

112TH CONGRESS
1ST SESSION

H. R. 3243

To amend titles XIX and XXI of the Social Security Act, titles I and II of the Patient Protection and Affordable Care Act, and other Acts for the purpose of eliminating certain health entitlement programs and reducing the deficit.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 24, 2011

Mr. REHBERG introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend titles XIX and XXI of the Social Security Act, titles I and II of the Patient Protection and Affordable Care Act, and other Acts for the purpose of eliminating certain health entitlement programs and reducing the deficit.

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. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “The Common Sense Deficit Reduction Act of 2011”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Medicaid expansion for certain adults.
- Sec. 3. Elimination of Medicaid coverage of former foster care children.
- Sec. 4. Removal of requirement of minimal essential coverage for Medicaid benchmark benefits.
- Sec. 5. Elimination of Medicaid premium assistance requirement.
- Sec. 6. Elimination of Medicaid and CHIP MAGI requirements.
- Sec. 7. Elimination of increased FMAP for CHIP.
- Sec. 8. Restoration of CHIP appropriation amounts under CHIPRA.
- Sec. 9. Treatment of children who are unable to be enrolled in CHIP due to a funding shortfall.
- Sec. 10. Grants to improve CHIP outreach and enrollment.
- Sec. 11. Additional one-time appropriations for CHIP.
- Sec. 12. Repeal of PPACA Premium tax credits and cost-sharing subsidies.
- Sec. 13. Treatment of individual mandate.
- Sec. 14. Repeal of CLASS Act.

3 **SEC. 2. MEDICAID EXPANSION FOR CERTAIN ADULTS.**

4 (a) MANDATORY POPULATIONS.—Section 1902 of
 5 the Social Security Act (42 U.S.C. 1396a) is amended—

6 (1) in subsection (a)(10)—

7 (A) in subparagraph (A)(i)—

8 (i) by inserting “or” at the end of
 9 subclause (VI); and

10 (ii) by striking subclause (VIII); and

11 (B) in the matter following subparagraph

12 (G) by striking “(XV) the medical assistance

13 made available to an individual described in

14 subparagraph (A)(i)(VIII) shall be limited to

15 medical assistance described in subsection

16 (k)(1)”;

17 (2) by striking subsection (k); and

1 (3) in subsection (l)(2)(C) by striking “(or, be-
2 ginning January 1, 2014, 133 percent)”.

3 (b) OPTIONAL POPULATION.—Section 1902 of the
4 Social Security Act (42 U.S.C. 1396a) is further amend-
5 ed—

6 (1) in subsection (a)(10)(A)(ii) by striking sub-
7 clause (XX); and

8 (2) by striking subsection (hh).

9 (c) ELIMINATION OF FUNDING.—Section 1905 of the
10 Social Security Act (42 U.S.C. 1396d), is amended—

11 (1) in subsection (a), in the matter preceding
12 paragraph (1), by striking clauses (xiv) and (xv);

13 (2) in subsection (b), in the first sentence, by
14 striking “(y),” before “(z),”; and

15 (3) by striking subsection (y).

16 (d) CONFORMING AMENDMENTS.—

17 (1) Section 1903 of the Social Security Act (42
18 U.S.C. 1396b) is amended—

19 (A) in subsection (f)(4), by striking
20 “1902(a)(10)(A)(i)(VIII),” and

21 “1902(a)(10)(A)(ii)(XX),”; and

22 (B) in subsection (i)—

23 (i) by inserting “or” at the end of
24 paragraph (24);

1 (ii) by striking “; or” at the end of
2 paragraph (25) and inserting a period; and

3 (iii) by striking paragraph (26).

4 (2) Section 1920 of the Social Security Act (42
5 U.S.C. 1396r–1) is amended by striking subsection
6 (e).

7 (3) Section 1937(a)(1)(B) of such Act (42
8 U.S.C. 1396u–7(a)(1)(B)) is amended by striking
9 “subclause (VIII) of section 1902(a)(10)(A)(i) or
10 under”.

