1237(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 50 U.S.C. 1701 note).

(b) FUNDS DESCRIBED.—Funds described in this subsection are—

(1) funds made available under this Act;

(2) funds made available, and available for obligation as of the date of the enactment of this Act, under—

(A) the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116–123; 134 Stat. 146);

(B) the Families First Coronavirus Response Act (Public Law 116–127; 134 Stat. 177);

(C) the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136); or

(D) the Paycheck Protection Program and Health Care Enhancement Act (Public Law 116–139; 134 Stat. 620); or

(3) funds made available under any Act enacted after the date of the enactment of this Act to provide additional funding relating to the COVID–19 pandemic.

(c) APPLICATION TO PRIVATE ENTITIES AND STATE AND LOCAL GOVERNMENTS.—

(1) IN GENERAL.—The prohibition under subsection (a) includes a prohibition on the obligation or expenditure of funds described in subsection (b) for the purchase of goods or services from persons described in subsection (a) by a private entity or a State or local government that received such funds through a grant or any other means.

(2) CERTIFICATION REQUIRED TO RECEIVE FUTURE FUNDS.—On and after the date of the enactment of this Act, the head of an executive agency may not provide funds described in subsection (b) to a private entity or a State or local government unless the entity or government certifies that the entity or government, as the case may be, is not purchasing goods or services from a person described in subsection (a).

(d) EXECUTIVE AGENCY DEFINED.—In this section, the term ''executive agency'' has the meaning given that term in section 133 of title 41, United States Code.

SA 2515. Ms. MCSALLY (for herself, Mr. DAINES, Mr. CORNYN, and Mr. SULLIVAN) submitted an amendment intended to be proposed to amendment SA 2499 proposed by Mr. MCCONNELL to the bill S. 178, to condemn gross human rights violations of ethnic Turkic Muslims in Xinjiang, and calling for an end to arbitrary detention, torture, and harassment of these communities inside and outside China; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

Subtitle ____—Continuous Health Coverage for Workers

SEC. 201. SHORT TITLE.

This subtitle may be cited as the ''Continuous Health Coverage for Workers Act''.

SEC. 202. PRESERVING HEALTH BENEFITS FOR WORKERS.

(a) PROVISION OF PREMIUM ASSISTANCE.—

(1) REDUCTION OF PREMIUMS PAYABLE.—

(A) COBRA CONTINUATION COVERAGE.—In the case of any premium for a period of coverage during the period beginning on the first day of the first month that begins after the date of enactment of this Act and ending on December 31, 2020, for COBRA continuation coverage with respect to any assistance eligible individual described in subsection (c)(1), such individual shall be treated for purposes of any COBRA continuation provision as having paid the amount of such premium if such individual pays (and any person other than such individual's employer pays on behalf of such individual) the greater of 15 percent of the amount of such premium owed by such individual (as determined without regard to this subsection) or the amount of the premium that a similarly situated individual enrolled in the plan who is not an assistance eligible individual is (or would be, if so enrolled) required to pay with respect to the plan (after any employer contribution).

(B) CHURCH PLANS.—In the case of any premium for a period of coverage during the period beginning on the first day of the first month that begins after the date of enactment of this Act and ending on December 31, 2020, for coverage under a church plan with respect to any assistance eligible individual described in subsection (c)(2), such individual shall be treated for purposes of the individual's coverage under such plan as having paid the amount of such premium if such individual pays (and any person other than such individual's employer pays on behalf of such individual) the greater of 15 percent of the amount of such premium owed by such individual (as determined without regard to this subsection) or the amount of the premium that a similarly situated individual enrolled in the plan who is not an assistance eligible individual is (or would be, if so enrolled) required to pay with respect to the plan (after any employer contribution).

(C) FURLOUGHED CONTINUATION COVERAGE.—In the case of any premium for a period of coverage during the period beginning on the first day of the first month that begins after the date of enactment of this Act and ending on December 31, 2020, for coverage under a group health plan with respect to any assistance eligible individual described in subsection (c)(3), such individual shall be treated for purposes of the individual's coverage under such plan as having paid the amount of such premium if such individual pays (and any person other than such individual's employer pays on behalf of such individual) the greater of 15 percent of the amount of such premium owed by such individual (as determined without regard to this subsection) or the amount of the premium that a similarly situated individual enrolled in the plan who is not an assistance eligible individual is (or would be, if so enrolled) required to pay with respect to the plan (after any employer contribution).

