



## Calendar No. 161

111<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1679

To make quality, affordable health care available to all Americans, reduce costs, improve health care quality, enhance disease prevention, and strengthen the health care workforce.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 17, 2009

Mr. HARKIN, from the Committee on Health, Education, Labor, and Pensions reported the following original bill; which was read twice and placed on the calendar

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## A BILL

To make quality, affordable health care available to all Americans, reduce costs, improve health care quality, enhance disease prevention, and strengthen the health care workforce.

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 “Affordable Health Choices Act”.

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1 limitation described in subparagraph (A)(i)(II)  
2 with respect to young adults.

3 “(3) AFFORDABLE COVERAGE.—The Secretary  
4 shall establish a standard under which coverage is  
5 defined to be unaffordable only if the premium paid  
6 by the individual is greater than 12.5 percent of the  
7 adjusted gross income of the individual involved. Be-  
8 ginning with calendar years after 2013, the Sec-  
9 retary shall adjust the percentage described in this  
10 paragraph by an amount that is equal to the per-  
11 centage increase or decrease in the medical care  
12 component of the Consumer Price Index for all  
13 urban consumers (U.S. city average) during the pre-  
14 ceeding calendar year.

15 **“SEC. 3104. ALLOWING STATE FLEXIBILITY.**

16 “(a) OPTIONAL STATE ESTABLISHMENT OF GATE-  
17 WAY.—During the 4-year period following the date of en-  
18 actment of this section, a State may—

19 “(1)(A) establish a Gateway;

20 “(B) adopt the insurance reform provisions as  
21 provided for in subtitle A of title I of the Affordable  
22 Health Choices Act (and the amendments made by  
23 such title); and

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1 “(C) agree to make employers that are State or  
2 local governments subject to sections 162 and 163 of  
3 the Affordable Health Choices Act.

4 “(2)(A) request that the Secretary operate (for  
5 a minimum period of 5 years) a Gateway in such  
6 State;

7 “(B) adopt the insurance reform provisions as  
8 provided for in subtitle A of title I of the Affordable  
9 Health Choices Act (and the amendments made by  
10 such subtitle); and

11 “(C) agree to make employers that are State or  
12 local governments subject to sections 162 and 163 of  
13 the Affordable Health Choices Act; or

14 “(3) elect not to take the actions described in  
15 paragraph (1) or (2).

16 “(b) ESTABLISHING STATES.—

17 “(1) IN GENERAL.—If the Secretary determines  
18 that a State has taken the actions described in sub-  
19 section (a)(1), any resident of that State who is an  
20 eligible individual shall be eligible for credits under  
21 section 3111 beginning on the date that is 60 days  
22 after the date of such determination.

23 “(2) CONTINUED REVIEW.—The Secretary shall  
24 establish procedures to ensure continued review by  
25 the Secretary of the compliance of a State with the

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1 requirements of subsection (a). If the Secretary de-  
 2 termines that a State has failed to maintain compli-  
 3 ance with such requirements, the Secretary may re-  
 4 voke the determination under paragraph (1).

5 “(3) DEEMING.—A State that is the subject of  
 6 a positive determination by the Secretary under  
 7 paragraph (1) (unless such determination is revoked  
 8 under paragraph (2)) shall be deemed to be an ‘es-  
 9 tablishing State’ beginning on the date that is 60  
 10 days after the date of such determination.

11 “(c) REQUEST FOR THE SECRETARY TO ESTABLISH  
 12 A GATEWAY.—

13 “(1) IN GENERAL.—In the case of a State that  
 14 makes the request described in subsection (a)(2), the  
 15 Secretary shall determine whether the State has en-  
 16 acted and has in effect the insurance reforms pro-  
 17 vided for in subtitle A of title I of the Affordable  
 18 Health Choices Act.

