



AMENDMENT NO. 1

Calendar No. _____

Purpose: To require short-term limited duration insurance to comply with community rating and guaranteed issue requirements.

IN THE SENATE OF THE UNITED STATES—116th Cong., 1st Sess.

S. 1895

To lower health care costs.

Referred to the Committee on Health, Education, Labor and Pensions and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. MURPHY

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . REQUIREMENTS FOR SHORT-TERM LIMITED DU-**
3 **RATION INSURANCE.**

4 (a) **COMMUNITY RATING.—**

5 (1) **FAIR HEALTH INSURANCE PREMIUMS.—**

6 Section 2701(a) of the Public Health Service Act
7 (42 U.S.C. 300gg(a)) is amended by adding at the
8 end the following:

9 “(6) **APPLICATION TO SHORT-TERM LIMITED**
10 **DURATION INSURANCE.—**

11 “(A) **IN GENERAL.—**Notwithstanding any
12 other provision of this title, this section shall

1 apply in the case of short-term limited duration
2 insurance that has, pursuant to a contract with
3 a health insurance issuer, an expiration date
4 specified in the contract that is more than 3
5 months after the original effective date of the
6 contract, or, taking into account renewals or ex-
7 tensions, has a duration that exceeds 3 months.
8 In applying this section in the case of such
9 short-term limited duration insurance—

10 “(i) a reference to ‘health insurance
11 coverage’ with respect to such coverage of-
12 fered in the individual market shall be
13 deemed to include such short-term limited
14 duration insurance; and

15 “(ii) a reference to ‘health insurance
16 issuer’ with respect to health insurance
17 coverage offered in the individual market
18 shall be deemed to include an issuer of
19 such short-term limited duration insur-
20 ance.

21 “(B) SHORT-TERM LIMITED DURATION IN-
22 SURANCE.—For purposes of this paragraph, the
23 term ‘short-term limited duration insurance’
24 shall include any short-term limited duration in-
25 surance as defined in the final rule issued by

1 the Secretary, the Secretary of the Treasury,
2 and the Secretary of Labor entitled ‘Short-
3 Term, Limited Duration Insurance’ (83 Fed.
4 Reg. 38212 (August 3, 2018)).”

5 (2) PROHIBITING DISCRIMINATION AGAINST IN-
6 DIVIDUAL PARTICIPANTS AND BENEFICIARIES BASED
7 ON HEALTH STATUS.—Section 2705(b) of the Public
8 Health Service Act (42 U.S.C. 300gg-4(b)) is
9 amended by adding at the end the following:

10 “(4) APPLICATION TO SHORT-TERM LIMITED
11 DURATION INSURANCE.—

12 “(A) IN GENERAL.—Notwithstanding any
13 other provision of this title, this subsection shall
14 apply in the case of short-term limited duration
15 insurance that has, pursuant to a contract with
16 a health insurance issuer, an expiration date
17 specified in the contract that is more than 3
18 months after the original effective date of the
19 contract, or, taking into account renewals or ex-
20 tensions, has a duration that exceeds 3 months.
21 In applying this subsection in the case of such
22 short-term limited duration insurance—

23 “(i) a reference to ‘health insurance
24 coverage’ with respect to such coverage of-
25 fered in the individual market shall be

1 deemed to include such short-term limited
2 duration insurance; and

3 “(ii) a reference to ‘health insurance
4 issuer’ with respect to health insurance
5 coverage offered in the individual market
6 shall be deemed to include an issuer of
7 such short-term limited duration insur-
8 ance.

9 “(B) SHORT-TERM LIMITED DURATION IN-
10 SURANCE.—For purposes of this paragraph, the
11 term ‘short-term limited duration insurance’
12 shall include any short-term limited duration in-
13 surance as defined in the final rule issued by
14 the Secretary, the Secretary of the Treasury,
15 and the Secretary of Labor entitled ‘Short-
16 Term, Limited Duration Insurance’ (83 Fed.
17 Reg. 38212 (August 3, 2018)).”

18 (b) GUARANTEED ISSUE.—

19 (1) GUARANTEED AVAILABILITY OF COV-
20 ERAGE.—Section 2702 of the Public Health Service
21 Act (42 U.S.C. 300gg-1) is amended by adding at
22 the end the following:

23 “(e) APPLICATION TO SHORT-TERM LIMITED DURA-
24 TION INSURANCE.—

1 “(1) IN GENERAL.—Notwithstanding any other
2 provision of this title, this section shall apply in the
3 case of short-term limited duration insurance that
4 has, pursuant to a contract with a health insurance
5 issuer, an expiration date specified in the contract
6 that is more than 3 months after the original effec-
7 tive date of the contract, or, taking into account re-
8 newals or extensions, has a duration that exceeds 3
9 months. In applying this section in the case of such
10 short-term limited duration insurance—

11 “(A) a reference to ‘health insurance cov-
12 erage’ with respect to such coverage offered in
13 the individual market shall be deemed to in-
14 clude such short-term limited duration insur-
15 ance; and

16 “(B) a reference to ‘health insurance
17 issuer’ or ‘issuer’ with respect to health insur-
18 ance coverage offered in the individual market
19 shall be deemed to include an issuer of such
20 short-term limited duration insurance.

