABLISH HEALTH SAVINGS ACCOUNTS.—

20 “(1) IN GENERAL.—For purposes of this sec-  
21 tion, an individual who is a qualified Exchange en-  
22 rollee for any month during a taxable year shall be  
23 treated as an eligible individual for each of the  
24 months in such taxable year and each taxable year  
25 thereafter. Notwithstanding the previous sentence,

1 any individual who elects to make an advance pre-  
2 mium payment under section 1412(c)(2)(C) of the  
3 Patient Protection and Affordable Care Act with re-  
4 spect to any month during a taxable year shall not  
5 be treated as an eligible individual for such month  
6 or any other month during such taxable year.

7 “(2) QUALIFIED EXCHANGE ENROLLEE.—For  
8 purposes of this subsection, the term ‘qualified Ex-  
9 change enrollee’ means, with respect to any month  
10 during a taxable year, any individual if, as of the 1st  
11 day of such month, such individual is enrolled in a  
12 qualified health plan in the individual market  
13 through an Exchange established under the Patient  
14 Protection and Affordable Care Act that is—

15 “(A) the lowest cost bronze plan available  
16 to such individual through such Exchange, or

17 “(B) in the case that, for any month dur-  
18 ing the preceding taxable year, such individual  
19 was enrolled in a qualified health plan in the in-  
20 dividual market through such an Exchange (re-  
21 ferred to in this paragraph as the ‘previous  
22 plan’), such a qualified health plan for which  
23 the monthly premium is lower than the monthly  
24 premium that was in effect for the previous  
25 plan.



1           “(3) APPLICATION OF MONTHLY LIMITATIONS  
2           FOR CONTRIBUTIONS.—In the case of an individual  
3           who is treated as an eligible individual under para-  
4           graph (1), subsection (b)(2) shall be applied as if  
5           each reference to ‘high deductible health plan’ were  
6           a reference to ‘a qualified health plan in the indi-  
7           vidual market that was enrolled in through an Ex-  
8           change established under the Patient Protection and  
9           Affordable Care Act’.

10           “(4) COORDINATION WITH CONTRIBUTIONS OF  
11           PARTIAL ADVANCE PREMIUM TAX CREDIT.—

12           “(A) IN GENERAL.—The limitation which  
13           would (but for this paragraph) apply under sub-  
14           section (b) for any taxable year to an individual  
15           who is treated as an eligible individual under  
16           paragraph (1) shall be reduced (but not below  
17           zero) by the aggregate amount contributed to  
18           health savings accounts of such individual for  
19           such taxable year under section 1412(f) of the  
20           Patient Protection and Affordable Care Act  
21           (and such amount shall not be allowed as a de-  
22           duction under subsection (a)).

23           “(B) EXCLUSION FROM GROSS INCOME.—  
24           Any amount contributed during a taxable year  
25           to a health savings account of an eligible indi-

1           vidual under section 1412(f) of the Patient Pro-  
2           tection and Affordable Care Act shall not be in-  
3           cluded in the gross income of such individual  
4           for such taxable year. For purposes of sub-  
5           section (f)(3) and section 4973(g), any amount  
6           excluded from gross income under this subpara-  
7           graph shall be treated in the same manner as  
8           an amount excluded under section 106(d).

9           “(5) ALLOWING HEALTH INSURANCE TO BE  
10          PURCHASED FROM ACCOUNT.—In the case of an in-  
11          dividual who is treated as an eligible individual  
12          under paragraph (1), subsection (d)(2) shall be ap-  
13          plied without regard to subparagraphs (B) and (C)  
14          thereof.”.

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

18       **SEC. 207. OPTION TO PREPAY ANNUAL PREMIUM; OPTION**  
19                               **TO DIRECT PARTIAL ADVANCE PAYMENT OF**  
20                               **PREMIUM TAX CREDIT INTO HSA.**

21          (a) OPTION TO PREPAY ANNUAL PREMIUM.—Section  
22          1412(c)(2) of the Patient Protection and Affordable Care  
23          Act (42 U.S.C. 18082(c)(2)) is amended—

24                  (1) in subparagraph (B)(i), by inserting “, and,  
25          in the case of an individual who elects to make an

1 advance premium payment under subparagraph (C),  
2 further reduce such premium by \$5” before the  
3 semicolon;

4 (2) by redesignating subparagraph (C), as  
5 added by section 3(d), as subparagraph (D); and

