

119TH CONGRESS  
1ST SESSION

# S. 2073

To establish a State public option through Medicaid to provide Americans with the choice of a high-quality, low-cost health insurance plan.

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## IN THE SENATE OF THE UNITED STATES

JUNE 12, 2025

Mr. SCHATZ (for himself, Mr. LUJÁN, Mr. MERKLEY, Mrs. SHAHEEN, Mr. BLUMENTHAL, Mr. WHITEHOUSE, Ms. KLOBUCHAR, Mr. WELCH, Ms. ROSEN, Ms. SMITH, Mr. MURPHY, Mr. BOOKER, Mr. DURBIN, and Mr. HEINRICH) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To establish a State public option through Medicaid to provide Americans with the choice of a high-quality, low-cost health insurance plan.

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

### 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “State Public Option  
5 Act”.

### 6 **SEC. 2. MEDICAID BUY-IN OPTION.**

7 (a) IN GENERAL.—Section 1902 of the Social Secu-  
8 rity Act (42 U.S.C. 1396a) is amended—

1 (1) in subsection (a)(10)—

2 (A) in subparagraph (A)(ii)—

3 (i) in subclause (XXII), by striking “;  
4 or” and inserting a semicolon;

5 (ii) in subclause (XXIII), by adding  
6 “or” at the end; and

7 (iii) by adding at the end the fol-  
8 lowing new subclause:

9 “(XXIV) beginning January 1,  
10 2026, who are residents of the State  
11 and are not concurrently enrolled in  
12 another health insurance coverage  
13 plan, subject, in the case of individ-  
14 uals described in subsection (uu) and  
15 notwithstanding section 1916 (except  
16 for subsection (k) of such section), to  
17 payment of premiums or other cost-  
18 sharing charges;” and

19 (B) in the matter following subparagraph  
20 (G), by inserting “or subparagraph  
21 (A)(ii)(XXIV)” after “described in subpara-  
22 graph (A)(i)(VIII)”; and

23 (2) by adding at the end the following new sub-  
24 section:

1 “(uu) PREVIOUSLY UNDESCRIBED INDIVIDUALS.—  
 2 Individuals described in this subsection are individuals  
 3 who are—

4 “(1) described in subclause (XXIV) of sub-  
 5 section (a)(10)(A)(ii); and

6 “(2) are not described in any other subclause of  
 7 such subsection or any other provision in this Act  
 8 which provides for eligibility for medical assist-  
 9 ance.”.

10 (b) PROVISION OF AT LEAST MINIMUM COVERAGE.—

11 (1) IN GENERAL.—Section 1902(k)(1) of the  
 12 Social Security Act (42 U.S.C. 1396a(k)(1)) is  
 13 amended by inserting “or an individual described in  
 14 subclause (XXIV) of subsection (a)(10)(A)(ii)” after  
 15 “an individual described in subclause (VIII) of sub-  
 16 section (a)(10)(A)(i)” each place it appears.

17 (2) CONFORMING AMENDMENT.—Section  
 18 1903(i)(26) of the Social Security Act (42 U.S.C.  
 19 1396b(i)(26)) is amended by striking “individuals  
 20 described in subclause (VIII) of subsection  
 21 (a)(10)(A)(i)” and inserting “individuals described  
 22 in subsections (a)(10)(A)(i)(VIII) or  
 23 (a)(10)(A)(ii)(XXIV) of section 1902”.

24 (c) FEDERAL FINANCIAL PARTICIPATION IN BUY-IN  
 25 PROGRAM.—

1           (1) ENHANCED MATCH FOR ADMINISTRATIVE  
2           EXPENSES.—Section 1903(a) of the Social Security  
3           Act (42 U.S.C. 1396b(a)) is amended—

4                   (A) by redesignating paragraph (7) as  
5           paragraph (8); and

6                   (B) by inserting after paragraph (6) the  
7           following new paragraph:

8           “(7) an amount equal to 90 percent of the  
9           sums expended during such quarter which are at-  
10          tributable to reasonable administrative expenses re-  
11          lated to the administration of a Medicaid buy-in pro-  
12          gram for individuals described in section  
13          1902(a)(10)(A)(ii)(XXIV) (as found necessary by  
14          the Secretary for the proper and efficient adminis-  
15          tration of such a program); plus”.