(2) PLAN ENROLLMENT OPTION.—

(A) IN GENERAL.—Any assistance eligible individual who is enrolled in a group health plan offered by a plan sponsor may, not later than 90 days after the date of notice of the plan enrollment option described in this paragraph, elect to enroll in coverage under a plan offered by such plan sponsor that is different than coverage under the plan in which such individual was enrolled at the time—

(i) in the case of any assistance eligible individual described in subsection (c)(1), the qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, section 2203(2) of the Public Health Service Act, or section 8905a of title 5, United States Code (except for the voluntary termination of such individual's employment by such individual), occurred, and such coverage shall be treated as COBRA continuation coverage for purposes of the applicable COBRA continuation provision;

(ii) in the case of an assistance eligible individual described in subsection (c)(2), the termination or reduction of hours of employment of such individual occurred; or

(iii) in the case of any assistance eligible individual described in subsection (c)(3), the furlough period began with respect to such individual.

(B) REQUIREMENTS.—Any assistance eligible individual may elect to enroll in different coverage as described in subparagraph (A) only if—

(i) the employer involved has made a determination that such employer will permit such assistance eligible individual to enroll in different coverage as provided under this paragraph;

(ii) the premium for such different coverage does not exceed the premium for coverage in which such individual was enrolled at the time such qualifying event occurred or immediately before such furlough began;

(iii) the different coverage in which the individual elects to enroll is coverage that is also offered to the active employees of the employer, who are not in a furlough period, at the time at which such election is made; and

(iv) the different coverage in which the individual elects to enroll is not—

(I) coverage that provides only dental, vision, counseling, or referral services (or a combination of such services);

(II) a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of the Internal Revenue Code of 1986);

(III) a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986); or

(IV) benefits that provide coverage for services or treatments furnished in an on-site medical facility maintained by the employer and that consists primarily of first-aid services, prevention and wellness care, or similar care (or a combination of such care).

(3) PREMIUM REIMBURSEMENT.—For provisions providing the payment of such premium, see section 6432 of the Internal Revenue Code of 1986, as added by section 203(a).

(b) LIMITATION OF PERIOD OF PREMIUM ASSISTANCE.—

(1) ELIGIBILITY FOR ADDITIONAL COVERAGE.—Subsection (a)(1) shall not apply with respect to—

(A) any assistance eligible individual described in subsection (c)(1) for months of coverage beginning on or after the earlier of—

(i) the first date that such individual is eligible for coverage under any other group health plan (other than coverage consisting of only dental, vision, counseling, or referral services (or a combination thereof), coverage under a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986), coverage of treatment that is furnished in an on-site medical facility maintained by the employer and that consists primarily of first-aid services, prevention and wellness care, or similar care (or a combination thereof)), or eligible for benefits under the Medicare program under title XVIII of the Social Security Act; or

(ii) the earlier of—

(I) the date following the expiration of the maximum period of continuation coverage required under the applicable COBRA continuation coverage provision; or

(II) the date following the expiration of the period of continuation coverage allowed under subsection (d)(2)(B);

(B) any assistance eligible individual described in subsection (c)(2) for months of coverage beginning on or after the earlier of—

(i) the first date that such individual is eligible for coverage under any other group health plan (other than coverage consisting of only dental, vision, counseling, or referral services (or a combination thereof), coverage under a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986), coverage of treatment that is furnished in an on-site medical facility maintained by the employer and that consists primarily of first-aid services, prevention and wellness care, or similar care (or

a combination thereof)), or eligible for benefits under the Medicare program under title XVIII of the Social Security Act; or

(ii) the first date on which the church plan is no longer available to such individual; or

(C) any assistance eligible individual described in paragraph (3)(C) for months of coverage beginning on or after the earlier of—

(i) the first date that such individual is eligible for coverage under any other group health plan (other than coverage consisting of only dental, vision, counseling, or referral services (or a combination thereof), coverage under a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986), coverage of treatment that is furnished in an on-site medical facility maintained by the employer and that consists primarily of first-aid services, prevention and wellness care, or similar care (or a combination thereof)), or eligible for benefits under the Medicare program under title XVIII of the Social Security Act; or

(ii) the first date that such individual is no longer in the furlough period.

(2) NOTIFICATION REQUIREMENT.—Any assistance eligible individual shall notify the group health plan with respect to which subsection (a)(1) applies if such paragraph ceases to apply by reason of subparagraph (A)(i), (B)(i), or (C)(i) of paragraph (1) (as applicable). Such notice shall be provided to the group health plan in such time and manner as may be specified by the Secretary of Labor.

(3) SPECIAL ENROLLMENT PERIOD FOLLOWING EXPIRATION OF PREMIUM ASSISTANCE.—Notwithstanding section 1311 of the Patient Protection and Affordable Care Act (42 U.S.C. 18031), the expiration of premium assistance pursuant to a limitation specified under paragraph (1) shall be treated as a qualifying event for which any assistance eligible individual is eligible to enroll in a qualified health plan offered through an Exchange under title I of such Act (42 U.S.C. 18001 et seq.) during a special enrollment period.

