

One Hundred Seventeenth Congress  
of the  
United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Sunday,  
the third day of January, two thousand and twenty-one*

An Act

To prevent across-the-board direct spending cuts, and for other purposes.

*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*

**SECTION 1. EXTENSION OF TEMPORARY SUSPENSION OF MEDICARE  
SEQUESTRATION.**

(a) EXTENSION.—

(1) IN GENERAL.—Section 3709(a) of division A of the CARES Act (2 U.S.C. 901a note) is amended by striking “March 31, 2021” and inserting “December 31, 2021”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if enacted as part of the CARES Act (Public Law 116–136).

(b) OFFSET.—Section 251A(6)(C) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901a(6)(C)) is amended—

(1) in clause (i)—

(A) by striking “first 6 months” and inserting “first 5 ½ months”;

(B) by striking “4.0 percent” and inserting “2.0 percent”; and

(C) by striking “and” at the end;

(2) in clause (ii)—

(A) by striking “second 6 months” and inserting “6-month period beginning on the day after the last day of the period described in clause (i)”; and

(B) by striking “0.0 percent.” and inserting “4.0 percent; and”;

(3) by adding at the end the following:

“(iii) with respect to the remaining ½ month in which such order is so effective for such fiscal year, the payment reduction shall be 0.0 percent.”.

**SEC. 2. TECHNICAL CORRECTIONS.**

(a) RURAL HEALTH CLINIC PAYMENTS.—

(1) IN GENERAL.—Section 1833(f)(3) of the Social Security Act (42 U.S.C. 1395l(f)(3)) is amended—

(A) in subparagraph (A)—

(i) in clause (i), by striking subclauses (I) and (II) and inserting the following:

“(I) with respect to a rural health clinic that had a per visit payment amount established for services furnished in 2020—

“(aa) the per visit payment amount applicable to such rural health clinic for rural health clinic services furnished in 2020, increased by the percentage increase in the MEI applicable to primary care services furnished as of the first day of 2021; or

“(bb) the limit described in paragraph (2)(A); and

“(II) with respect to a rural health clinic that did not have a per visit payment amount established for services furnished in 2020—

“(aa) the per visit payment amount applicable to such rural health clinic for rural health clinic services furnished in 2021; or

“(bb) the limit described in paragraph (2)(A); and”; and

(ii) in clause (ii)(I), by striking “under clause (i)(I)” and inserting “under subclause (I) or (II) of clause (i), as applicable,”; and

(B) by striking subparagraph (B) and inserting the following:

“(B) A rural health clinic described in this subparagraph is a rural health clinic that—

“(i) as of December 31, 2020, was in a hospital with less than 50 beds and after such date such hospital continues to have less than 50 beds (not taking into account any increase in the number of beds pursuant to a waiver under subsection (b)(1)(A) of section 1135 during the emergency period described in subsection (g)(1)(B) of such section); and

“(ii)(I) as of December 31, 2020, was enrolled under section 1866(j) (including temporary enrollment during such emergency period for such emergency period); or

“(II) submitted an application for enrollment under section 1866(j) (or a request for such a temporary enrollment for such emergency period) that was received not later than December 31, 2020.”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of the Consolidated Appropriations Act, 2021 (Public Law 116–260).

(b) ADDITIONAL AMOUNT FOR CERTAIN HOSPITALS WITH HIGH DISPROPORTIONATE SHARE.—Effective as if included in the enactment of section 203(a) of title II of division CC of Public Law 116–260, subsection (g) of section 1923 of the Social Security Act (42 U.S.C. 1396r–4), as amended by such section, is amended by adding at the end the following:

“(3) CONTINUED APPLICATION OF GRANDFATHERED TRANSITION RULE.—Notwithstanding paragraph (2) of this subsection (as in effect on October 1, 2021), paragraph (2) of this subsection (as in effect on September 30, 2021, and as applied under section 4721(e) of the Balanced Budget Act of 1997, and amended by section 607 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (Public Law 106–113)) shall apply in determining whether a payment adjustment for a hospital in a State referenced in section 4721(e) of the

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Balanced Budget Act of 1997 during a State fiscal year shall be considered consistent with subsection (c).”

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*