16          (2) TREATMENT OF PREMIUM AND COST-SHAR-  
17          ING REVENUES FROM MEDICAID BUY-IN PROGRAM.—

18                   (A) IN GENERAL.—For purposes of section  
19          1903(a)(1) of the Social Security Act (42  
20          U.S.C. 1396b(a)(1)), for any fiscal quarter dur-  
21          ing which a State collects premiums, cost-shar-  
22          ing, or similar charges under subsection (k) of  
23          section 1916 of such Act (42 U.S.C. 1396o) (as  
24          added by this Act), including any advance pay-  
25          ments of premium tax credits under section

1 1412 of the Patient Protection and Affordable  
 2 Care Act or payments for cost-sharing reduc-  
 3 tions under section 1402 of such Act that are  
 4 received by the State, the total amount ex-  
 5 pended during such quarter as medical assist-  
 6 ance for individuals who buy into Medicaid cov-  
 7 erage under subclause (XXIV) of section  
 8 1902(a)(10)(A)(ii) of the Social Security Act  
 9 (as added by this Act) shall be reduced by the  
 10 amount of such premiums or charges.

11 (B) TREATMENT OF EXCESS PREMIUMS.—

12 Each State that collects premiums or similar  
 13 charges under subsection (k) of section 1916 of  
 14 the Social Security Act (42 U.S.C. 1396o) (as  
 15 added by this Act) in a fiscal year shall pay to  
 16 the Secretary of Health and Human Services,  
 17 at such time and in such form and manner as  
 18 the Secretary shall specify, an amount equal to  
 19 50 percent of the amount, if any, by which—

20 (i) the total amount of such premiums  
 21 and charges collected by the State for such  
 22 year; exceeds

23 (ii) the total amount expended by the  
 24 State during such year as medical assist-  
 25 ance for individuals who buy into Medicaid

1 coverage under subclause (XXIV) of sec-  
 2 tion 1902(a)(10)(A)(ii) of such Act (as  
 3 added by this Act).

4 (d) COST-SHARING REQUIREMENT.—Section 1916 of  
 5 the Social Security Act (42 U.S.C. 1396o) is amended by  
 6 adding at the end the following new subsection:

7 “(k) PREMIUMS AND COST-SHARING FOR INDIVID-  
 8 UALS PARTICIPATING IN MEDICAID BUY-IN PROGRAM.—

9 “(1) IN GENERAL.—Subject to paragraph (2),  
 10 with respect to individuals who are eligible for med-  
 11 ical assistance under subsection  
 12 (a)(10)(A)(ii)(XXIV) of section 1902 and are de-  
 13 scribed in subsection (uu) of such section, a State  
 14 may—

15 “(A) impose premiums, deductibles, cost-  
 16 sharing, or other similar charges that are deter-  
 17 mined on an actuarially sound basis; and

18 “(B) vary the premium rate imposed on an  
 19 individual based only on the factors described in  
 20 section 2701(a)(1)(A) of the Public Health  
 21 Service Act and subject to the same limitations  
 22 on the weight which may be given to such fac-  
 23 tors under such section.

24 “(2) LIMITATIONS.—

“(A) PREMIUMS.—The total amount of premiums imposed for a year under this subsection with respect to all individuals described in paragraph (1) in a family shall not exceed an amount equal to 8.5 percent of the family’s household income (as defined in section 36B(d)(2) of the Internal Revenue Code of 1986) for the year involved.

“(B) OTHER COST-SHARING.—

“(i) IN GENERAL.—The cost-sharing limitations described in section 1302(e) of the Patient Protection and Affordable Care Act shall apply to cost-sharing (as defined in such section) for medical assistance provided under section 1902(a)(10)(A)(ii)(XXIV) in the same manner as such limitations apply to cost-sharing under qualified health plans under title I of such Act.