21 “(2) SHORT-TERM LIMITED DURATION INSUR-
22 ANCE.—For purposes of this subsection, the term
23 ‘short-term limited duration insurance’ shall include
24 any short-term limited duration insurance as defined
25 in the final rule issued by the Secretary, the Sec-

1 retary of the Treasury, and the Secretary of Labor
2 entitled ‘Short-Term, Limited Duration Insurance’
3 (83 Fed. Reg. 38212 (August 3, 2018)).”.

4 (2) PROHIBITION ON PREEXISTING CONDITIONS
5 EXCLUSIONS OR OTHER DISCRIMINATION BASED ON
6 HEALTH STATUS.—Section 2704 of the Public
7 Health Service Act (42 U.S.C. 300gg–3) is amended
8 by adding at the end the following:

9 “(h) APPLICATION TO SHORT-TERM LIMITED DURA-
10 TION INSURANCE.—

11 “(1) IN GENERAL.—Notwithstanding any other
12 provision of this title, this section shall apply in the
13 case of short-term limited duration insurance that
14 has, pursuant to a contract with a health insurance
15 issuer, an expiration date specified in the contract
16 that is more than 3 months after the original effec-
17 tive date of the contract, or, taking into account re-
18 newals or extensions, has a duration that exceeds 3
19 months. In applying this section in the case of such
20 short-term limited duration insurance—

21 “(A) a reference to ‘health insurance cov-
22 erage’ with respect to such coverage offered in
23 the individual market shall be deemed to in-
24 clude such short-term limited duration insur-
25 ance; and

1 “(B) a reference to ‘health insurance
2 issuer’ or ‘issuer’ with respect to health insur-
3 ance coverage offered in the individual market
4 shall be deemed to include an issuer of such
5 short-term limited duration insurance.

6 “(2) SHORT-TERM LIMITED DURATION INSUR-
7 ANCE.—For purposes of this subsection, the term
8 ‘short-term limited duration insurance’ shall include
9 any short-term limited duration insurance as defined
10 in the final rule issued by the Secretary, the Sec-
11 retary of the Treasury, and the Secretary of Labor
12 entitled ‘Short-Term, Limited Duration Insurance’
13 (83 Fed. Reg. 38212 (August 3, 2018)).”.

14 (3) PROHIBITING DISCRIMINATION AGAINST IN-
15 DIVIDUAL PARTICIPANTS AND BENEFICIARIES BASED
16 ON HEALTH STATUS.—Section 2705(a) of the Public
17 Health Service Act (42 U.S.C. 300gg-4(a)) is
18 amended—

19 (A) by redesignating paragraphs (1)
20 through (9) as subparagraphs (A) through (I),
21 respectively, and indenting appropriately;

22 (B) by striking “A group health plan” and
23 inserting the following:

24 “(1) IN GENERAL.—A group health plan”; and

25 (C) by adding at the end the following:

1 “(2) APPLICATION TO SHORT-TERM LIMITED
2 DURATION INSURANCE.—

3 “(A) IN GENERAL.—Notwithstanding any
4 other provision of this title, this subsection shall
5 apply in the case of short-term limited duration
6 insurance that has, pursuant to a contract with
7 a health insurance issuer, an expiration date
8 specified in the contract that is more than 3
9 months after the original effective date of the
10 contract, or, taking into account renewals or ex-
11 tensions, has a duration that exceeds 3 months.
12 In applying this subsection in the case of such
13 short-term limited duration insurance—

14 “(i) a reference to ‘health insurance
15 coverage’ with respect to such coverage of-
16 fered in the individual market shall be
17 deemed to include such short-term limited
18 duration insurance; and

19 “(ii) a reference to ‘health insurance
20 issuer’ with respect to health insurance
21 coverage offered in the individual market
22 shall be deemed to include an issuer of
23 such short-term limited duration insur-
24 ance.

1 “(B) SHORT-TERM LIMITED DURATION IN-
2 SURANCE.—For purposes of this paragraph, the
3 term ‘short-term limited duration insurance’
4 shall include any short-term limited duration in-
5 surance as defined in the final rule issued by
6 the Secretary, the Secretary of the Treasury,
7 and the Secretary of Labor entitled ‘Short-
8 Term, Limited Duration Insurance’ (83 Fed.
9 Reg. 38212 (August 3, 2018)).”.