

119TH CONGRESS
2D SESSION

H. R. 9940

To amend title XIX of the Social Security Act to provide a temporary higher Federal medical assistance percentage for Federal expenditures under the Medicaid program that are associated with the cost of compliance with certain Federal regulations with respect to services furnished in certain intermediate care facilities or home and community-based services furnished to individuals with intellectual and developmental disabilities.

IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2026

Mr. TONKO (for himself and Mr. FITZPATRICK) introduced the following bill;
which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to provide a temporary higher Federal medical assistance percentage for Federal expenditures under the Medicaid program that are associated with the cost of compliance with certain Federal regulations with respect to services furnished in certain intermediate care facilities or home and community-based services furnished to individuals with intellectual and developmental disabilities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Disability Community
3 Act of 2026”.

4 **SEC. 2. HIGHER FMAP FOR CERTAIN MEDICAID EXPENDI-**
5 **TURES ASSOCIATED WITH CERTAIN REGULA-**
6 **TION COMPLIANCE.**

7 (a) IN GENERAL.—Section 1903(a)(5) of the Social
8 Security Act (42 U.S.C. 1396b(a)(5)) is amended—

9 (1) by striking “an amount equal to” and in-
10 serting “(A) an amount equal to”;

11 (2) by striking “supplies;” and inserting “sup-
12 plies; and”; and

13 (3) by adding at the end the following:

14 “(B) an amount equal to 90 percent of the sum
15 of the amounts expended during a quarter in 2027,
16 2028, or 2029, for items and services furnished in
17 an intermediate care facility for the mentally re-
18 tarded or for home and community-based services
19 furnished to individuals with intellectual and devel-
20 opmental disabilities, as the Secretary determines
21 are attributable to compliance with any of the regu-
22 lations specified in—

23 “(i) part 541.600 of title 29, Code of Fed-
24 eral Regulations; or

25 “(ii) part 430, 431, 435, 436, 440, 441, or
26 447 of title 42, Code of Federal Regulations;”.

1 (b) CONFORMING TERMINOLOGY FOR INTERMEDIATE
2 CARE FACILITIES.—Title XIX of the Social Security Act
3 (42 U.S.C. 1396 et seq.) is amended—

4 (1) by striking “intermediate care facility for
5 the mentally retarded” each time such term appears
6 (including in headings) and inserting “intermediate
7 care facility for individuals with intellectual and de-
8 velopmental disabilities”;

9 (2) by striking “intermediate care facilities for
10 the mentally retarded” each time such term appears
11 (including in headings) and inserting “intermediate
12 care facilities for individuals with intellectual and
13 developmental disabilities”;

14 (3) by striking “State mental retardation or de-
15 velopmental disability authority” each time such
16 term appears and inserting “State intellectual or de-
17 velopmental disability authority”;

18 (4) in section 1905(d)—

19 (A) in the matter before paragraph (1), by
20 striking “thereof) for the mentally retarded or
21 persons” and inserting “thereof) for individuals
22 with intellectual or developmental disabilities
23 or”;

24 (B) in paragraph (1), by striking “men-
25 tally retarded individuals” and inserting “indi-

1 viduals with intellectual or developmental dis-
2 abilities”; and

3 (C) in paragraph (2), by striking “the
4 mentally retarded individual” and inserting
5 “the individual with an intellectual or develop-
6 mental disability”;

7 (5) in section 1915(c)(7)(C), by striking “men-
8 tal retardation” and inserting “intellectual or devel-
9 opmental disabilities”;

10 (6) in section 1919(b)—

11 (A) in paragraph (3)—

12 (i) in subparagraph (E), by striking
13 “mentally retarded” and inserting “has in-
14 tellectual or developmental disabilities”;
15 and

16 (ii) in subparagraph (F)—

17 (I) in the heading, by striking
18 “AND MENTALLY RETARDED INDIVID-
19 UALS” and inserting “INDIVIDUALS
20 AND INDIVIDUALS WITH INTELLEC-
21 TUAL OR DEVELOPMENTAL DISABIL-
22 ITIES”; and

23 (II) in clause (ii)—

24 (aa) by striking “is mentally
25 retarded” and inserting “has an

1 intellectual or developmental dis-
2 ability”; and

3 (bb) by striking “for mental
4 retardation” and inserting “for
5 intellectual or developmental dis-
6 abilities”; and

7 (B) in paragraph (4)—

8 (i) in subparagraph (A)(vii), by strik-
9 ing “mentally ill and mentally retarded
10 residents” and inserting “residents who
11 are mentally ill or who have intellectual or
12 developmental disabilities”; and

13 (ii) in subparagraph (C)(ii)(IV), by
14 striking “the mentally retarded” and in-
15 serting “individuals with intellectual or de-
16 velopmental disabilities”; and

17 (7) in section 1919(e)—

18 (A) in paragraph (7)—

19 (i) in subparagraph (A)(i), by striking
20 “mentally ill and mentally retarded individ-
21 uals” and inserting “individuals who are
22 mentally ill or who have intellectual or de-
23 velopmental disabilities”;

24 (ii) in subparagraph (B)—

1 (I) by striking “mental retardation” each place such term appears
2
3 and inserting “intellectual or developmental disability”;
4

5 (II) in clause (ii)—

6 (aa) in the heading, by
7 striking “MENTALLY RETARDED
8 RESIDENTS” and inserting “RESIDENTS WITH INTELLECTUAL OR
9 DEVELOPMENTAL DISABILITIES”;
10
11 and

12 (bb) in the matter preceding
13 subclause (I), by striking “is
14 mentally retarded” and inserting
15 “has an intellectual or developmental disability”; and
16

17 (III) in clause (iii), by striking
18 “mentally ill or mentally retarded
19 resident” and inserting “resident who
20 is mentally ill or who has an intellectual or developmental disability”;
21

22 (iii) in subparagraph (C), by striking
23 “mental retardation” each place such term
24 appears and inserting “intellectual or developmental disability”;
25

1 (iv) in subparagraph (E)—

2 (I) by striking “are mentally re-
3 tarded or” and inserting “have intel-
4 lectual or developmental disabilities or
5 are”; and

6 (II) by striking “mental retarda-
7 tion” and inserting “intellectual or de-
8 velopmental disability”; and

9 (v) in subparagraph (G)(ii)—

10 (I) by striking “be ‘mentally re-
11 tarded’ ” and inserting “have ‘an in-
12 tellectual or developmental dis-
13 ability’ ”; and

14 (II) by striking “is mentally re-
15 tarded or a person with” and insert-
16 ing “has an intellectual or develop-
17 mental disability or”.

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