11 **SEC. 3. ELIMINATION OF MEDICAID COVERAGE OF FORMER**
12 **FOSTER CARE CHILDREN.**

13 (a) IN GENERAL.—Section 1902(a)(10)(A)(i) of the
14 Social Security Act (42 U.S.C. 1396a) is amended by
15 striking subclause (IX).

16 (b) CONFORMING AMENDMENTS.—

17 (1) Section 1902(a)(10) of such Act (42 U.S.C.
18 1396a(a)(10)) is amended in the matter following
19 subparagraph (G)—

20 (A) by inserting “and” before “XVI if an
21 individual”; and

22 (B) by striking “and (XVII) if an indi-
23 vidual is described in subclause (IX) of sub-
24 paragraph (A)(i) and is also described in sub-
25 clause (VIII) of that subparagraph, the medical

1 assistance shall be made available to the indi-
2 vidual through subclause (IX) instead of
3 through subclause (VIII)”.

4 (2) Section 1903(f)(4) of such Act (42 U.S.C.
5 1396b(f)(4)) is amended by striking
6 “1902(a)(10)(A)(i)(IX),”.

7 (3) Section 1937(a)(2)(B)(viii) of such Act (42
8 U.S.C. 1396u-7(a)(2)(B)(viii)) is amended by strik-
9 ing “, or the individual qualifies for medical assist-
10 ance on the basis of section 1902(a)(10)(A)(i)(IX)”.

11 **SEC. 4. REMOVAL OF REQUIREMENT OF MINIMAL ESSEN-**
12 **TIAL COVERAGE FOR MEDICAID BENCHMARK**
13 **BENEFITS.**

14 Section 1937(b) of the Social Security Act (42 U.S.C.
15 1396-7(b)) is amended—

16 (1) in paragraph (1), in the matter preceding
17 subparagraph (A), by striking “subject to para-
18 graphs (5) and (6)”;

19 (2) in paragraph (2)—

20 (A) in the matter preceding subparagraph
21 (A), by striking “subject to paragraphs (5) and
22 (6)”;

23 (B) in subparagraph (A)—

24 (i) by striking clauses (iv) and (v);

25 and

1 (ii) by redesignating clauses (vi) and
2 (vii) as clauses (iv) and (v), respectively;
3 and

4 (C) in subparagraph (C)—

5 (i) by redesignating clauses (i) and
6 (ii) as clauses (iii) and (iv), respectively;
7 and

8 (ii) by inserting before clause (iii), as
9 so redesignated, the following:

10 “(i) Coverage of prescription drugs.

11 “(ii) Mental health services.”; and

12 (3) by striking paragraphs (5) and (6).

13 **SEC. 5. ELIMINATION OF MEDICAID PREMIUM ASSISTANCE**
14 **REQUIREMENT.**

15 Section 2003 of the Patient Protection and Afford-
16 able Care Act is repealed and the provisions of law amend-
17 ed by such section are restored as if such section had never
18 been enacted.

19 **SEC. 6. ELIMINATION OF MEDICAID AND CHIP MAGI RE-**
20 **QUIREMENTS.**

21 (a) **MEDICAID.**—Section 1902(e) of the Social Secu-
22 rity Act (42 U.S.C. 1396a(e)) is amended by striking
23 paragraph (14).

24 (b) **CHIP.**—

1 (1) IN GENERAL.—Section 2102(b)(1)(B) of
2 such Act (42 U.S.C. 1397bb) is amended—

3 (A) by inserting “and” at the end of clause
4 (iii);

5 (B) by striking “and” at the end of clause
6 (iv); and

7 (C) by striking clause (v).

8 (2) ELIMINATION OF RELATED ELIGIBILITY
9 RULE.—Section 2101(f) of the Patient Protection
10 and Affordable Care Act is repealed.

11 (c) CONFORMING AMENDMENTS.—

12 (1) Section 1902(a)(17) of such Act (42 U.S.C.
13 1396a(a)(17)) is amended by striking “(e)(14)”.

14 (2) Section 2105(d)(1) of such Act (42 U.S.C.
15 1397ee(d)(1)) is amended by striking “, except as
16 required under section 1902(e)(14)”.

17 (3) Section 2107(e)(1) of such Act (42 U.S.C.
18 1397gg(e)(1)) is amended by striking subparagraph
19 (F) (relating to income determined using modified
20 adjusted gross income and household income).