“(ii) AVAILABILITY OF COST-SHARING REDUCTIONS.—Individuals provided medical assistance under section 1902(a)(10)(A)(ii)(XXIV) and subject to cost-sharing under this subsection are eligible for cost-sharing reductions under sec-

tion 1402 of the Patient Protection and Affordable Care Act (subject to the income eligibility threshold in subsection (b)(2) of such section), and in applying such section—

“(I) enrollment in a State plan under section 1902(a)(10)(A)(ii)(XXIV) shall be treated as coverage under a qualified health plan in the silver level of coverage in the individual market offered through an Exchange established for or by the State under title I of the Patient Protection and Affordable Care Act; and

“(II) the State agency administering such plan shall be treated as the issuer of such plan.

“(3) PREMIUMS AND COST-SHARING FOR CERTAIN OTHER INDIVIDUALS.—If an individual is eligible for medical assistance under subsection (a)(10)(A)(ii)(XXIV) of section 1902 and is not described in subsection (uu) of such section, a State—



1           “(A) shall not impose premiums and cost-  
 2           sharing on the individual under this subsection;  
 3           and

4           “(B) may impose premiums and cost-shar-  
 5           ing on the individual to the extent allowed by  
 6           another provision of this Act (other than sec-  
 7           tion 1902(a)(10)(A)(ii)(XXIV)) which provides  
 8           for eligibility for medical assistance, but only if  
 9           the individual is described in such other provi-  
 10          sion.

11          “(4) APPLICATION OF PREMIUM ASSISTANCE  
 12          TAX CREDITS.—An individual who is required to pay  
 13          premiums under this subsection for a year for med-  
 14          ical assistance shall be eligible for a premium assist-  
 15          ance credit under section 36B of the Internal Rev-  
 16          enue Code to the same extent that such individual  
 17          would be eligible for a premium assistance credit  
 18          under such section if such individual had paid the  
 19          same amount in premiums for coverage under a  
 20          qualified health plan for such year.”.

21          (e) MANAGED CARE.—Section 1932(a)(1)(A)(i) of  
 22          the Social Security Act (42 U.S.C. 1396u–2(a)(1)(A)(i))  
 23          is amended by inserting “, including an individual who is  
 24          eligible for such assistance after buying into such coverage

1 under section 1902(a)(10)(A)(ii)(XXIV),” after “the  
2 State plan under this title”.

3 (f) OFFERING BUY-IN PROGRAM ON STATE EX-  
4 CHANGE; ENROLLMENT PERIODS.—

5 (1) IN GENERAL.—A State that has elected to  
6 allow individuals to buy into Medicaid coverage  
7 under section 1902(a)(10)(A)(ii)(XXIV) of the So-  
8 cial Security Act (as added by this Act) shall allow  
9 individuals to enroll in such coverage through an Ex-  
10 change established by or for the State under title I  
11 of the Patient Protection and Affordable Care Act.

12 (2) ENROLLMENT PERIODS.—A State may limit  
13 the enrollment of individuals into Medicaid coverage  
14 under section 1902(a)(10)(A)(ii)(XXIV) of the So-  
15 cial Security Act (as added by this Act) to the en-  
16 rollment periods provided for under section  
17 1311(c)(6) of the Patient Protection and Affordable  
18 Care Act.

