



JOINT COMMITTEE ON TAXATION
September 7, 2016
JCX-69-16

**DESCRIPTION OF THE CHAIRMAN’S AMENDMENT IN THE NATURE
OF A SUBSTITUTE TO THE PROVISIONS OF H.R. 954,
A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO EXEMPT FROM
THE INDIVIDUAL MANDATE CERTAIN INDIVIDUALS WHO HAD COVERAGE
UNDER A TERMINATED QUALIFIED HEALTH PLAN FUNDED THROUGH THE
CONSUMER OPERATED AND ORIENTED PLAN (CO-OP) PROGRAM**

The Chairman’s amendment in the nature of a substitute to H.R. 954 provides a short title for the bill, the CO-OP Consumer Protection Act of 2016. In addition, the Chairman’s amendment in the nature of a substitute revises the proposal to provide an exemption from the requirement to maintain minimum essential coverage, in the case of an individual who was enrolled in minimum essential coverage (not only a qualified health plan) offered by a qualified nonprofit health insurance issuer under the CO-OP program that was terminated during a calendar year in the area in which the individual resides, for any month that is included in that calendar year and that ends after the date on which the coverage was terminated. Thus, the exemption applies as of the first month for which the coverage was terminated and the remaining months in the calendar year. Finally, under the Chairman’s amendment in the nature of a substitute, the proposal is effective for months beginning after December 31, 2013.

The following presents the estimated Federal fiscal year budget effects of the Chairman’s amendment:

Fiscal Years											
[Millions of Dollars] [1]											
<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2017-21</u>	<u>2017-26</u>
-3	-1	[2]	[2]	[2]	[2]	[2]	[2]	[2]	[2]	-4	-4

NOTE: Details do not add to totals due to rounding.

[1] Estimate includes a reduction of less than \$500,000 in outlays.

[2] Loss of less than \$500,000.