21 **SEC. 7. ELIMINATION OF INCREASED FMAP FOR CHIP.**

22 Section 2105(b) of the Social Security Act (42 U.S.C.
23 1397ee(b)) is amended by striking “Notwithstanding the
24 preceding sentence, during the period that begins on Octo-
25 ber 1, 2015, and ends on September 30, 2019, the en-

1 hanced FMAP determined for a State for a fiscal year
 2 (or for any portion of a fiscal year occurring during such
 3 period) shall be increased by 23 percentage points, but in
 4 no case shall exceed 100 percent. The increase in the en-
 5 hanced FMAP under the preceding sentence shall not
 6 apply with respect to determining the payment to a State
 7 under subsection (a)(1) for expenditures described in sub-
 8 paragraph (D)(iv), paragraphs (8), (9), (11) of subsection
 9 (c), or clause (4) of the first sentence of section 1905(b).”.

10 **SEC. 8. RESTORATION OF CHIP APPROPRIATION AMOUNTS**

11 **UNDER CHIPRA.**

12 (a) RESTORATION OF CHIPRA APPROPRIATION
 13 AMOUNTS.—Section 2104(a) of the Social Security Act
 14 (42 U.S.C. 1397dd(a)) is amended—

15 (1) in paragraph (15), by inserting “and” after
 16 the semicolon at the end; and

17 (2) by striking paragraphs (16) through (18)
 18 and inserting the following:

19 “(16) for fiscal year 2013, for purposes of mak-
 20 ing 2 semiannual allotments—

21 “(A) \$2,850,000,000 for the period begin-
 22 ning on October 1, 2012, and ending on March
 23 31, 2013, and

1 “(B) \$2,850,000,000 for the period begin-
2 ning on April 1, 2013, and ending on Sep-
3 tember 30, 2013.”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Section 2104(m) of such Act (42 U.S.C.
6 1397dd(m)) is amended—

7 (A) in the heading, by striking “2015” and
8 inserting “2013”;

9 (B) in paragraph (2)—

10 (i) in paragraph heading, by striking
11 “2014” and inserting “2012”; and

12 (ii) by striking subparagraph (B);

13 (C) in paragraph (3)—

14 (i) in the paragraph heading, by strik-
15 ing “2015” and inserting “2013”;

16 (ii) in subparagraphs (A) and (B), by
17 striking “paragraph (18)” each place it ap-
18 pears and inserting “paragraph (16)”;

19 (iii) in subparagraph (C)—

20 (I) by striking “2014” each place
21 it appears and inserting “2012”; and

22 (II) by striking “2015” and in-
23 serting “2013”; and

24 (iv) in subparagraph (D)—

1 (I) in clause (i)(I), by striking
2 “subsection (a)(18)(A)” and inserting
3 “subsection (a)(16)(A)”; and

4 (II) in clause (ii)(II), by striking
5 “subsection (a)(18)(B)” and inserting
6 “subsection (a)(16)(B)”;

7 (D) in paragraph (4), by striking “2015”
8 and inserting “2013”;

9 (E) in paragraph (6)—

10 (i) in subparagraph (A), by striking
11 “2015” and inserting “2013”; and

12 (ii) in the flush text after and below
13 subparagraph (B)(ii), by striking “, fiscal
14 year 2012, or fiscal year 2014” and insert-
15 ing “or fiscal year 2012”; and

16 (F) in paragraph (8)—

17 (i) in the paragraph heading, by strik-
18 ing “2015” and inserting “2013”; and

19 (ii) by striking “2015” and inserting
20 “2013”.

21 (2) Section 2104(n) of such Act (42 U.S.C.
22 1397dd(n)) is amended—

23 (A) in paragraph (2)—

24 (i) in subparagraph (A)(ii)—

1 (I) by striking “2014” and in-
2 serting “2012”; and

3 (II) by striking “2015” and in-
4 serting “2013”; and

5 (ii) in subparagraph (B)—

6 (I) by striking “2014” and in-
7 serting “2012”; and

8 (II) by striking “2015” and in-
9 serting “2013”; and

10 (B) in paragraph (3)(A), by striking “fis-
11 cal year 2013, fiscal year 2014, or a semi-an-
12 nual allotment period for fiscal year 2015” and
13 inserting “or a semiannual allotment period for
14 fiscal year 2013”.

