

**Suspend the Rules and Pass the Bill, H.R. _____, With an
Amendment**

**(The amendment strikes all after the enacting clause and inserts a
new text)**

116TH CONGRESS
1ST SESSION

H. R. _____

To extend the Medicaid Money Follows the Person Rebalancing demonstration, to extend protection for Medicaid recipients of home and community-based services against spousal impoverishment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 2019

Mr. PALLONE (for himself and Mr. WALDEN) introduced the following bill;
which was referred to the Committee on _____

A BILL

To extend the Medicaid Money Follows the Person Rebalancing demonstration, to extend protection for Medicaid recipients of home and community-based services against spousal impoverishment, and for other purposes.

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 “Medicaid Extenders
5 Act of 2019”.

1 **SEC. 2. EXTENSION OF MONEY FOLLOWS THE PERSON RE-**
2 **BALANCING DEMONSTRATION.**

3 (a) GENERAL FUNDING.—Section 6071(h) of the
4 Deficit Reduction Act of 2005 (42 U.S.C. 1396a note) is
5 amended—

6 (1) in paragraph (1)—

7 (A) in subparagraph (D), by striking
8 “and” after the semicolon;

9 (B) in subparagraph (E), by striking the
10 period at the end and inserting “; and”; and

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

12 “(F) subject to paragraph (3),
13 \$112,000,000 for fiscal year 2019.”;

14 (2) in paragraph (2)—

15 (A) by striking “Amounts made” and in-
16 serting “Subject to paragraph (3), amounts
17 made”; and

18 (B) by striking “September 30, 2016” and
19 inserting “September 30, 2021”; and

20 (3) by adding at the end the following new
21 paragraph:

22 “(3) SPECIAL RULE FOR FY 2019.—Funds ap-
23 propriated under paragraph (1)(F) shall be made
24 available for grants to States only if such States
25 have an approved MFP demonstration project under
26 this section as of December 31, 2018.”.

1 (b) FUNDING FOR QUALITY ASSURANCE AND IM-
2 PROVEMENT; TECHNICAL ASSISTANCE; OVERSIGHT.—
3 Section 6071(f) of the Deficit Reduction Act of 2005 (42
4 U.S.C. 1396a note) is amended by striking paragraph (2)
5 and inserting the following:

6 “(2) FUNDING.—From the amounts appro-
7 priated under subsection (h)(1)(F) for fiscal year
8 2019, \$500,000 shall be available to the Secretary
9 for such fiscal year to carry out this subsection.”.

10 (c) TECHNICAL AMENDMENT.—Section 6071(b) of
11 the Deficit Reduction Act of 2005 (42 U.S.C. 1396a note)
12 is amended by adding at the end the following:

13 “(10) SECRETARY.—The term ‘Secretary’
14 means the Secretary of Health and Human Serv-
15 ices.”.

16 **SEC. 3. EXTENSION OF PROTECTION FOR MEDICAID RE-**
17 **CIPIENTS OF HOME AND COMMUNITY-BASED**
18 **SERVICES AGAINST SPOUSAL IMPOVERISH-**
19 **MENT.**

20 (a) IN GENERAL.—Section 2404 of Public Law 111–
21 148 (42 U.S.C. 1396r–5 note) is amended by striking “the
22 5-year period that begins on January 1, 2014,” and in-
23 serting “the period beginning on January 1, 2014, and
24 ending on March 31, 2019,”.

25 (b) RULE OF CONSTRUCTION.—

1 (1) PROTECTING STATE SPOUSAL INCOME AND
2 ASSET DISREGARD FLEXIBILITY UNDER WAIVERS
3 AND PLAN AMENDMENTS.—Nothing in section 2404
4 of Public Law 111–148 (42 U.S.C. 1396r–5 note) or
5 section 1924 of the Social Security Act (42 U.S.C.
6 1396r–5) shall be construed as prohibiting a State
7 from disregarding an individual’s spousal income
8 and assets under a State waiver or plan amendment
9 described in paragraph (2) for purposes of making
10 determinations of eligibility for home and commu-
11 nity-based services or home and community-based
12 attendant services and supports under such waiver
13 or plan amendment.

14 (2) STATE WAIVER OR PLAN AMENDMENT DE-
15 SCRIBED.—A State waiver or plan amendment de-
16 scribed in this paragraph is any of the following:

17 (A) A waiver or plan amendment to pro-
18 vide medical assistance for home and commu-
19 nity-based services under a waiver or plan
20 amendment under subsection (c), (d), or (i) of
21 section 1915 of the Social Security Act (42
22 U.S.C. 1396n) or under section 1115 of such
23 Act (42 U.S.C. 1315).

24 (B) A plan amendment to provide medical
25 assistance for home and community-based serv-

1 ices for individuals by reason of being deter-
2 mined eligible under section 1902(a)(10)(C) of
3 such Act (42 U.S.C. 1396a(a)(10)(C)) or by
4 reason of section 1902(f) of such Act (42
5 U.S.C. 1396a(f)) or otherwise on the basis of a
6 reduction of income based on costs incurred for
7 medical or other remedial care under which the
8 State disregarded the income and assets of the
9 individual's spouse in determining the initial
10 and ongoing financial eligibility of an individual
11 for such services in place of the spousal impover-
12 ishment provisions applied under section 1924
13 of such Act (42 U.S.C. 1396r-5).

14 (C) A plan amendment to provide medical
15 assistance for home and community-based at-
16 tendant services and supports under section
17 1915(k) of such Act (42 U.S.C. 1396n(k)).

18 **SEC. 4. REDUCTION IN FMAP AFTER 2020 FOR STATES**
19 **WITHOUT ASSET VERIFICATION PROGRAM.**

20 Section 1940 of the Social Security Act (42 U.S.C.
21 1396w) is amended by adding at the end the following
22 new subsection:

23 “(k) REDUCTION IN FMAP AFTER 2020 FOR NON-
24 COMPLIANT STATES.—

1 “(1) IN GENERAL.—With respect to a calendar
2 quarter beginning on or after January 1, 2021, the
3 Federal medical assistance percentage otherwise de-
4 termined under section 1905(b) for a non-compliant
5 State shall be reduced—

6 “(A) for calendar quarters in 2021 and
7 2022, by 0.12 percentage points;

8 “(B) for calendar quarters in 2023, by
9 0.25 percentage points;

10 “(C) for calendar quarters in 2024, by
11 0.35 percentage points; and

12 “(D) for calendar quarters in 2025 and
13 each year thereafter, by 0.5 percentage points.

14 “(2) NON-COMPLIANT STATE DEFINED.—For
15 purposes of this subsection, the term ‘non-compliant
16 State’ means a State—

17 “(A) that is one of the 50 States or the
18 District of Columbia;

19 “(B) with respect to which the Secretary
20 has not approved a State plan amendment sub-
21 mitted under subsection (a)(2); and

22 “(C) that is not operating, on an ongoing
23 basis, an asset verification program in accord-
24 ance with this section.”.

1 **SEC. 5. MEDICAID IMPROVEMENT FUND.**

2 Section 1941(b)(1) of the Social Security Act (42
3 U.S.C. 1396w-1(b)(1)) is amended by striking
4 “\$31,000,000” and inserting “\$6,000,000”.