(c) ASSISTANCE ELIGIBLE INDIVIDUAL.—For purposes of this section, the term ''assistance eligible individual'' means, with respect to a period of coverage during the period beginning on the first day of the first month that begins after the date of enactment of this Act and ending on December 31, 2020—

(1) any individual that is a qualified beneficiary that—

(A) is eligible for COBRA continuation coverage by reason of a qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, section 2203(2) of the Public Health Service Act, or section 8905a of title 5, United States Code (except for the voluntary termination of such individual's employment by such individual); and

(B) elects such coverage;

(2) any individual who—

(A) is terminated from (other than by reason of such employee's gross misconduct or voluntary termination), or is subject to a reduction in hours with respect to, employment with an employer who offers a church plan, if the employer voluntarily offers coverage under such plan to such individual after the termination or reduction of hours, or is a beneficiary of such an individual who is terminated or subject to a reduction of hours, if the employer voluntarily offers coverage under such plan to such beneficiary; and

(B) elects such coverage; or

(3) any covered employee that is in a furlough period that remains eligible for coverage under a group health plan offered by the employer of such covered employee.

(d) EXTENSION OF ELECTION PERIOD AND EFFECT ON COVERAGE.—

(1) IN GENERAL.—For purposes of applying section 605(a) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(5)(A) of the Internal Revenue Code of 1986, section 2205(a) of the Public Health Service Act, and section 8905a(c)(2) of title 5, United States Code, in the case of—

(A) an individual who does not have an election of COBRA continuation coverage in effect on the date of the enactment of this Act but who would be an assistance eligible individual described in subsection (c)(1) if such election were so in effect; or

(B) an individual who elected COBRA continuation coverage on or after March 1, 2020, and discontinued from such coverage before the date of the enactment of this Act,

such individual may elect the COBRA continuation coverage under the COBRA continuation coverage provisions containing such provisions during the period beginning on the date of the enactment of this Act and ending 60 days after the date on which the notification required under subsection (g)(3) is provided to such individual.

(2) COMMENCEMENT OF COBRA CONTINUATION COVERAGE.—Any COBRA continuation coverage elected by a qualified beneficiary during an extended election period under paragraph (1)—

(A) shall apply as if such qualified beneficiary had been covered as of the date of a qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, section 2203(2) of the Public Health Service Act, or section 8905a of title 5, United States Code, except for the voluntary termination of such beneficiary's employment by such beneficiary, that occurs no earlier than March 1, 2020 (including the treatment of premium payments under subsection (a)(1) and any cost-sharing requirements for items and services under a group health plan); and

(B) shall not extend beyond the period of COBRA continuation coverage that would have been required under the applicable COBRA continuation coverage provision if the coverage had been elected as required under such provision.

(e) EXPEDITED REVIEW OF DENIALS OF PREMIUM ASSISTANCE.—In any case in which an individual requests treatment as an assistance eligible individual described in paragraph (1), (2), or (3) of subsection (c) and is denied such treatment by the group health plan, the Secretary of Labor (or the Secretary of Health and Human Services in connection with COBRA continuation coverage or a church plan which is provided other than pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974), in consultation with the Secretary of the Treasury, shall provide for expedited review of such denial. An individual shall be entitled to such review upon application to such Secretary in such form and manner as shall be provided by such Secretary, in consultation with the Secretary of Treasury. Such Secretary shall make a determination regarding such individual's eligibility within 15 business days after receipt of such individual's application for review under this subsection. Either Secretary's determination upon review of the denial shall be de novo and shall be the final determination of such Secretary. A reviewing court shall grant deference to such Secretary's determination. The provisions of this subsection, subsections (a) through (e), and subsections (g) through (i) shall be treated as provisions of title I of the Employee Retirement Income Security Act of 1974 for purposes of part 5 of subtitle B of such title.

(f) DISREGARD OF SUBSIDIES FOR PURPOSES OF FEDERAL AND STATE PROGRAMS.—Notwithstanding any other provision of law, any premium assistance with respect to an assistance eligible individual under this section shall not be considered income, in-kind support, or resources for purposes of determining the eligibility of the recipient (or the recipient's spouse or family) for benefits or assistance, or the amount or extent of benefits or assistance, or any other benefit provided under any Federal program or any program of a State or political subdivision thereof financed in whole or in part with Federal funds.

(g) COBRA-SPECIFIC NOTICE.—

(1) GENERAL NOTICE.—

(A) IN GENERAL.—In the case of notices provided under section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb–6(4)), or section 8905a(f)(2)(A) of title 5, United States Code, with respect to individuals who, during the period described in subsection (c), become entitled to elect COBRA continuation coverage, the requirements of such provisions shall not be treated as met unless such notices include an additional notification to the recipient, in writing, in clear and understandable language of—

(i) the availability of premium assistance with respect to such coverage under this section; and

(ii) the option to enroll in different coverage if the employer permits assistance eligible individuals described in subsection (c)(1) to elect enrollment in different coverage (as described in subsection (a)(2)).