15 (3) Section 2105(g)(4) of such Act (42 U.S.C.
16 1397ee(g)(4)) is amended—

17 (A) in the paragraph heading, by striking
18 “2015” and inserting “2013”; and

19 (B) in subparagraph (A), striking “2015”
20 and inserting “2013”.

1 **SEC. 9. TREATMENT OF CHILDREN WHO ARE UNABLE TO**
2 **BE ENROLLED IN CHIP DUE TO A FUNDING**
3 **SHORTFALL.**

4 Section 2105(d)(3) of the Social Security Act (42
5 U.S.C. 1397ee(d)(3)) is amended by striking subpara-
6 graph (B).

7 **SEC. 10. GRANTS TO IMPROVE CHIP OUTREACH AND EN-**
8 **ROLLMENT.**

9 Section 2113 of the Social Security Act (42 U.S.C.
10 1397mm) is amended—

11 (1) in subsection (a)(1), striking “2015” and
12 inserting “2013”; and

13 (2) in subsection (g), by striking
14 “\$140,000,000 for the period of fiscal years 2009
15 through 2015” and inserting “\$100,000,000 for the
16 period of fiscal years 2009 through 2013”.

17 **SEC. 11. ADDITIONAL ONE-TIME APPROPRIATIONS FOR**
18 **CHIP.**

19 Section 108 of the Children’s Health Insurance Pro-
20 gram Reauthorization Act of 2009 (42 U.S.C. 1397ee
21 note) is amended by striking “\$15,361,000,000 to accom-
22 pany the allotment” and all that follows through “allot-
23 ments provided from such subsection (a)(18)(A)” and in-
24 serting “\$11,706,000,000 to accompany the allotment
25 made for the period beginning on October 1, 2012, and
26 ending on March 31, 2013, under section 2104(a)(16)(A)

1 of the Social Security Act (42 U.S.C. 1397dd(a)(16)(A))
 2 (as added by section 101), to remain available until ex-
 3 pended. Such amount shall be used to provide allotments
 4 to States under paragraph (3) of section 2104(m) of the
 5 Social Security Act (42 U.S.C. 1397dd(i)), as added by
 6 section 102, for the first 6 months of fiscal year 2013
 7 in the same manner as allotments are provided under sub-
 8 section (a)(16)(A) of such section 2104 and subject to the
 9 same terms and conditions as apply to the allotments pro-
 10 vided from such subsection (a)(16)(A).”.

11 **SEC. 12. REPEAL OF PPACA PREMIUM TAX CREDITS AND**
 12 **COST-SHARING SUBSIDIES.**

13 (a) PREMIUM TAX CREDITS.—Section 36B of the In-
 14 ternal Revenue Code of 1986 is amended by striking sub-
 15 section (a).

16 (b) COST-SHARING.—Section 1402 of the Patient
 17 Protection and Affordable Care Act is repealed.

18 (c) CONFORMING AMENDMENTS TO ELIMINATE REF-
 19 ERENCES TO PREMIUM ASSISTANCE AND REDUCTIONS IN
 20 COST-SHARING.—

21 (1) INTERNAL REVENUE CODE OF 1986.—The
 22 Internal Revenue Code of 1986 is amended—

23 (A) in section 36B, as amended by sub-
 24 section (a)—

1 (i) in subsection (c)(2)(A)(ii), by
2 striking “(or through advance payment”
3 and all that follows through “Act)”;

4 (ii) in subsection (f)—

5 (I) by striking paragraphs (1)
6 and (2);

7 (II) in paragraph (3)(B), by
8 striking “without regard to the credit
9 under this section or cost-sharing re-
10 ductions under section 1402 of such
11 Act”;

12 (III) in paragraph (3), by strik-
13 ing subparagraphs (C) and (F); and

14 (IV) in paragraph (3)(E), by
15 striking “necessary” and all that fol-
16 lows; and

