

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE SENATE AMENDMENTS TO H.R. 3590
OFFERED BY MR. TERRY OF NEBRASKA**

Strike all after the enacting clause and insert the
following:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE. – This Act may be cited as the
3 “Simple Universal Healthcare Act of 2009”.

4 (b) TABLE OF CONTENTS. – The table of contents of
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Establishment of Citizens Congressional Health Benefits Program
(CCHBP).

Sec. 3. Contracts with entities to offer qualified CCHBP health plans.

Sec. 4. Scope of benefits and coverage.

Sec. 5. Eligibility.

Sec. 6. Enrollment.

Sec. 7. Premiums.

Sec. 8. High-risk reinsurance fund.

Sec. 9. Definitions.

Sec. 10. Effective date and treatment of collective bargaining agreements.

**6 SEC. 2. ESTABLISHMENT OF CITIZENS CONGRESSIONAL
7 HEALTH BENEFITS PROGRAM (CCHBP).**

8 (a) IN GENERAL. – The Director of the Office of Per-
9 sonnel Management shall establish a program (to be
10 known as the “Citizen’s Congressional Health Benefits
11 Program”) to provide comprehensive health insurance cov-
12 erage to -

1 (1) Federal elected officials (including the
2 President, Vice President, and Members of Con-
3 gress); and

4 (2) residents of the United States who are not
5 covered under the Federal Employees Health Bene-
6 fits Program (FEHBP).

7 (b) SIMILAR TO FEHBP.—The coverage shall be
8 provided in a manner similar to the manner in which cov-
9 erage has been provided to Members of Congress and Fed-
10 eral Government employees and retirees and their depend-
11 ents under the Federal Employees Health Benefits Pro-
12 gram (FEHBP).

13 **SEC. 3. CONTRACTS WITH ENTITIES TO OFFER QUALIFIED**
14 **CCHBP HEALTH PLANS.**

15 (a) IN GENERAL.—The Director shall enter into con-
16 tracts with entities for the offering of qualified CCHBP
17 health plans in accordance with this Act. Such contracts
18 shall be entered into in a manner similar to the process
19 by which the Director is authorized to enter into contracts
20 with entities offering health benefits plans under FEHBP.

21 (b) REQUIREMENTS FOR ENTITIES OFFERING
22 PLANS.—The Director may only enter into a contract
23 under subsection (a) with an entity that is—

24 (1) licensed—

1 (A) as a health maintenance organization
2 in the State in which the entity will offer the
3 qualified CCHBP health plan; or

4 (B) to sell group health insurance coverage
5 in such State;

6 (2) meets such requirements, similar to require-
7 ments under FEHBP, as the Director may estab-
8 lish, relating to solvency, adequacy of plan benefits
9 (subject to section 4), organization, structure, gov-
10 ernance, access, and quality; and

11 (3) agrees to participate in the high-risk rein-
12 surance fund described in section 8

13 (c) FEHBP PLANS.—Any health plan offered under
14 FEHBP shall be treated as a qualified CCHBP health
15 plan for purposes of this Act.

16 (d) PREEMPTION OF STATE LAW.—The require-
17 ments of section 4, with respect to the scope and type of
18 benefits required to be provided by a CCHBP health plan.
19 shall supersede any and all State laws.

20 **SEC. 4. SCOPE OF BENEFITS AND COVERAGE.**

21 (a) COMPREHENSIVE BENEFITS.—

22 (1) IN GENERAL.—Subject to paragraph (2),
23 qualified CCHBP health plans shall provide for the
24 same scope and type of benefits that are provided
25 under FEHBP, including—

1 (A) the types of benefits described in sec-
2 tion 8904 of title 5, United States Code; and

3 (B) benefits required by regulation or
4 guidance under FEHBP.

5 (2) PREVENTIVE BENEFITS AND MENTAL
6 HEALTH PARITY.—Qualified CCHBP health plans
7 shall provide a minimum level of preventive benefits
8 determined by the Director, in consultation with the
9 U.S. Preventive Service Task Force, which shall in-
10 clude vaccines for both children and adults, an an-
11 nual physical, cancer screening (including
12 mammographies for women of an appropriate age),
13 and mental health parity.

14 (b) NO EXCLUSION FOR PRE-EXISTING CONDI-
15 TIONS.—Subject to section 6(b)(2), qualified CCHBP
16 health plans shall not impose pre-existing condition exclu-
17 sions or otherwise discriminate against any individual
18 based on the health status of such individual (including
19 genetic information relating to such enrollee, or any dis-
20 ease or condition).

21 (c) ANNUAL AND LIFETIME OUT-OF-POCKET LIMIT
22 INFORMATION.—An entity offering a qualified CCHBP
23 health plan must provide notice to any individual covered
24 by such plan of any benefit or service that is not included

1 in the calculation of the annual or lifetime out-of-pocket
2 limit under such plan.

