



Legislative Bulletin.....April 9, 2014

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H.R. 4414 — Expatriate Health Coverage Clarification Act of 2014

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(Carney, D-DE)***

Order of Business: [H.R. 4414](#) is scheduled to be considered on April 9, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: This bill clarifies the treatment of expatriate health plans under the Affordable Care Act (ACA) with regard to the minimum essential coverage requirements. It requires coverage under an expatriate health plan to be deemed to satisfy the minimum essential coverage requirements under an employer sponsored plan. In addition, for calendar years after 2014, this bill exempts those enrolled in an expatriate health plan from being considered a United States health risk.

An expatriate health plan is one which substantially all the primary enrollees are qualified expatriates, the plan offers benefits in the country in which the individual is located due to their employment and has available a network of provider agreements outside the United States. Another required standard is plans make dependent coverage available up to the age of 26.

Qualified expatriates are participants in a group health plan, who are nationals of the United States, lawful permanent residents, or a nonimmigrant that due to their employment they are abroad at least 90 days or travels abroad at least 15 times during a twelve month period. In addition, students or religious missionaries can be deemed as a qualified expatriate.

Additional Background: In 2013, the Labor Department, Health and Human Services and the Treasury began putting out [guidance](#) on providing temporary transitional relief to certain expatriate health care plans. This relief provides a broad exemption from most of ACA's market reform requirements including requirements to cover children up to age 26, medical loss ratio requirements, guaranteed availability and renewability, pre-existing condition exclusions and excessive waiting periods.

Subsequent [guidance](#) was published earlier this year which further detailed which expatriate health coverage is subject to the ACA and notes, “The Departments note that coverage provided under an insured expatriate health plan generally is minimum essential coverage under section 5000A of the Code.” This relief was expected to last at least through 2016.

Committee Action: H.R. 4414 was introduced on April 7, 2014, and referred to the Committee on Ways and Means, the Committees on Energy and Commerce, Education and the Workforce, the Judiciary, Natural Resources, and House Administration where it awaits further action.

Outside Groups: U.S. Chamber of Commerce – urges a yes and may consider this bill in their annual ‘How They Voted’ scorecard

Administration Position: No statement of administration policy was available at this time.

Cost to Taxpayers: No CBO score was available at this time.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Constitutional Authority: According to the sponsor, “Congress has the power to enact this legislation pursuant to the following: ARTICLE I, SECTION 8, CLAUSE 3. To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.” Read the statement [here](#).

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