17 (iii) in subsection (g), by striking “,
18 including” and all that follows through “of
19 the credit”;

20 (B) in section 280C, by striking subsection
21 (g) (relating to credit for health insurance pre-
22 miums);

23 (C) in section 4980H(c), by striking para-
24 graph (3);

25 (D) in section 5000A—

1 (i) in subsection (e)(1)—

2 (I) in subparagraph (A), by strik-
3 ing “for the taxable year described in
4 section 1412(b)(1)(B) of the Patient
5 Protection and Affordable Care Act”
6 and inserting “for the most recent
7 taxable year for which the Secretary
8 of Health and Human Services, after
9 consultation with the Secretary of the
10 Treasury, determines information is
11 available”; and

12 (II) in subparagraph (B)(ii), by
13 striking “, reduced by the amount of
14 the credit allowable under section 36B
15 for the taxable year (determined as if
16 the individual was covered by a quali-
17 fied health plan offered through the
18 Exchange for the entire taxable
19 year)”; and

20 (ii) in subsection (e)(2), by striking
21 “described in section 1412(b)(1)(B) of the
22 Patient Protection and Affordable Care
23 Act” and inserting “described in para-
24 graph (1)(A)”;

1 (E) in section 6055(b)(1), by amending
2 clause (iii) to read as follows:

3 “(iii) in the case of minimum essential
4 coverage which consists of health insurance
5 coverage, information concerning whether
6 or not the coverage is a qualified health
7 plan offered through an Exchange estab-
8 lished under section 1311 of the Patient
9 Protection and Affordable Care Act, and”;
10 and

11 (F) in section 6103(l)(21)(A), in the mat-
12 ter before clause (i), by striking “any premium
13 tax credit under section 36B or any cost-shar-
14 ing reduction under section 1402 of the Patient
15 Protection and Affordable Care Act or”.

16 (2) FAIR LABOR STANDARDS ACT OF 1938.—
17 The Fair Labor Standards Act of 1938 (29 U.S.C.
18 201 et seq.) is amended—

19 (A) in section 18B(a)—

20 (i) in paragraph (1), by inserting
21 “and” after the semicolon at the end; and

22 (ii) by striking paragraph (2); and

23 (B) in section 18C(a), by striking para-
24 graph (1).

1 (3) PUBLIC HEALTH SERVICE ACT AMEND-
2 MENTS.—Title XXVII of the Public Health Service
3 Act (42 U.S.C. 300gg et seq.) is amended—

4 (A) in section 2705(l)(3)(A)—

5 (i) by striking the em dash before
6 clause (i) and inserting “will not result in
7 any decrease in coverage.”; and

8 (ii) by striking clauses (i) and (ii);
9 and

10 (B) in section 2793(c)—

11 (i) by inserting “and” at the end of
12 paragraph (3);

13 (ii) by striking “; and” at the end of
14 paragraph (4); and

15 (iii) by striking paragraph (5).

16 (4) PATIENT PROTECTION AND AFFORDABLE
17 CARE ACT AMENDMENTS.—The Patient Protection
18 and Affordable Care Act (Public Law 111–148, as
19 amended) is amended—

20 (A) in section 1311(d)(4)—

21 (i) in subparagraph (G), by striking
22 “after the application of any premium tax
23 credit” and all that follows through “sec-
24 tion 1402”; and

1 (ii) in subparagraph (I), by striking
2 clause (ii);

3 (B) in section 1311(i)(3)(B), by striking “,
4 and the availability of premium tax credits”
5 and all that follows through “section 1402”;

6 (C) in section 1331(d)(3)(A)(i) is amended
7 by inserting “and section 8 of the Common
8 Sense Deficit Reduction Act of 2011 had not
9 been enacted” before the period at the end;

10 (D) in section 1332(a)—

11 (i) in paragraph (2), by striking sub-
12 paragraph (C); and

13 (ii) in paragraph (3), by striking
14 “premium tax credits, cost-sharing reduc-
15 tions”;

16 (E) in section 1334(c) by striking para-
17 graph (3);

18 (F) in section 1401(c)(1)(A), by striking
19 clause (i);