19 (g) APPLICATION OF ADVANCED PREMIUM TAX  
20 CREDITS TO MEDICAID BUY-IN PLANS.—

21 (1) IN GENERAL.—Section 36B of the Internal  
22 Revenue Code of 1986 is amended—

23 (A) in subsection (b)(3)(B), by adding at  
24 the end the following new sentence:

1            “If an applicable taxpayer resides in a rating  
 2            area in which no silver plan is offered on the  
 3            individual market but the taxpayer buys into  
 4            Medicaid coverage under section  
 5            1902(a)(10)(A)(ii)(XXIV) of the Social Secu-  
 6            rity Act, such Medicaid coverage shall be  
 7            deemed to be the applicable second lowest cost  
 8            silver plan with respect to such taxpayer.”; and

9            (B) by redesignating subsection (h) as sub-  
 10          section (i); and

11          (C) by inserting after subsection (g) the  
 12          following new subsection:

13          “(h) APPLICATION TO INDIVIDUALS PURCHASING  
 14          MEDICAID COVERAGE.—In the case of any individual who  
 15          buys into Medicaid coverage under section  
 16          1902(a)(10)(A)(ii)(XXIV) of the Social Security Act, this  
 17          section shall be applied with the following modifications:

18            “(1) The amount determined under subsection  
 19            (b)(2)(A) shall be increased by the amount of the  
 20            monthly premiums paid for such coverage.

21            “(2) Subsection (c)(2)(A)(i) shall be applied by  
 22            treating coverage under the Medicaid program under  
 23            title XIX of the Social Security Act in the same  
 24            manner as a qualified health plan that was enrolled  
 25            in through an Exchange.

1 “(3) In applying subsection (c)(2)(B)—

2 “(A) an individual shall not be considered  
3 to be eligible for minimum essential coverage  
4 described in section 5000A(f)(1)(A)(ii) by rea-  
5 son of eligibility for medical assistance under a  
6 State Medicaid program under section  
7 1902(a)(10)(A)(ii)(XXIV); and

8 “(B) an individual who is not covered by  
9 minimum essential coverage described in section  
10 5000A(f)(1)(B) shall not be considered to be el-  
11 igible for such coverage.”.

12 (2) ADVANCED PAYMENT OF CREDIT.—

13 (A) IN GENERAL.—The Secretary of  
14 Health and Human Services, in consultation  
15 with the Secretary of the Treasury, shall estab-  
16 lish a program under which—

17 (i) upon request of a State agency ad-  
18 ministering a State Medicaid program  
19 under title XIX of the Social Security Act,  
20 advance determinations are made in a  
21 manner similar to advanced determinations  
22 under section 1412 of the Patient Protec-  
23 tion and Affordable Care Act with respect  
24 to the income eligibility of individuals en-  
25 rolling in such program for the premium

1 tax credit allowable under section 36B of  
2 the Internal Revenue Code of 1986 and  
3 the cost-sharing reductions under section  
4 1402 of the Patient Protection and Afford-  
5 able Care Act;

6 (ii) the Secretary notifies—

7 (I) the State agency admin-  
8 istering the program and the Sec-  
9 retary of the Treasury of the advance  
10 determinations; and

11 (II) the Secretary of the Treas-  
12 ury of the name and employer identi-  
13 fication number of each employer with  
14 respect to whom 1 or more employees  
15 of the employer were determined to be  
16 eligible for the premium tax credit  
17 under section 36B of the Internal  
18 Revenue Code of 1986 and the cost-  
19 sharing reductions under section 1402  
20 of the Patient Protection and Afford-  
21 able Care Act because—

22 (aa) the employer did not  
23 provide minimum essential cov-  
24 erage; or

1 (bb) the employer provided  
 2 such minimum essential coverage  
 3 but it was determined under sec-  
 4 tion 36B(c)(2)(C) of such Code  
 5 to either be unaffordable to the  
 6 employee or not provide the re-  
 7 quired minimum actuarial value;  
 8 and

9 (iii) the Secretary of the Treasury  
 10 makes advance payments of such credit or  
 11 reductions to the State agency admin-  
 12 istering the program in order to reduce the  
 13 premiums payable by individuals eligible  
 14 for such credit.

15 (B) DETERMINATIONS AND PAYMENTS.—  
 16 Rules similar to subsections (b) and (c) of sec-  
 17 tion 1412 of the Patient Protection and Afford-  
 18 able Care Act shall apply for purposes of this  
 19 subsection.