3 **SEC. 5. ELIGIBILITY.**

4 (a) IN GENERAL.—An individual is eligible to enroll
5 in a qualified CCHBP health plan if—

6 (1) the individual resides in the United States;

7 and

8 (2) the individual is—

9 (A) a citizen or national of the United
10 States;

11 (B) an alien lawfully admitted to the
12 United States for permanent residence;

13 (C) an alien admitted into the United
14 States under section 207 of the Immigration
15 and Nationality Act (relating to refugees);

16 (D) an alien otherwise permanently resid-
17 ing in the United States under color of law (as
18 specified by the Director); or

19 (E) an alien with the status of a non-
20 immigrant who is within a class of long-term
21 nonimmigrants under section 101(a)(15) of the
22 Immigration and Nationality Act that the Di-
23 rector determines, in consultation with the Sec-
24 retary of Homeland Security, to be appropriate.

1 (b) EXCEPTIONS.—The following individuals are not
2 eligible to enroll in a qualified CCHBP health plan:

3 (1) INDIVIDUALS ENROLLED UNDER PUBLIC
4 HEALTH INSURANCE PROGRAMS.—An individual who
5 is enrolled under the Federal employees health bene-
6 fits program under chapter 89 of title 5, United
7 States Code (except for a member of Congress, as
8 defined by section 2106 of title 5, United States
9 Code; or the President); the Medicare program
10 under title XVIII of the Social Security Act; the
11 Medicaid program under title XIX of such Act; the
12 Children's Health Insurance Program under title
13 XXI of such Act; or Tricare under chapter 55 of
14 title 10, United States Code.

15 (2) INCARCERATED INDIVIDUALS.—An indi-
16 vidual who is incarcerated (as specified by the Direc-
17 tor).

18 (c) TREATMENT OF ELECTED OFFICIALS.—A mem-
19 ber of Congress (as defined under section 2106 of title
20 5, United States Code) or the President may enroll in ei-
21 ther a qualified CCHBP health plan under this Act or an
22 FEHBP plan under title 5, United States Code, but may
23 not be enrolled in both types of plans at the same time.

24 (d) CONFIRMATION OF IMMIGRATION STATUS.—The
25 Director, in consultation with each entity offering a quali-

1 fied CCHBP plan, shall promulgate regulations for the
2 use of the automated system known as the Systematic
3 Alien Verification for Entitlements, as provided for by sec-
4 tion 404 of the Illegal Immigrations Reform and Immi-
5 grant Responsibility Act of 1996 (110 Stat. 3009–664)
6 to verify the legal presence of the status of an individual,
7 other than a United States citizen, who seeks to enroll
8 in a qualified CCHBP plan.

9 (e) EMPLOYER OPTION.—

10 (1) IN GENERAL.—An employer may choose to
11 participate in CCHBP and offer qualified CCHBP
12 health plans to employees of such employer as em-
13 ployer sponsored health insurance.

14 (2) NOTICE.—The employer shall inform the
15 Director that the employer is taking such option in
16 a form and manner determined by the Director.

17 (3) MAINTENANCE OF EFFORT REQUIRED.—An
18 employer who provides notice under paragraph (2)
19 must pay the percentage of the cost of the premium,
20 as determined under section 7, for each employee
21 that enrolls in a qualified CCHBP health plan, that
22 is the same as the percentage of the cost of the pre-
23 mium of the health insurance plan that such em-
24 ployer offered to its employees before the employer
25 provided notice under paragraph (2)

1 (4) TAX TREATMENT.—For purposes of the In-
2 ternal Revenue Code of 1986, a qualified CCHBP
3 health plan offered by an employer under this sub-
4 section shall not fail to be treated as employer-pro-
5 vided coverage solely because such employer provides
6 such plan through the CCHBP.

7 **SEC. 6. ENROLLMENT.**

8 (a) ENROLLMENT PROCESS.—The Director shall es-
9 tablish a process to enroll eligible individuals and their
10 families in qualified CCHBP health plans. Such process
11 shall conducted in a manner that is similar to manner en-
12 rollment is conducted under FEHBP. To the extent con-
13 sistent with eligibility under section 3, the Director shall
14 provide rules similar to the rules under FEHBP for the
15 enrollment of family members who are CCHBP-eligible in-
16 dividuals in the same plan.

17 (b) ENROLLMENT PERIOD.—

18 (1) ENROLLMENT UPON INITIAL ELIGIBILITY.—

19 (A) IN GENERAL.—An eligible individual
20 may enroll in a qualified CCHBP health plan—

21 (i) at any time during the 1-year pe-
22 riod beginning on the date that the Citi-
23 zen's Congressional Health Benefits Pro-
24 gram begins to operate; or, if later,

1 (ii) at any time during the 3-month
2 period beginning on the date that such in-
3 dividual becomes eligible to enroll in any
4 qualified CCHBP health plan.