(B) ALTERNATIVE NOTICE.—In the case of COBRA continuation coverage to which the notice provision under such sections does not apply, the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall, in consultation with administrators of the group health plans (or other entities) that provide or administer the COBRA continuation coverage involved, provide rules requiring the provision of such notice.

(C) FORM.—The requirement of the additional notification under this paragraph may be met by amendment of existing notice forms or by inclusion of a separate document with the notice otherwise required.

(2) SPECIFIC REQUIREMENTS.—Each additional notification under paragraph (1) shall include—

(A) the forms necessary for establishing eligibility for premium assistance under this section;

(B) the name, address, and telephone number necessary to contact the plan administrator and any other person maintaining relevant information in connection with such premium assistance;

(C) a description of the extended election period provided for in subsection (d)(1);

(D) a description of the obligation of the qualified beneficiary under subsection (b)(2) and the penalty provided under section 6720C of the Internal Revenue Code of 1986 for failure to carry out the obligation;

(E) a description, displayed in a prominent manner, of the qualified beneficiary's right to a reduced premium and any conditions on entitlement to the reduced premium;

(F) a description of the option of the qualified beneficiary to enroll in different coverage if the employer permits such beneficiary to elect to enroll in such different coverage under subsection (a)(2); and

(G) information regarding any Exchange established under title I of the Patient Protection and Affordable Care Act (42 U.S.C. 18001 et seq.) through which a qualified beneficiary may be eligible to enroll in a qualified health plan, including—

(i) the publicly accessible internet website address for such Exchange;

(ii) the publicly accessible internet website address for the Find Local Help directory maintained by the Department of Health and Human Services on the healthcare.gov internet website (or a successor website);

(iii) a clear explanation that—

(I) an individual who is eligible for continuation coverage may also be eligible to enroll, with financial assistance, in a qualified health plan offered through such Exchange, but, in the case that such individual elects to enroll in such continuation coverage and subsequently elects to terminate such continuation coverage before the period of such continuation coverage expires, such termination does not initiate a special enrollment period (absent a qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, section 2203(2) of the Public Health Service Act, or section 8905a of title 5, United States Code, with respect to such individual); and

(II) an individual who elects to enroll in continuation coverage will remain eligible to enroll in a qualified health plan offered through such Exchange during an open enrollment period and may be eligible for financial assistance with respect to enrolling in such a qualified health plan;

(iv) information on consumer protections with respect to enrolling in a qualified health plan offered through such Exchange, including the requirement for such a qualified health plan to provide coverage for essential health benefits (as defined in section 1302(b) of such Act (42 U.S.C. 18022(b))) and the requirements applicable to such a qualified health plan under part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.);

(v) information on the availability of financial assistance with respect to enrolling in a qualified health plan, including the maximum income limit for eligibility for the premium tax credit under section 36B of the Internal Revenue Code of 1986; and

(vi) information on any special enrollment periods during which any assistance eligible individual described in subsection (c)(1)(A) may be eligible to enroll, with financial assistance, in a qualified health plan offered through such Exchange (including a special enrollment period for which an individual may be eligible due to the expiration of premium assistance pursuant to a limitation specified under subsection (b)(1)); and

(H) information regarding compliance with the requirements of subsection (n).

(3) NOTICE IN CONNECTION WITH EXTENDED ELECTION PERIODS.—In the case of any assistance eligible individual described in subsection (c)(1) (or any individual described in subsection (d)(1)) who became entitled to elect COBRA continuation coverage before the date of the enactment of this Act, the administrator of the applicable group health plan (or other entity) shall provide (within 60 days after the date of enactment of this Act) for the additional notification required to be provided under paragraph (1) and failure to provide such notice shall be treated as a failure to meet the notice requirements under the applicable COBRA continuation provision.

(4) MODEL NOTICES.—Not later than 30 days after the date of enactment of this Act, with respect to any assistance eligible individual described in subsection (c)(1)—

(A) the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the additional notification required under this paragraph (other than the additional notification described in subparagraph (B)); and

(B) in the case of any additional notification provided pursuant to paragraph (1) under section 8905a(f)(2)(A) of title 5, United States Code, the Office of Personnel Management shall prescribe a model for such additional notification.

(h) FURLOUGH-SPECIFIC NOTICE.—

(1) IN GENERAL.—With respect to any assistance eligible individual described in subsection (c)(3) who, during the period described in such paragraph, becomes eligible for assistance pursuant to subsection (a)(1)(C), the requirements of section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb–6(4)), or section 8905a(f)(2)(A) of title 5, United States Code, shall not be treated as met unless the group health plan administrator, in accordance with the timing requirement specified under paragraph (2), provides to the individual a written notice in clear and understandable language of—

(A) the availability of premium assistance with respect to such coverage under this section;

(B) the option of the qualified beneficiary to enroll in different coverage if the employer permits such beneficiary to elect to enroll in such different coverage under subsection (a)(2); and

(C) the information specified under subsection (g)(2) (as applicable).