6 (3) by inserting after subparagraph (B) the fol-  
7 lowing new subparagraph:

8 “(C) INDIVIDUAL OPTION TO PREPAY AN-  
9 NUAL PREMIUM.—Beginning with plan years  
10 beginning in 2026, in the case of an individual  
11 with respect to whom an advance determination  
12 has been made under section 1411 that such in-  
13 dividual is eligible for a premium tax credit  
14 under section 36B of the Internal Revenue  
15 Code of 1986, if the premium assistance  
16 amount under subsection (b)(2) of such section  
17 is determined with respect to such individual in  
18 accordance with subsection (b)(3)(A)(iii)(I) of  
19 such section, such individual may elect to make  
20 an advance premium payment to the issuer of  
21 the qualified health plan in which such indi-  
22 vidual is enrolled in an amount equal to \$5  
23 multiplied by—

24 “(i) in the case that the advance de-  
25 termination of eligibility was made during

1 the annual open enrollment period for such  
2 plan year, 12; or

3 “(ii) in the case that the advance de-  
4 termination of eligibility was made during  
5 an open enrollment period other than the  
6 annual open enrollment period for such  
7 plan year, the number of months remain-  
8 ing in such plan year.”.

9 (b) OPTION TO DIRECT PARTIAL ADVANCE PAYMENT  
10 OF PREMIUM TAX CREDIT INTO HSA.—Section 1412 of  
11 the Patient Protection and Affordable Care Act (42  
12 U.S.C. 18082) is amended—

13 (1) in subsection (c)(2)—

14 (A) in subparagraph (A), by striking  
15 “The” and inserting “Subject to subsection (f),  
16 the”; and

17 (B) in subparagraph (B), by inserting  
18 “(including such a payment made in accordance  
19 with subsection (f))” after “an advance pay-  
20 ment”; and

21 (2) by adding at the end the following new sub-  
22 section:

23 “(f) OPTION TO DIRECT PARTIAL ADVANCE PAY-  
24 MENT OF PREMIUM TAX CREDIT TO HSA.—

1           “(1) IN GENERAL.—Beginning with plan years  
2           beginning in 2026, at the election of an eligible en-  
3           rolled individual described in paragraph (2), the ad-  
4           vance payment of the premium tax credit allowed  
5           under section 36B of the Internal Revenue Code of  
6           1986 shall be made as follows:

7                   “(A) The Secretary of the Treasury shall  
8                   make advance payment of 50 percent of such  
9                   premium tax credit to the issuer of a qualified  
10                  health plan on a monthly basis (or such other  
11                  periodic basis as the Secretary may provide).

12                  “(B) The Secretary of the Treasury shall  
13                  make advance payment of 50 percent of such  
14                  premium tax credit into a health savings ac-  
15                  count (as defined in section 223(d) of the Inter-  
16                  nal Revenue Code of 1986) of such individual  
17                  (as designated by such individual) on the same  
18                  basis provided for under subparagraph (A), but  
19                  only to the extent that the aggregate amount of  
20                  such payments does not exceed the limitation  
21                  under section 223(b) of such Code (determined  
22                  without regard to this subsection) which is ap-  
23                  plicable to such individual for the taxable year  
24                  in which such payments are made.

1           “(2) ELIGIBLE ENROLLED INDIVIDUAL.—For  
2           purposes of this subsection, the term ‘eligible en-  
3           rolled individual’ means, with respect to a plan year  
4           (starting with 2026), an individual—

5                   “(A) with respect to whom an advance de-  
6                   termination has been made under section 1411  
7                   that such individual is eligible for a premium  
8                   tax credit under section 36B of the Internal  
9                   Revenue Code of 1986;

10                   “(B) who is, for the first month of such  
11                   plan year, a qualified Exchange enrollee (as de-  
12                   fined in section 223(i) of the Internal Revenue  
13                   Code of 1986); and

14                   “(C) who does not elect to make an ad-  
15                   vance premium payment under subsection  
16                   (c)(2)(C).”.

17 **SEC. 208. REPORT.**

18           Not later than one year after the date of the enact-  
19           ment of this Act, the Secretary of the Treasury and the  
20           Secretary of Health and Human Services shall jointly sub-  
21           mit to Congress a report on the implementation of sections  
22           206 and 207 and any recommendations on expanding ac-  
23           cessibility of health savings accounts.