5 (B) TREATMENT OF PREEXISTING CONDI-
6 TIONS.—An individual who enrolls during the
7 periods under paragraph (1) shall not be sub-
8 ject to exclusions or additional costs due to any
9 preexisting conditions that such individual de-
10 veloped before the date such individual enrolled
11 in a qualified CCHBP plan.

12 (2) ANNUAL ENROLLMENT.—

13 (A) IN GENERAL.—An eligible individual
14 who does not enroll in a qualified CCHBP
15 health plan under paragraph (1) may enroll in
16 such a plan during an annual enrollment period
17 of not more than 1 month, as determined by
18 the Director.

19 (B) TREATMENT OF PREEXISTING CONDI-
20 TIONS.—Subject to rules developed by the Di-
21 rector, the entity offering the qualified CCHBP
22 health plan may exclude such individual from
23 enrolling in such a plan under this paragraph
24 due to any preexisting condition which such in-
25 dividual develops before the date of such annual

1 enrollment period. Upon excluding such indi-
2 vidual, the entity offering the qualified CCHBP
3 health plan shall provide such individual with
4 notice of such exclusion and information about
5 enrolling in a high risk pool.

6 (c) CHANGES IN ENROLLMENT.—The Director shall
7 establish enrollment procedures that include an annual
8 open season of at least 1 month and permit changes in
9 enrollment with qualified health plans at other times (such
10 as by reason of changes in marital or dependent status
11 or eligibility). Such procedures shall be based on the en-
12 rollment procedures established under FEHBP. The Di-
13 rector shall provide for termination of such enrollment for
14 an individual at the time the individual is no longer an
15 eligible individual.

16 (d) ENROLLMENT OF EMPLOYEES.—Notwith-
17 standing subsection (b)(2), the employees of an employer
18 that provides notice to the Director under section 5(e)(2)
19 may enroll in a qualified CCHBP health plan during ei-
20 ther the 3-month period beginning on the date that such
21 employer provides such notice or the 3-month period be-
22 ginning on the date that such employee begins working
23 for such employer, whichever is later. Such employee shall
24 not be subject to any costs related to such employee's pre-
25 existing conditions if so enrolled during such period.

1 (e) ENROLLMENT GUIDES.—The Director shall pro-
2 vide for the broad dissemination of information on quali-
3 fied CCHBP health plans offered under this title. Such
4 information shall be provided in a comparative manner,
5 similar to that used under FEHBP, and shall include in-
6 formation, collected through surveys of enrollees, on meas-
7 ures of enrollee satisfaction with the different plans.

8 **SEC. 7. PREMIUMS.**

9 The premiums established for a qualified CCHBP
10 health plan under this Act for individual or family cov-
11 erage—

12 (1) based on the rating system used under
13 FEHBP; and

14 (2) shall not vary based on age, gender, health
15 status (including genetic information), or other fac-
16 tors.

17 **SEC. 8. HIGH-RISK REINSURANCE FUND.**

18 The Director shall establish an arrangement among
19 the entities offering qualified health plans under which
20 such entities contribute in an equitable manner (as deter-
21 mined by the Director) into a fund that provides payment
22 to plans for a percentage (specified by the Director and
23 not to exceed 90 percent) of the costs that they incur for
24 enrollees beyond a predetermined threshold specified by

1 the Director. Such fund shall be funded exclusively by
2 such entities.

3 **SEC. 9. DEFINITIONS.**

4 For purposes of this Act:

5 (1) The term "CCHBP-eligible individual"
6 means an individual described in section 5.

7 (2) The term "Director" means the Director of
8 the Office of Personnel Management.

9 (3) The term "FEHBP" means the program
10 under chapter 89 of title 5, United States Code.

11 (4) The term "qualified CCHBP health plan"
12 means a plan fee-for-service plan, health mainte-
13 nance organization plan, high deductible health in-
14 surance plan, or other health insurance plan that
15 meets the requirements for a health insurance plan
16 under FEHBP and is offered through the CCHBP
17 under this Act by an entity that is qualified to offer
18 such plans.

19 **SEC. 10. EFFECTIVE DATE AND TREATMENT OF COLLEC-**
20 **TIVE BARGAINING AGREEMENTS.**

21 (a) **EFFECTIVE DATE.**—Benefits shall first be made
22 available under this title for items and services furnished
23 on or after the last day of the 9-month period beginning
24 on the date of the enactment of this Act.

1 (b) NON-PREEMPTION OF EXISTING COLLECTIVE
2 BARGAINING AGREEMENTS.—Nothing in this Act shall be
3 construed as preempting any collective bargaining agree-
4 ment that is in effect as of the date of the enactment of
5 this Act, during the period in which such agreement is
6 in effect (without regard to any extension of such agree-
7 ment effected as of such date of enactment).

Amend the title so as to read: “A bill to establish a health benefits program, based on the Federal employees health benefits program, to provide health insurance coverage for the President, Vice President, and Members of Congress, and citizens not eligible for coverage under the Federal employees health benefits program.”.