(2) TIMING SPECIFIED.—For purposes of paragraph (1), the timing requirement specified in this paragraph is—

(A) with respect to such an individual who is within a furlough period during the period beginning on March 1, 2020, and ending on the date of the enactment of this Act, 30 days after the date of such enactment; and

(B) with respect to such an individual who is within a furlough period during the period beginning on the first day after the date of the enactment of this Act and ending on December 31, 2020, 30 days after the date of the beginning of such furlough period.

(3) MODEL NOTICES.—Not later than 30 days after the date of enactment of this Act, with respect to any assistance eligible individual described in subsection (c)(3)—

(A) the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the notification required under this paragraph (other than the notification described in subparagraph (B)); and

(B) in the case of any notification provided pursuant to paragraph (1) under section 8905a(f)(2)(A) of title 5, United States Code, the Office of Personnel Management shall prescribe a model for such notification.

(i) NOTICE OF EXPIRATION OF PERIOD OF PREMIUM ASSISTANCE.—

(1) IN GENERAL.—With respect to any assistance eligible individual (as applicable), subject to paragraph (2), the requirements of section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb–6(4)), or section 8905a(f)(2)(A) of title 5, United States Code, shall not be treated as met unless the employer of the individual, during the period specified under paragraph (3), provides to such individual a written notice in clear and understandable language—

(A) that the premium assistance for such individual will expire soon and the prominent identification of the date of such expiration;

(B) that such individual may be eligible for coverage without any premium assistance through—

(i) COBRA continuation coverage; or

(ii) coverage under a group health plan;

(C) that the expiration of premium assistance is treated as a qualifying event for which any assistance eligible individual is eligible to enroll in a qualified health plan offered through an Exchange under title I of such Act (42 U.S.C. 18001 et seq.) during a special enrollment period; and

(D) the information specified in subsection (g)(2)(G).

(2) EXCEPTION.—The requirement for the group health plan administrator to provide the written notice under paragraph (1) shall be waived in the case the premium assistance for such individual expires pursuant to subparagraph (A)(i) or (C)(i) of subsection (b)(1).

(3) PERIOD SPECIFIED.—For purposes of paragraph (1), the period specified in this paragraph is, with respect to the date of expiration of premium assistance for any assistance eligible individual pursuant to a limitation requiring a notice under this subsection, the period beginning on the day that is 45 days before the date of such expiration and ending on the day that is 15 days before the date of such expiration.

(4) MODEL NOTICES.—Not later than 30 days after the date of enactment of this Act, with respect to any assistance eligible individual—

(A) the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the notification required under this subsection (other than the notification described in subparagraph (B)); and

(B) in the case of any notification provided pursuant to paragraph (1) under section 8905a(f)(2)(A) of title 5, United States Code, the Office of Personnel Management shall prescribe a model for such notification.

(j) REGULATIONS.—The Secretary of the Treasury and the Secretary of Labor may jointly prescribe such regulations or other guidance as may be necessary or appropriate to carry out the provisions of this section, including the prevention of fraud and abuse under this section, except that the Secretary of Labor and the Secretary of Health and Human Services may prescribe such regulations (including interim final regulations) or other guidance as may be necessary or appropriate to carry out the provisions of subsections (e), (g), (h), (i), and (k).

(k) OUTREACH.—

(1) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall provide outreach consisting of public education and enrollment assistance relating to premium assistance provided under this section. Such outreach shall target employers, group health plan administrators, public assistance programs, States, insurers, and other entities as determined appropriate by such Secretaries. Such outreach shall include an initial focus on those individuals electing continuation coverage who are referred to in subsection (g)(3). Information on such premium assistance, including enrollment, shall also be made available on websites of the Departments of Labor, Treasury, and Health and Human Services.

(2) ENROLLMENT UNDER MEDICARE.—The Secretary of Health and Human Services shall provide outreach consisting of public education. Such outreach shall target individuals who lose health insurance coverage. Such outreach shall include information regarding enrollment for benefits under title XVIII of the Social Security Act (42 U.S.C.

1395 et seq.) for purposes of preventing mistaken delays of such enrollment by such individuals, including lifetime penalties for failure of timely enrollment.

(l) DEFINITIONS.—For purposes of this section:

(1) ADMINISTRATOR.—The term ''administrator'' has the meaning given such term in section 3(16)(A) of the Employee Retirement Income Security Act of 1974.

(2) CHURCH PLAN.—The term ''church plan'' means a plan, as described in section 414(e) of the Internal Revenue Code of 1986, that provides medical care to employees or their dependents.