20 (C) COORDINATION WITH CREDIT.—

21 (i) IN GENERAL.—Section 36B of the  
 22 Internal Revenue Code of 1986 is amended  
 23 by inserting “and under section 2(g)(2) of  
 24 the State Public Option Act” after “sec-  
 25 tion 1412 of the Patient Protection and

Affordable Care Act” each place it appears  
in subsections (f)(1), (f)(2), and (g)(1).

(ii) INFORMATION REPORTING.—Section 36B(f)(3) of such Code is amended by adding at the end the following flush sentence: “In the case of any coverage under the Medicaid program under title XIX of the Social Security Act for which a credit under this section is allowable by reason of subsection (h), the State agency administering the Medicaid program shall be treated as an Exchange for purposes of this paragraph and subparagraph (A) shall not apply.”.

(3) CONFORMING AMENDMENT RELATING TO EMPLOYER RESPONSIBILITY.—Paragraph (6) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by inserting “, except that for purposes of subsections (a)(2) and (b)(2), the term ‘qualified health plan’ shall include any plan described in section 36B(h)” after “such Act”.

(h) CONFORMING AMENDMENTS.—

(1) Section 1902(a)(10) of the Social Security Act (42 U.S.C. 1396a(a)(10)), as amended by sub-

1 section (a), is further amended, in the matter fol-  
 2 lowing subparagraph (G)—

3 (A) by striking “and (XVIII)” and insert-  
 4 ing “, (XVIII)”;

5 (B) by inserting “, and (XIX) the medical  
 6 assistance made available to an individual de-  
 7 scribed in subparagraph (A)(ii)(XXIV) shall be  
 8 limited to medical assistance described in sub-  
 9 section (k)(1)” before the semicolon.

10 (2) Section 1903(f)(4) of the Social Security  
 11 Act (42 U.S.C. 1396b(f)(4)) is amended by inserting  
 12 “1902(a)(10)(A)(ii)(XXIV),” after  
 13 “1902(a)(10)(A)(ii)(XXII),”.

14 (3) Section 1905(a) of the Social Security Act  
 15 (42 U.S.C. 1396d(a)) is amended, in the matter pre-  
 16 ceding paragraph (1)—

17 (A) by striking “or” at the end of clause  
 18 (xvi);

19 (B) by inserting “or” at the end of clause  
 20 (xvii); and

21 (C) by inserting after clause (xvii) the fol-  
 22 lowing new clause:

23 “(xviii) individuals described in section  
 24 1902(a)(10)(A)(ii)(XXIV),”.



1           (4) Section 1916A(a)(1) of the Social Security  
 2       Act (42 U.S.C. 1396o–1(a)(1)) is amended by strik-  
 3       ing “or (j)” and inserting “(j), or (k)”.

4           (5) Section 1937(a)(1)(B) of the Social Secu-  
 5       rity Act (42 U.S.C. 1396u–7(a)(1)(B)) is amended  
 6       by inserting “, subclause (XXIV) of section  
 7       1902(a)(10)(A)(ii),” after “1902(a)(10)(A)(i)”.

8       **SEC. 3. REVIEWING AND UPDATING MEDICAID QUALITY**  
 9                               **MEASURES.**

10       (a) IN GENERAL.—The Secretary of Health and  
 11       Human Services (referred to in this section as the “Sec-  
 12       retary”) shall review quality measures that are in use  
 13       under the Medicaid program and, not later than January  
 14       1, 2030, shall update such measures to the extent nec-  
 15       essary to ensure that such quality measures are appro-  
 16       priate for the population of individuals who are eligible  
 17       to buy into Medicaid coverage under subclause (XXIV) of  
 18       section 1902(a)(10)(A)(ii) of the Social Security Act (42  
 19       U.S.C. 1396a(a)(10)(A)(ii)), as added by section 2.

20       (b) REPORTING.—The Secretary shall review, and,  
 21       not later than January 1, 2032, update any corresponding  
 22       State reporting requirements to include the quality meas-  
 23       ures under subsection (a).