19 “(2) OPERATION OF GATEWAY.—

20 “(A) POSITIVE DETERMINATION.—If the  
 21 Secretary determines that the State has enacted  
 22 and has in effect the insurance reforms de-  
 23 scribed in paragraph (1), the Secretary shall es-  
 24 tablish a Gateway in such State as soon as  
 25 practicable after making such determination.

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1 “(B) NEGATIVE DETERMINATION.—If the  
 2 Secretary determines that the State has not en-  
 3 acted or does not have in effect the insurance  
 4 reforms described in paragraph (1), the Sec-  
 5 retary shall establish a Gateway in such State  
 6 as soon as practicable after the Secretary deter-  
 7 mines that such State has enacted and has in  
 8 effect such reforms.

9 “(3) PARTICIPATING STATE.—The State shall  
 10 be deemed to be a ‘participating State’ on the date  
 11 on which the Gateway established by the Secretary  
 12 is in effect in such State.

13 “(4) ELIGIBILITY.—Any resident of a State de-  
 14 scribed in paragraph (3) who is an eligible individual  
 15 shall be eligible for credits under section 3111 begin-  
 16 ning on the date that is 60 days after the date on  
 17 which such Gateway is established in such State.

18 “(d) FEDERAL FALLBACK IN THE CASE OF STATES  
 19 THAT REFUSE TO IMPROVE HEALTH CARE COVERAGE.—

20 “(1) IN GENERAL.—Upon the expiration of the  
 21 4-year period following the date of enactment of this  
 22 section, in the case of a State that is not otherwise  
 23 a participating State or an establishing State—

24 “(A) the Secretary shall establish and op-  
 25 erate a Gateway in such State;

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1 “(B) the insurance reform provisions pro-  
2 vided for in subtitle A of title I of the Afford-  
3 able Health Choices Act shall become effective  
4 in such State, notwithstanding any contrary  
5 provision of State law;

6 “(C) the State shall be deemed to be a  
7 ‘participating State’; and

8 “(D) the residents of that State who are  
9 eligible individuals shall be eligible for credits  
10 under section 3111 beginning on the date that  
11 is 60 days after the date on which such Gate-  
12 way is established, if the State agrees to make  
13 employers that are State or local governments  
14 subject to sections 162 and 163 of the Afford-  
15 able Health Choices Act.

16 “(2) ELIGIBILITY OF INDIVIDUALS FOR CRED-  
17 ITS.—With respect to a State that makes the elec-  
18 tion described in subsection (a)(3), the residents of  
19 such State shall not be eligible for credits under sec-  
20 tion 3111 until such State becomes a participating  
21 State under paragraph (1).

22 **“SEC. 3105. NAVIGATORS.**

23 “(a) IN GENERAL.—The Secretary shall award  
24 grants to establishing or participating States to enable  
25 such States (or the Gateways operating in such States)

1 to enter into agreements with private and public entities  
2 under which such entities will serve as navigators in ac-  
3 cordance with this section.

4 “(b) ELIGIBILITY.—

5 “(1) IN GENERAL.—To be eligible to enter into  
6 an agreement under subsection (a), an entity shall  
7 demonstrate that the entity has existing relation-  
8 ships with, or could readily establish relationships  
9 with, employers and employees, consumers (includ-  
10 ing the uninsured and the underinsured), or self-em-  
11 ployed individuals, likely to be qualified to enroll in  
12 a qualified health plan.

13 “(2) TYPES.—Entities described in paragraph  
14 (1) may include trade, industry and professional as-  
15 sociations, commercial fishing industry organiza-  
16 tions, ranching and farming organizations, commu-  
17 nity and consumer-focused nonprofit groups, cham-  
18 bers of commerce, unions, small business develop-  
19 ment centers, other licensed insurance agents and  
20 brokers, and other entities that the Secretary deter-  
21 mines to be capable of carrying out the duties de-  
22 scribed in subsection (c).

23 “(c) DUTIES.—An entity that serves as a navigator  
24 under an agreement under subsection (a) shall—