(3) COBRA CONTINUATION COVERAGE.—The term ''COBRA continuation coverage'' means continuation coverage provided pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (other than under section 609), title XXII of the Public Health Service Act, section 4980B of the Internal Revenue Code of 1986 (other than subsection (f)(1) of such section insofar as it relates to pediatric vaccines), or section 8905a of title 5, United States Code, or under a State program that provides comparable continuation coverage. Such term does not include coverage under a health flexible spending arrangement under a cafeteria plan within the meaning of section 125 of the Internal Revenue Code of 1986.

(4) COBRA CONTINUATION PROVISION.—The term ''COBRA continuation provision'' means the provisions of law described in paragraph (3).

(5) COVERED EMPLOYEE.—The term ''covered employee'' has the meaning given such term in section 607(2) of the Employee Retirement Income Security Act of 1974.

(6) QUALIFIED BENEFICIARY.—The term ''qualified beneficiary'' has the meaning given such term in section 607(3) of the Employee Retirement Income Security Act of 1974.

(7) GROUP HEALTH PLAN.—The term ''group health plan'' has the meaning given such term in section 607(1) of the Employee Retirement Income Security Act of 1974.

(8) STATE.—The term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(9) PERIOD OF COVERAGE.—Any reference in this section to a period of coverage shall be treated as a reference to a monthly or shorter period of coverage with respect to which premiums are charged with respect to such coverage.

(10) PLAN SPONSOR.—The term ''plan sponsor'' has the meaning given such term in section 3(16)(B) of the Employee Retirement Income Security Act of 1974.

(11) FURLOUGH PERIOD.—

(A) IN GENERAL.—The term ''furlough period'' means, with respect to an individual and an employer of such individual, a period—

(i) beginning with the first month beginning on or after March 1, 2020, and before December 31, 2020, during which such individual's employer reduces such individual's work hours (due to a lack of work, funds, or other nondisciplinary reason) to an amount that is less than 70 percent of the base month amount; and

(ii) ending with the earlier of—

(I) the first month beginning after December 31, 2020; or

(II) the month following the first month during which work hours of such employee are greater than 80 percent of work hours of the base month amount.

(B) BASE MONTH AMOUNT.—For purposes of subparagraph (A), the term ''base month amount'' means, with respect to an individual and an employer of such individual, the greater of—

(i) such individual's work hours in the month prior (or in the case such individual had no work hours in the month prior and had work hours in the 3 months prior, the last month with work hours within the prior 3 months); and

(ii) such individual's work hours during the period beginning January 1, 2020, and ending January 31, 2020.

(m) REPORTS.—

(1) INTERIM REPORT.—The Secretary of the Treasury and the Secretary of Labor shall jointly submit an interim report to the Committee on Education and Labor, the Committee on Ways and Means, and the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate regarding the premium assistance provided under this section that includes—

(A) the number of individuals provided such assistance as of the date of the report; and

(B) the total amount of expenditures incurred (with administrative expenditures noted separately) in connection with such assistance as of the date of the report.

(2) FINAL REPORT.—As soon as practicable after the last period of COBRA continuation coverage for which premium assistance is provided under this section, the Secretary of the Treasury and the Secretary of Labor shall jointly submit a final report to each Committee referred to in paragraph (1) that includes—

(A) the number of individuals provided premium assistance under this section;

(B) the average dollar amount (monthly and annually) of premium assistance provided to such individuals; and

(C) the total amount of expenditures incurred (with administrative expenditures noted separately) in connection with premium assistance under this section.

(n) LIMITATION.—

(1) IN GENERAL.—Notwithstanding section 602(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(1)) or any other provision of part 6 of subtitle B of title I of such Act of 1974 (29 U.S.C. 1161 et seq.), section 2202(1) of the Public Health Service Act (42 U.S.C. 300bb–2) or any other provision of such Act (42 U.S.C. 201 et seq.), section 4980B(f)(2)(A) of the Internal Revenue Code of 1986 or any other provision of such Code, section 8905a of title 5, United States Code, or any provision of State law, in the case of coverage described in subsection (a)(1) for an assistance eligible individual—

(A) such coverage shall exclude coverage of an abortion (except to the extent described in section 507(a) of division A of Public Law 116–94) for any period of coverage beginning on or after the date of enactment of this Act, for which subsection (a)(1) applies to the individual; and

(B) if such coverage would, but for the requirement under subparagraph (A), include coverage of abortion (except to the extent described in such subparagraph) for such individual, the coverage shall be modified for such individual so that the coverage excludes abortion (except to the extent described in such subparagraph) for any period of coverage as described in such subparagraph.

(2) RULE OF CONSTRUCTION.—Nothing in this subtitle, or any amendment made by this subtitle, may be construed to require a health plan, including any COBRA continuation coverage, to provide coverage of any abortion.

(o) DEADLINES WITH RESPECT TO NOTICES.—Notwithstanding section 518 of the Employee Retirement Income Security Act of 1974 and section 7508A of the Internal Revenue Code of 1986, the Secretary of Labor and the Secretary of the Treasury, respectively, may not waive or extend any deadline with respect to the provision of notices described in subsections (g), (h), and (i).

