To clarify the treatment under the Patient Protection and Affordable Care Act of health plans in which expatriates are the primary enrollees, and for other purposes.

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A BILL

To clarify the treatment under the Patient Protection and Affordable Care Act of health plans in which expatriates are the primary enrollees, and for other purposes.

__Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,_

__SECTION 1. SHORT TITLE._

This Act may be cited as the “Expatriate Health Coverage Clarification Act of 2014”.
SEC. 2. TREATMENT OF EXPATRIATE HEALTH PLANS UNDER ACA.

(a) IN GENERAL.—Subject to subsection (b), the provisions of (including any amendment made by) the Patient Protection and Affordable Care Act (Public Law 111–148) and of title I and subtitle B of title II of the Health Care and Education Reconciliation Act of 2011 (Public Law 111–152) shall not apply with respect to—

(1) expatriate health plans;

(2) employers with respect to any such plans for which such employers are acting as plan sponsors; or

(3) expatriate health insurance issuers with respect to coverage offered by such issuers under such plans.

(b) MINIMUM ESSENTIAL COVERAGE AND ELIGIBLE EMPLOYER-SPONSORED PLAN.—For purposes of section 5000A(f) of the Internal Revenue Code of 1986, and any other section of the Internal Revenue Code of 1986 that incorporates the definition of minimum essential coverage provided under such section 5000A(f) by reference, coverage under an expatriate health plan shall be deemed to be minimum essential coverage under an eligible employer-sponsored plan as defined in paragraph (2) of such section.
(c) QUALIFIED EXPATRIATES AND DEPENDENTS

NOT UNITED STATES HEALTH RISK.—

(1) IN GENERAL.—For purposes of section
9010 of the Patient Protection and Affordable Care
Act (26 U.S.C. 4001 note prec.), for calendar years
after 2014, a qualified expatriate (and any depend-
ent of such individual) enrolled in an expatriate
health plan shall not be considered a United States
health risk.

(2) SPECIAL RULE FOR 2014.—The fee under
section 9010 of such Act for calendar year 2014
with respect to any expatriate health insurance
issuer shall be the amount which bears the same
ratio to the fee amount determined by the Secretary
of the Treasury with respect to such issuer under
such section for such year (determined without re-
gard to this paragraph) as—

(A) the amount of premiums taken into ac-
count under such section with respect to such
issuer for such year, less the amount of pre-
miums for expatriate health plans taken into
account under such section with respect to such
issuer for such year, bears to
(B) the amount of premiums taken into account under such section with respect to such issuer for such year.

(d) DEFINITIONS.—In this section:

(1) EXPATRIATE HEALTH INSURANCE ISSUER.—The term “expatriate health insurance issuer” means a health insurance issuer that issues expatriate health plans.

(2) EXPATRIATE HEALTH PLAN.—The term “expatriate health plan” means a group health plan, health insurance coverage offered in connection with a group health plan, or health insurance coverage offered to a group of individuals described in paragraph (3)(B) (which may include dependents of such individuals) that meets each of the following standards:

(A) Substantially all of the primary enrollees in such plan or coverage are qualified expatriates, with respect to such plan or coverage. In applying the previous sentence, an individual shall not be taken into account as a primary enrollee if the individual is not a national of the United States and resides in the country of which the individual is a citizen.
(B) Substantially all of the benefits provided under the plan or coverage are not excepted benefits described in section 9832(c) of the Internal Revenue Code of 1986.

(C) The plan or coverage provides benefits for items and services, in excess of emergency care, furnished by health care providers—

(i) in the case of individuals described in paragraph (3)(A), in the country or countries in which the individual is present in connection with the individual’s employment, and such other country or countries as the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury and the Secretary of Labor, may designate; or

(ii) in the case of individuals described in paragraph (3)(B), in the country or countries as the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury and the Secretary of Labor, may designate.

(D) In the case of an expatriate health plan that is a group health plan offered by a plan sponsor that also offers a domestic group
health plan, the plan sponsor reasonably believes that the benefits provided by the expatriate health plan are actuarially similar to, or better than, the benefits provided under a domestic group health plan offered by that plan sponsor.

(E) If the plan or coverage provides dependent coverage of children, the plan or coverage makes such dependent coverage available for adult children until the adult child turns 26 years of age, unless such individual is the child of a child receiving dependent coverage.

(F) The plan or coverage is issued by an expatriate health plan issuer, or administered by an administrator, that maintains, with respect to such plan or coverage—

(i) network provider agreements with health care providers that are outside of the United States; and

(ii) call centers in more than one country and accepts calls from customers in multiple languages.

(3) QUALIFIED EXPATRIATE.—The term “qualified expatriate” means any of the following individuals:
(A) Workers.—An individual who is a participant in a group health plan, who is a national of the United States, lawful permanent resident, or nonimmigrant for whom there is a good faith expectation by the plan sponsor of the plan that, in connection with the individual’s employment, the individual is abroad for a total of not less than 90 days during any period of 12 consecutive months of enrollment in the group health plan, or travels abroad on not less than 15 occasions during such a 12-month period.

(B) Other Individuals Abroad.—An individual, such as a student or religious missionary, who is abroad, and who is a member of a group determined appropriate by the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury and the Secretary of Labor.

(4) Domestic Group Health Plan.—The term “domestic group health plan” means a group health plan that is offered in the United States and in which substantially all of the primary enrollees are not qualified expatriates, with respect to such plan, and substantially all of the benefits provided
under the plan are not excepted benefits described in
section 9832(e) of the Internal Revenue Code of
1986.

(5) Abroad.—

(A) United States nationals.—

(i) In general.—Except as provided
in clause (ii), for purposes of applying
paragraph (3) to a national of the United
States, the term "abroad" means outside
the 50 States, the District of Columbia,
and Puerto Rico.

(ii) Special rule.—For purposes of
applying paragraph (3) to a national of the
United States who resides in the United
States Virgin Islands, the Commonwealth
of the Northern Mariana Islands, American
Samoa, or Guam, the term "abroad"
means outside of the 50 States, the Dis-
trict of Columbia, Puerto Rico, and such
territory or possession.

(B) Foreign citizens.—For purposes of
applying paragraph (3) to an individual who is
not a national of the United States, the term
"abroad" means outside of the country of which
that individual is a citizen.
(6) UNITED STATES.—The term “United States” means the 50 States, the District of Columbia, Puerto Rico, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and Guam.

(7) MISCELLANEOUS TERMS.—

(A) GROUP HEALTH PLAN; HEALTH INSURANCE COVERAGE; HEALTH INSURANCE ISSUER; PLAN SPONSOR.—The terms “group health plan”, “health insurance coverage”, “health insurance issuer”, and “plan sponsor” have the meanings given those terms in section 2791 of the Public Health Service Act (42 U.S.C. 300gg–91), except that in applying such terms under this section the term “health insurance issuer” includes a foreign corporation which is predominantly engaged in an insurance business and which would be subject to tax under subchapter L of chapter 1 of the Internal Revenue Code of 1986 if it were a domestic corporation.

(B) FOREIGN STATE; NATIONAL OF THE UNITED STATES; NONIMMIGRANT; RESIDE; LAWFUL PERMANENT RESIDENT.—The terms “national of the United States”, and “non-
immigrant” have the meaning given such terms in section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)), the term “reside” means having a residence (within the meaning of such term in such section), and the term “lawful permanent resident” means an alien lawfully admitted for permanent residence (as defined in such section).