

JOINT COMMITTEE ON TAXATION

July 25, 2018

JCX-66-18

ESTIMATED BUDGET EFFECTS OF H.R. 6199,
THE "RESTORING ACCESS TO MEDICATION AND MODERNIZING HEALTH SAVINGS ACCOUNTS ACT OF 2018,"
SCHEDULED FOR CONSIDERATION BY THE HOUSE OF REPRESENTATIVES ON JULY 25, 2018

Fiscal Years 2019 - 2028

[Millions of Dollars]

Provision	Effective	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019-23	2019-28
1. Permit First Dollar Coverage Flexibility for High Deductible Health Plans [1].....	pyba 12/31/18	-126	-236	-300	-325	-362	-412	-448	-503	-539	-565	-1,350	-3,818
2. Permit Direct Primary Care Service Arrangements [1]..	mba 12/31/18 ityeasd	-46	-69	-78	-93	-115	-144	-185	-258	-349	-471	-402	-1,810
3. Certain Employment Related Services Not Treated as Disqualifying Coverage for Purposes of Health Savings Accounts [1].....	mba 12/31/18 ityeasd	-165	-248	-274	-310	-350	-392	-440	-518	-588	-655	-1,347	-3,939
4. Contributions Permitted if Spouse Has a Health Flexible Spending Account [1].....	pyba 12/31/18	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-8	-18
5. FSA and HRA Terminations or Conversions to Fund HSAs [1].....	dma 12/31/18 ityeasd	-11	-28	-28	-29	-30	-31	-32	-35	-38	-39	-127	-302
6. Include Certain Over-the-Counter Medical Expenses as Qualified Medical Expenses [1].....	apa 12/31/18 & eia 12/31/18	-279	-538	-618	-645	-674	-703	-734	-799	-848	-887	-2,753	-6,723
7. Certain Amounts Paid for Physical Activity, Fitness, and Exercise Treated as Amounts Paid for Medical Care [1].....	tyba 12/31/18	-242	-359	-369	-374	-380	-385	-391	-409	-431	-441	-1,724	-3,781
8. Interaction Effects of Items 1 - 7 [1].....	---	17	14	18	24	31	39	49	66	82	103	103	441
NET TOTAL		-853	-1,466	-1,653	-1,755	-1,882	-2,030	-2,182	-2,459	-2,714	-2,957	-7,608	-19,949

Joint Committee on Taxation

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

Legend for "Effective" column:

apa = amounts paid after

dma = distributions made after

eia = expenses incurred after

ityeasd = in taxable years ending after such date

mba = months beginning after

pyba = plan years beginning after

tyba = taxable years beginning after

[Footnotes for JCX-66-18 appear on the following page]

Footnotes for JCX-66-18:

	<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>2027</u>	<u>2028</u>	<u>2019-23</u>	<u>2019-28</u>
[1] Estimate includes the following off-budget effects:												
Permit first dollar coverage flexibility for high deductible health plans.....	-27	-51	-64	-70	-78	-89	-97	-103	-108	-114	-290	-801
Permit direct primary care service arrangements.....	-12	-17	-19	-23	-28	-36	-46	-60	-80	-108	-99	-429
Certain employment related services not treated as disqualifying coverage for purposes of HSAs.....	-36	-49	-53	-61	-70	-80	-92	-107	-126	-149	-269	-823
Contributions permitted if spouse has a health flexible spending account.....	---	---	---	---	---	-1	-1	-1	-1	-1	-2	-5
FSA and HRA terminations or conversions to fund HSAs.....	-3	-7	-8	-8	-8	-9	-9	-9	-9	-10	-34	-80
Include certain over-the-counter expenses as qualified medical expenses.....	-86	-165	-189	-198	-207	-216	-225	-235	-246	-257	-846	-2,026
Certain amounts paid for physical activity, fitness, and exercise treated as amounts paid for medical care.....	-99	-105	-106	-108	-109	-111	-113	-114	-116	-117	-527	-1,098
Interaction Effects of Items 1 - 7.....	3	1	1	3	4	6	9	12	17	23	12	79