24       (c) STATE IMPLEMENTATION FUNDING.—The Sec-  
 25       retary may award funds, from the amount appropriated

1 under subsection (d), to States for the purpose of updating  
 2 and implementing the metrics developed under this sec-  
 3 tion.

4 (d) APPROPRIATION.—There is appropriated to the  
 5 Secretary, out of any funds in the Treasury not otherwise  
 6 appropriated, \$50,000,000 for fiscal year 2026, to remain  
 7 available until expended, for the purpose of carrying out  
 8 this section.

9 **SEC. 4. RENEWAL OF APPLICATION OF MEDICARE PAY-**  
 10 **MENT RATE FLOOR TO PRIMARY CARE SERV-**  
 11 **ICES FURNISHED UNDER MEDICAID AND IN-**  
 12 **CLUSION OF ADDITIONAL PROVIDERS.**

13 (a) RENEWAL OF PAYMENT FLOOR; ADDITIONAL  
 14 PROVIDERS.—

15 (1) IN GENERAL.—Section 1902(a)(13) of the  
 16 Social Security Act (42 U.S.C. 1396a(a)(13)) is  
 17 amended by striking subparagraph (C) and inserting  
 18 the following:

19 “(C) payment for primary care services (as  
 20 defined in subsection (jj)) at a rate that is not  
 21 less than 100 percent of the payment rate that  
 22 applies to such services and physician under  
 23 part B of title XVIII (or, if greater, the pay-  
 24 ment rate that would be applicable under such  
 25 part if the conversion factor under section

1848(d) for the year involved were the conversion factor under such section for 2009), and that is not less than the rate that would otherwise apply to such services under this title if the rate were determined without regard to this subparagraph, and that are—

“(i) furnished in 2013 and 2014, by a physician with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine; or

“(ii) furnished in the period that begins on the first day of the first month that begins after the date of enactment of the State Public Option Act—

“(I) by a physician with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine, but only if the physician self-attests that the physician is Board certified in family medicine, general internal medicine, or pediatric medicine;

“(II) by a physician with a primary specialty designation of obstetrics and gynecology, but only if the

1 physician self-attests that the physi-  
2 cian is Board certified in obstetrics  
3 and gynecology;

4 “(III) by an advanced practice  
5 clinician, as defined by the Secretary,  
6 that works under the supervision of—

7 “(aa) a physician that satis-  
8 fies the criteria specified in sub-  
9 clause (I) or (II); or

10 “(bb) a nurse practitioner or  
11 a physician assistant (as such  
12 terms are defined in section  
13 1861(aa)(5)(A)) who is working  
14 in accordance with State law, or  
15 a certified nurse-midwife (as de-  
16 fined in section 1861(gg)) who is  
17 working in accordance with State  
18 law;

19 “(IV) by a rural health clinic,  
20 federally qualified health center, or  
21 other health clinic that receives reim-  
22 bursement on a fee schedule applica-  
23 ble to a physician, a nurse practi-  
24 tioner or a physician assistant (as  
25 such terms are defined in section

1 1861(aa)(5)(A)) who is working in ac-  
2 cordance with State law, or a certified  
3 nurse-midwife (as defined in section  
4 1861(gg)) who is working in accord-  
5 ance with State law, for services fur-  
6 nished by a physician, nurse practi-  
7 tioner, physician assistant, or certified  
8 nurse-midwife, or services furnished  
9 by an advanced practice clinician su-  
10 pervised by a physician described in  
11 subclause (I)(aa) or (II)(aa), another  
12 advanced practice clinician, or a cer-  
13 tified nurse-midwife; or

14 “(V) by a nurse practitioner or a  
15 physician assistant (as such terms are  
16 defined in section 1861(aa)(5)(A))  
17 who is working in accordance with  
18 State law, or a certified nurse-midwife  
19 (as defined in section 1861(gg)) who  
20 is working in accordance with State  
21 law, in accordance with procedures  
22 that ensure that the portion of the  
23 payment for such services that the  
24 nurse practitioner, physician assist-  
25 ant, or certified nurse-midwife is paid

1 is not less than the amount that the  
 2 nurse practitioner, physician assist-  
 3 ant, or certified nurse-midwife would  
 4 be paid if the services were provided  
 5 under part B of title XVIII;”.