SEC. 203. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) COBRA PREMIUM ASSISTANCE.—

(1) IN GENERAL.—Subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 6432. CONTINUATION COVERAGE PREMIUM ASSISTANCE.

''(a) IN GENERAL.—The person to whom premiums are payable for continuation coverage under section 202(a)(1) of the Continuous Health Coverage for Workers Act shall be allowed as a credit against the tax imposed by section 3111(a), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(a), for each calendar quarter an amount equal to the premiums not paid by assistance eligible individuals for such coverage by reason of such section 202(a)(1) with respect to such calendar quarter.

''(b) PERSON TO WHOM PREMIUMS ARE PAYABLE.—For purposes of subsection (a), except as otherwise provided by the Secretary, the person to whom premiums are payable under such continuation coverage shall be treated as being—

''(1) in the case of any group health plan which is a multiemployer plan (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974), the plan,

''(2) in the case of any group health plan not described in paragraph (1)—

''(A) which provides church plan continuation coverage described in section 202(a)(1)(A)(ii), furlough continuation coverage described in section 202(a)(1)(A)(iii) of the Continuous Health Coverage for Workers Act or subject to the COBRA continuation provisions contained in—

''(i) this title,

''(ii) the Employee Retirement Income Security Act of 1974,

''(iii) the Public Health Service Act, or

''(iv) title 5, United States Code, or

''(B) under which some or all of the coverage is not provided by insurance,

the employer maintaining the plan, and

''(3) in the case of any group health plan not described in paragraph (1) or (2), the insurer providing the coverage under the group health plan.

''(c) LIMITATIONS AND REFUNDABILITY.—

''(1) CREDIT LIMITED TO CERTAIN EMPLOYMENT TAXES.—The credit allowed by subsection (a) with respect to any calendar quarter shall not exceed the tax imposed by section 3111(a), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(a), for such calendar quarter (reduced by any credits allowed under subsections (e) and (f) of section 3111, sections 7001 and 7003 of the Families First Coronavirus Response Act, section 2301 of the CARES Act, and sections 20204 and 20212 of the COVID–19 Tax Relief Act of 2020 for such quarter) on the wages paid with respect to the employment of all employees of the employer.

''(2) REFUNDABILITY OF EXCESS CREDIT.—

''(A) CREDIT IS REFUNDABLE.—If the amount of the credit under subsection (a) exceeds the limitation of paragraph (1) for any calendar quarter, such excess shall be treated as an overpayment that shall be refunded under sections 6402(a) and 6413(b).

''(B) CREDIT MAY BE ADVANCED.—In anticipation of the credit, including the refundable portion under subparagraph (A), the credit may be advanced, according to forms and instructions provided by the Secretary, up to

an amount calculated under subsection (a) through the end of the most recent payroll period in the quarter.

''(C) TREATMENT OF DEPOSITS.—The Secretary shall waive any penalty under section 6656 for any failure to make a deposit of the tax imposed by section 3111(a), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(a), if the Secretary determines that such failure was due to the anticipation of the credit allowed under this section.

''(D) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, any amounts due to an employer under this paragraph shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

''(3) LIMITATION ON REIMBURSEMENT FOR CERTAIN EMPLOYEES.—In the case of an individual who for any month is an assistance eligible individual described in subparagraph (B) or (C) of section 202(a)(3) of the Continuous Health Coverage for Workers Act with respect to any coverage, the credit determined with respect to such individual under subsection (a) for any such month ending during a calendar quarter shall not exceed the amount of premium the individual would have paid for a full month of such coverage for the month preceding the first month for which an individual is such an assistance eligible individual.

''(d) GOVERNMENTAL ENTITIES.—For purposes of this section, the term 'person' includes any governmental entity or Indian tribal government (as defined in section 139E(c)(1)).

''(e) DENIAL OF DOUBLE BENEFIT.—For purposes of chapter 1, the gross income of any person allowed a credit under this section shall be increased for the taxable year which includes the last day of any calendar quarter with respect to which such credit is allowed by the amount of such credit. No amount for which a credit is allowed under this section shall be taken into account as qualified wages under section 2301 of the CARES Act or as qualified health plan expenses under section 7001(d) or 7003(d) of the Families First Coronavirus Response Act.

''(f) REPORTING.—Each person entitled to reimbursement under subsection (a) for any period shall submit such reports (at such time and in such manner) as the Secretary may require, including—

''(1) an attestation of involuntary termination of employment, reduction of hours, or furloughing, for each assistance eligible individual on the basis of whose termination, reduction of hours, or furloughing entitlement to reimbursement is claimed under subsection (a),

''(2) a report of the amount of payroll taxes offset under subsection (a) for the reporting period, and

''(3) a report containing the TINs of all covered employees, the amount of subsidy reimbursed with respect to each employee, and a designation with respect to each employee as to whether the subsidy reimbursement is for coverage of 1 individual or 2 or more individuals.

