

119TH CONGRESS
1ST SESSION

H. R. 6804

To amend title XVIII of the Social Security Act to strengthen Medicare rural hospital flexibility program grants.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2025

Mrs. MILLER of West Virginia (for herself and Ms. SEWELL) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title XVIII of the Social Security Act to strengthen Medicare rural hospital flexibility program grants.

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 “Rural Hospital Flexi-
5 bility Act of 2025”.

6 **SEC. 2. MEDICARE RURAL HOSPITAL FLEXIBILITY PRO-**
7 **GRAM GRANTS.**

8 Section 1820(g) of the Social Security Act (42 U.S.C.
9 1395i-4(g)) is amended—

1 (1) by amending paragraph (1)(D) to read as
2 follows:

3 “(D) providing support for critical access
4 hospitals, certified rural health clinics, and
5 rural emergency hospitals (as defined in section
6 1861(kkk)(2)) for quality improvement, quality
7 reporting, performance improvements,
8 benchmarking, addressing population health,
9 transforming services, and providing linkages
10 and services for behavioral health and sub-
11 stance use disorders responding to public health
12 emergencies.”;

13 (2) by redesignating paragraphs (3) through
14 (7) as paragraphs (4) through (8), respectively;

15 (3) after paragraph (2), by inserting the fol-
16 lowing new paragraph:

17 “(3) ACTIVITIES TO SUPPORT CARRYING OUT
18 OTHER GRANTS.—The Secretary may award grants
19 or cooperative agreements to entities awarded grants
20 or agreements under other provisions of this sub-
21 section for purposes of supporting such entities in
22 carrying out activities under such other grants or
23 agreements by providing technical assistance, data
24 analysis, and evaluation efforts. An entity seeking a
25 grant under this paragraph shall submit an applica-

1 tion to the Secretary at such time and in such man-
2 ner as specified by the Secretary.”;

3 (4) in paragraph (4), as redesignated—

4 (A) in subparagraph (A)—

5 (i) in the header, by striking “HOS-
6 PITALS” and inserting “STATE OFFICES OF
7 RURAL HEALTH”; and

8 (ii) by striking “grants to hospitals”
9 and inserting “grants to State Offices of
10 Rural Health”;

11 (B) in subparagraph (B)—

12 (i) by redesignating clauses (i) and
13 (ii) as subclauses (I) and (II), respectively;

14 (ii) by striking “means a non-Fed-
15 eral” and inserting the following:

16 “means—

17 “(i) a non-Federal”; and

18 (iii) by striking the period at the end
19 and inserting the following: “; or

20 “(ii) a rural emergency hospital (as
21 defined in section 1861(kkk)).”;

22 (C) by amending subparagraph (C) to read
23 as follows:

24 “(C) APPLICATION.—The State Office of
25 Rural Health shall submit an application to the

1 Secretary on or before such date and in such
2 form and manner as the Secretary specifies.”;

3 (D) by amending subparagraph (D) to
4 read as follows:

5 “(D) AMOUNT OF GRANT.—With respect
6 to funds made available to make grants under
7 this paragraph in a fiscal year, the amount
8 awarded to a State Office of Rural Health shall
9 bear the same ratio to the total amount of such
10 funds so made available as the number of eligi-
11 ble small rural hospitals in such State bears to
12 the total number of eligible small rural hos-
13 pitals in all States receiving a grant under this
14 paragraph for such fiscal year propose.”;

15 (E) by amending subparagraph (E) to read
16 as follows:

17 “(E) USE OF FUNDS.—State Offices of
18 Rural Health may use the funds received
19 through a grant under this paragraph for the
20 purchase of computer software and hardware on
21 behalf of eligible small rural hospitals, for the
22 education and training of eligible small rural
23 hospital staff on billing, operational, quality im-
24 provement, and related value-focused efforts,

1 and for other delivery system reform programs
2 determined appropriate by the Secretary.”; and

3 (F) in subparagraph (F)—

4 (i) in clause (i), by striking “A hos-
5 pital receiving a grant under this section”
6 and inserting “An entity receiving a grant
7 under this paragraph”; and

8 (ii) in clause (ii), by striking “section”
9 each place such term appears and inserting
10 “paragraph” in each such place;

11 (5) in paragraph (5), as redesignated, by strik-
12 ing “paragraph (1) or (2)” and inserting “para-
13 graph (1), (2), or (4)”; and

14 (6) by adding at the end the following new
15 paragraphs:

16 “(9) RURAL HEALTH TRANSFORMATION
17 GRANTS.—

18 “(A) GRANTS.—The Secretary may award
19 5-year grants to State Offices of Rural Health
20 and to eligible rural health care providers (as
21 defined in subparagraph (D)) on the transition
22 to new models, including rural emergency hos-
23 pitals, extended stay clinics, freestanding emer-
24 gency departments, rural health clinics, and in-
25 tegration of behavioral, oral health services,

1 telehealth and other transformational models
2 relevant to rural providers as such providers
3 evolve to better meet community needs and the
4 changing health care environment.

5 “(B) APPLICATION.—An eligible rural
6 health care provider, in consultation with the
7 State Office of Rural Health in the State in
8 which the rural health care provider seeking a
9 grant under this paragraph is located, shall
10 submit an application to the Secretary on or be-
11 fore such date and in such form and manner as
12 the Secretary specifies.

13 “(C) ADDITIONAL REQUIREMENTS.—The
14 Secretary may not award a grant under this
15 paragraph to an eligible rural health care pro-
16 vider unless—

17 “(i) local organizations or the State in
18 which the hospital is located provides sup-
19 port (either direct or in kind); and there
20 are letters of support from key State pay-
21 ers such as Medicaid and private insur-
22 ance; and

23 “(ii) the applicant describes in detail
24 how the transition of the health care pro-

1 vider or providers will better meet local
2 needs and be sustainable.

3 “(D) ELIGIBLE RURAL HEALTH CARE PRO-
4 VIDER DEFINED.—For purposes of this para-
5 graph, the term ‘eligible rural health care pro-
6 vider’ includes a critical access hospital, a cer-
7 tified rural health clinic, a rural nursing home,
8 skilled nursing facility, emergency care pro-
9 vider, or other entity identified by the Sec-
10 retary. An eligible rural health care provider
11 may include other entities applying on behalf of
12 a group of rural health care providers such as
13 a State Office of Rural Health, a State or local
14 health care authority, a rural health network,
15 or other entity identified by the Secretary.

16 “(10) RURAL EMERGENCY HOSPITAL TECH-
17 NICAL ASSISTANCE.—

18 “(A) IN GENERAL.—The Secretary may
19 award grants or cooperative agreements to eligi-
20 ble entities (as determined by the Secretary) for
21 the purpose of providing technical assistance,
22 data analysis, and other support to hospitals
23 that are seeking to be designated, or are cur-
24 rently designated, as rural emergency hospitals
25 (as described in section 1861(kkk)(2)).

1 “(B) APPLICATION.—An entity seeking a
2 grant under subparagraph (A) shall submit an
3 application to the Secretary at such time and in
4 such form and manner as specified by the Sec-
5 retary.”.

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