6 (2) CONFORMING AMENDMENTS.—Section  
 7 1905(dd) of the Social Security Act (42 U.S.C.  
 8 1396d(dd)) is amended—

9 (A) by striking “Notwithstanding” and in-  
 10 serting the following:

11 “(1) IN GENERAL.—Notwithstanding”;

12 (B) by inserting “or furnished during the  
 13 additional period specified in paragraph (2),”  
 14 after “2015,”; and

15 (C) by adding at the end the following:

16 “(2) ADDITIONAL PERIOD.—For purposes of  
 17 paragraph (1), the additional period specified in this  
 18 paragraph is the period that begins on the date that  
 19 is 1 year after the date of enactment of the State  
 20 Public Option Act.”.

21 (b) IMPROVED TARGETING OF PRIMARY CARE.—Sec-  
 22 tion 1902(jj) of the Social Security Act (42 U.S.C.  
 23 1396a(jj)) is amended—

1           (1) by redesignating paragraphs (1) and (2) as  
 2           subparagraphs (A) and (B), respectively and realign-  
 3           ing the left margins accordingly;

4           (2) by striking “For purposes of” and inserting  
 5           the following:

6           “(1) IN GENERAL.—For purposes of”; and

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

8           “(2) EXCLUSIONS.—Such term does not include  
 9           any services described in subparagraph (A) or (B) of  
 10          paragraph (1) if such services are provided in an  
 11          emergency department of a hospital.”.

12          (c) ENSURING PAYMENT BY MANAGED CARE ENTI-  
 13          TIES.—

14           (1) IN GENERAL.—Section 1903(m)(2)(A) of  
 15          the Social Security Act (42 U.S.C. 1396b(m)(2)(A))  
 16          is amended—

17                   (A) in clause (xii), by striking “and” after  
 18                   the semicolon;

19                   (B) in clause (xiii)—

20                           (i) by realigning the left margin so as  
 21                           to align with the left margin of clause (xii);  
 22                           and

23                           (ii) by striking the period at the end  
 24                           of clause (xiii) and inserting “; and”; and

1 (C) by inserting after clause (xiii) the fol-  
2 lowing:

3 “(xiv) such contract provides that (I) payments  
4 to providers specified in section 1902(a)(13)(C) for  
5 primary care services defined in section 1902(jj)  
6 that are furnished during a year or period specified  
7 in section 1902(a)(13)(C) and section 1905(dd) are  
8 at least equal to the amounts set forth and required  
9 by the Secretary by regulation, (II) the entity shall,  
10 upon request, provide documentation to the State,  
11 sufficient to enable the State and the Secretary to  
12 ensure compliance with subclause (I), and (III) the  
13 Secretary shall approve payments described in sub-  
14 clause (I) that are furnished through an agreed  
15 upon capitation, partial capitation, or other value-  
16 based payment arrangement if the capitation, partial  
17 capitation, or other value-based payment arrange-  
18 ment is based on a reasonable methodology and the  
19 entity provides documentation to the State sufficient  
20 to enable the State and the Secretary to ensure com-  
21 pliance with subclause (I).”.

22 (2) CONFORMING AMENDMENT.—Section  
23 1932(f) of the Social Security Act (42 U.S.C.  
24 1396u–2(f)) is amended by inserting “and clause  
25 (xiv) of section 1903(m)(2)(A)” before the period.