20 (G) in section 1411—

21 (i) in subsection (a)(1)—

22 (I) by striking “or who is claim-
23 ing a premium tax credit or reduced
24 cost-sharing,”; and

1 (II) by striking “sections
2 1312(f)(3), 1402(e), and 1412(d)”
3 and inserting “section 1312(f)(3)”;

4 (ii) in subsection (a), by striking para-
5 graph (2);

6 (iii) in subsection (b), by striking
7 paragraphs (3) and (4); and

8 (iv) in subsection (e)—

9 (I) in paragraph (2), by amend-
10 ing subparagraph (A) to read as fol-
11 lows:

12 “(A) ELIGIBILITY FOR ENROLLMENT.—If
13 information provided by an applicant under
14 paragraphs (1) and (2) of subsection (b) is
15 verified under subsections (c) and (d) the indi-
16 vidual’s eligibility to enroll through the Ex-
17 change shall be satisfied.”; and

18 (II) in paragraph (4)(B), by
19 striking clause (iii);

20 (H) by striking section 1412;

21 (I) in section 1413(e)(1), by striking “, in-
22 cluding the premium tax credits under section
23 36B of the Internal Revenue Code of 1986 and
24 cost-sharing reductions under section 1402”;

25 (J) by striking section 1415; and

1 (K) in section 2901, by striking subsection
2 (a).

3 (5) SOCIAL SECURITY ACT.—Section 1943(b) of
4 the Social Security Act (42 U.S.C. 1396w–3(b)) is
5 amended—

6 (A) in paragraph (1)(C)—

7 (i) by striking “and, if applicable, pre-
8 mium assistance” and all that follows
9 through “section 1412 of the Patient Pro-
10 tection and Affordable Care Act),”; and

11 (ii) by striking “reduced cost-sharing
12 for eligible individuals under section 1402
13 of the Patient Protection and Affordable
14 Care Act, and any other” and inserting
15 “any”;

16 (B) in paragraph (1)(D), by striking “,
17 child health assistance, or premium assistance,”
18 and inserting “or child health assistance,”;

19 (C) by striking paragraph (2); and

20 (D) in paragraph (4), by striking “and
21 who is eligible to receive premium credit assist-
22 ance for the purchase of a qualified health plan
23 under section 36B of the Internal Revenue
24 Code of 1986”.

1 **SEC. 13. TREATMENT OF INDIVIDUAL MANDATE.**

2 Section 1311(d)(4)(H) of the Patient Protection and
3 Affordable Care Act is amended—

4 (1) in clause (i), by striking “or” after the
5 semicolon at the end;

6 (2) in clause (ii), by inserting “or” after the
7 semicolon at the end; and

8 (3) by adding at the end the following new
9 clause:

10 “(iii) the individual would have quali-
11 fied for premium assistance under section
12 36B of the Internal Revenue Code of
13 1986, medical assistance under title XIX
14 of the Social Security Act, child health as-
15 sistance under title XXI of such Act, or re-
16 duced cost-sharing under section 1402, but
17 for the enactment of the Common Sense
18 Deficit Reduction Act of 2011;”.

19 **SEC. 14. REPEAL OF CLASS ACT.**

20 (a) IN GENERAL.—Title XXXII of the Public Health
21 Service Act (42 U.S.C. 30011 et seq.) is repealed.

22 (b) CONFORMING AMENDMENTS.—

23 (1) Section 1902(a) of the Social Security Act
24 (42 U.S.C. 1396a(a)) is amended—

25 (A) in paragraph (80), by inserting “and”
26 after the semicolon at the end; and

1 (B) by striking paragraphs (81) and (82).

2 (2) Section 8002 of the Patient Protection and
3 Affordable Care Act is amended by striking sub-
4 sections (c) and (f).

5 (3) Section 6021(d) of the Deficit Reduction
6 Act of 2005 (42 U.S.C. 1396p note) is amended—

7 (A) in paragraph (2)(A)—

8 (i) in clause (ii), by inserting “and” at
9 the end;

10 (ii) in clause (iii), by striking “; and”
11 at the end and inserting a period; and

12 (iii) by striking clause (iv); and

13 (B) in paragraph (3), by striking “2015”
14 and inserting “2012”.

○