

112TH CONGRESS
1ST SESSION

H. R. 2435

To allow individuals to choose to opt out of the Medicare part A benefit and to allow individuals opting out of such benefit to be eligible for health savings accounts.

IN THE HOUSE OF REPRESENTATIVES

JULY 7, 2011

Mr. SAM JOHNSON of Texas (for himself and Mr. PAULSEN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To allow individuals to choose to opt out of the Medicare part A benefit and to allow individuals opting out of such benefit to be eligible for health savings accounts.

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

3 **SECTION 1. ALLOWING INDIVIDUALS TO CHOOSE TO OPT**
4 **OUT OF THE MEDICARE PART A BENEFIT.**

5 (a) IN GENERAL.—Any individual who is otherwise
6 entitled to benefits under part A of title XVIII of the So-
7 cial Security Act may elect (in such form and manner as
8 may be specified by the Secretary of Health and Human
9 Services) to opt out of such entitlement. Notwithstanding

1 any other provision of law, in the case of an individual
2 who makes such an election, such individual—

3 (1) may (in such form and manner as may be
4 specified by the Secretary) subsequently choose to
5 end such election and opt back into such entitlement
6 (in accordance with a process determined by the
7 Secretary) without being subject to any penalty;

8 (2) shall not be required to opt out of benefits
9 under title II of such Act as a condition for making
10 such election; and

11 (3) shall not be required to repay any amount
12 paid under such part A for items and services fur-
13 nished prior to making such election.

14 (b) INDIVIDUALS OPTING OUT OF MEDICARE PART
15 A ELIGIBLE FOR HEALTH SAVINGS ACCOUNTS.—Section
16 223 of the Internal Revenue Code of 1986 is amended—

17 (1) in subsection (b), by striking paragraph (7),
18 and

19 (2) in subsection (d)(2)(C)(iv), by inserting
20 “and who has not elected to opt out of the rights to
21 benefits under part A of title XVIII of such Act”
22 after “Social Security Act”.

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