''(g) REGULATIONS.—The Secretary shall issue such regulations or other guidance as may be necessary or appropriate to carry out this section, including—

''(1) the requirement to report information or the establishment of other methods for verifying the correct amounts of reimbursements under this section,

''(2) the application of this section to group health plans that are multiemployer plans (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974),

''(3) to allow the advance payment of the credit determined under subsection (a), subject to the limitations provided in this section, based on such information as the Secretary shall require,

''(4) to provide for the reconciliation of such advance payment with the amount of the credit at the time of filing the return of tax for the applicable quarter or taxable year, and

''(5) with respect to the application of the credit to third party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504).

''(h) LIMITATION.—In the case of any period of coverage (as defined in section 202(l) of the Continuous Health Coverage for Workers Act) beginning on or after the date of enactment of this section, no credit shall be allowed under this section with respect to any coverage that includes coverage of an abortion (except as described in section 507(a) of division A of Public Law 116–94).''.

(2) SOCIAL SECURITY TRUST FUNDS HELD HARMLESS.—There are hereby appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) and the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(a)) amounts equal to the reduction in revenues to the Treasury by reason of this subsection (without regard to this paragraph). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund or Account had this section not been enacted.

(3) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 6432. Continuation coverage premium assistance.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to premiums to which section 202(a)(1)(A) applies.

(5) SPECIAL RULE IN CASE OF EMPLOYEE PAYMENT THAT IS NOT REQUIRED UNDER THIS SECTION.—

(A) IN GENERAL.—In the case of an assistance eligible individual who pays, with respect any period of coverage to which section 202(a)(1)(A) applies, the amount of the premium for such coverage that the individual would have (but for this subtitle) been required to pay, the person to whom such payment is payable shall reimburse such individual for the amount of such premium paid.

(B) CREDIT OF REIMBURSEMENT.—A person to which subparagraph (A) applies shall be allowed a credit in the manner provided under section 6432 of the Internal Revenue Code of 1986 for any payment made to the employee under such subparagraph.

(C) PAYMENT OF CREDITS.—Any person to which subparagraph (A) applies shall make the payment required under such clause to the individual not later than 60 days after the date on which such individual elects continuation coverage under section 202(a)(1) of the Continuous Health Coverage for Workers Act.

(b) PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR PREMIUM ASSISTANCE.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 6720C. PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR CONTINUATION COVERAGE PREMIUM ASSISTANCE.

''(a) IN GENERAL.—Except in the case of failure described in subsection (b) or (c), any person required to notify a group health plan under section 202(a)(2)(B) of the Continuous Health Coverage for Workers Act who fails to make such a notification at such time and in such manner as the Secretary of Labor may require shall pay a penalty of $250.

''(b) INTENTIONAL FAILURE.—In the case of any such failure that is fraudulent, such person shall pay a penalty equal to the greater of—

''(1) $250, or

''(2) 110 percent of the premium assistance provided under section 202(a)(1)(A) of the Continuous Health Coverage for Workers Act after termination of eligibility under such section.

''(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause and not to willful neglect.''.

(2) CLERICAL AMENDMENT.—The table of sections of part I of subchapter B of chapter 68 of such Code is amended by adding at the end the following new item:

''Sec. 6720C. Penalty for failure to notify health plan of cessation of eligibility for continuation coverage premium assistance.''.

(c) COORDINATION WITH HCTC.—

(1) IN GENERAL.—Section 35(g)(9) of the Internal Revenue Code of 1986 is amended to read as follows:

''(9) CONTINUATION COVERAGE PREMIUM ASSISTANCE.—In the case of an assistance eligible individual who receives premium assistance for continuation coverage under section 202(a)(1) of the Continuous Health Coverage for Workers Act for any month during the taxable year, such individual shall not be treated as an eligible individual, a certified individual, or a qualifying family member for purposes of this section or section 7527 with respect to such month.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years ending after the date of the enactment of this Act.

(d) EXCLUSION OF CONTINUATION COVERAGE PREMIUM ASSISTANCE FROM GROSS INCOME.—

(1) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139H the following new section:

''SEC. 139I. CONTINUATION COVERAGE PREMIUM ASSISTANCE.

''In the case of an assistance eligible individual (as defined in subsection (a)(3) of section 202 of the Continuous Health Coverage for Workers Act), gross income does not include any premium assistance provided under subsection (a)(1) of such section.''.

(2) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 139H the following new item:

''Sec. 139I. Continuation coverage premium assistance.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 204. RULE OF CONSTRUCTION.

In all matters of interpretation, rules, and operational procedures, the language of this subtitle shall be interpreted broadly for the benefit of workers and their families.

SA 2516. Ms. MCSALLY submitted an amendment intended to be proposed by