1 **SEC. 5. INCREASED FMAP FOR MEDICAL ASSISTANCE TO**  
2 **NEWLY ELIGIBLE INDIVIDUALS.**

3 (a) IN GENERAL.—Section 1905(y)(1) of the Social  
4 Security Act (42 U.S.C. 1396d(y)(1)) is amended—

5 (1) in subparagraph (A), by striking “2014,  
6 2015, and 2016” and inserting “each of the first 3  
7 consecutive 12-month periods in which the State  
8 provides medical assistance to newly eligible individ-  
9 uals”;

10 (2) in subparagraph (B), by striking “2017”  
11 and inserting “the fourth consecutive 12-month pe-  
12 riod in which the State provides medical assistance  
13 to newly eligible individuals”;

14 (3) in subparagraph (C), by striking “2018”  
15 and inserting “the fifth consecutive 12-month period  
16 in which the State provides medical assistance to  
17 newly eligible individuals”;

18 (4) in subparagraph (D), by striking “2019”  
19 and inserting “the sixth consecutive 12-month period  
20 in which the State provides medical assistance to  
21 newly eligible individuals”; and

22 (5) in subparagraph (E), by striking “2020 and  
23 each year thereafter” and inserting “the seventh  
24 consecutive 12-month period in which the State pro-  
25 vides medical assistance to newly eligible individuals  
26 and each such period thereafter”.

1 (b) EFFECTIVE DATE.—The amendments made by  
 2 subsection (a) shall take effect as if included in the enact-  
 3 ment of Public Law 111–148.

4 **SEC. 6. MEDICAID COVERAGE OF COMPREHENSIVE SEXUAL**  
 5 **AND REPRODUCTIVE HEALTH CARE SERV-**  
 6 **ICES.**

7 (a) INCLUSION OF COMPREHENSIVE SEXUAL AND  
 8 REPRODUCTIVE HEALTH CARE SERVICES AS MEDICAL  
 9 ASSISTANCE.—Section 1905(a) of the Social Security Act  
 10 (42 U.S.C. 1396d(a)), as amended by section 2(h) and  
 11 section 209(a) of title I of division G of the Consolidated  
 12 Appropriations Act, 2024, is further amended—

13 (1) in paragraph (31), by striking “and” at the  
 14 end;

15 (2) by redesignating paragraph (32) as para-  
 16 graph (33); and

17 (3) by inserting after paragraph (31) the fol-  
 18 lowing new paragraph:

19 “(32) comprehensive sexual and reproductive  
 20 health care services, including abortion services and  
 21 abortion-related services; and”.

22 (b) REQUIRING COVERAGE OF COMPREHENSIVE SEX-  
 23 UAL AND REPRODUCTIVE HEALTH CARE SERVICES AS  
 24 CONDITION OF STATE PLAN APPROVAL.—Section  
 25 1902(a)(10)(A) of the Social Security Act (42 U.S.C.

1 1396a(a)(10)(A)), as amended by subsections (a) and (h)  
 2 of section 2, is further amended, in the matter preceding  
 3 clause (i), by striking “and (30)” and inserting “(30), and  
 4 (32)”.

5 (c) CONFORMING AMENDMENTS.—

6 (1) Section 1932(e)(1)(B) of the Social Security  
 7 Act (42 U.S.C. 1396u–2(e)(1)(B)) is amended by  
 8 striking “Clause (i)” and inserting “With respect to  
 9 the period beginning before January 1, 2023, clause  
 10 (i)”.

11 (2) Section 1937(b) of the Social Security Act  
 12 (42 U.S.C. 1396u–7(b)) is amended by adding at  
 13 the end the following new paragraph:

14 “(9) COVERAGE OF COMPREHENSIVE SEXUAL  
 15 AND REPRODUCTIVE HEALTH SERVICES.—Notwith-  
 16 standing the previous provisions of this section, a  
 17 State may not provide for medical assistance  
 18 through enrollment of an individual with benchmark  
 19 coverage or benchmark-equivalent coverage under  
 20 this section unless such coverage includes medical  
 21 assistance for comprehensive sexual and reproductive  
 22 health care services, including abortion services and  
 23 abortion-related services.”.

1       (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply with respect to medical assistance  
3 furnished on or after January 1, 2026.

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