

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. 4406

To amend titles XI and XIX of the Social Security Act to provide increased financial support to the territories under the Medicaid program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. SOTO introduced the following bill; which was referred to the Committee on _____

A BILL

To amend titles XI and XIX of the Social Security Act to provide increased financial support to the territories under the Medicaid program, 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 “Supporting Medicaid
5 in the U.S. Territories Act of 2021”.

1 **SEC. 2. EXTENDING THE INCREASED FEDERAL MEDICAL**
2 **ASSISTANCE PERCENTAGE AND CAP**
3 **AMOUNTS FOR TERRITORIES.**

4 (a) **FEDERAL MEDICAL ASSISTANCE PERCENTAGE**
5 **EXTENSION.—**

6 (1) **IN GENERAL.—**Section 1905(ff) of the So-
7 cial Security Act (42 U.S.C. 1396d(ff)) is amend-
8 ed—

9 (A) in paragraph (2), by striking “2021”
10 and inserting “2026”; and

11 (B) in paragraph (3), by striking “2021”
12 and inserting “2029”.

13 (2) **ENSURING PROGRAM INTEGRITY.—**Section
14 1108(g) of the Social Security Act (42 U.S.C.
15 1308(g)) is amended—

16 (A) in paragraph (7)(B)(i), in the matter
17 preceding subclause (I), by striking “2021” and
18 inserting “2026”; and

19 (B) in paragraph (8)(B), by striking
20 “2021” and inserting “2026”.

21 (b) **CAP AMOUNT EXTENSION.—**

22 (1) **PUERTO RICO.—**

23 (A) **ENSURING INCREASED CAP AMOUNT IN**
24 **RESPONSE TO COVID-19.—**Section 1108(g) of
25 the Social Security Act (42 U.S.C. 1308(g)) is
26 amended—

1 (i) in paragraph (2)(A)(ii), by striking
2 “2021” and inserting “2026”; and

3 (ii) in paragraph (6)—

4 (I) in the header, by striking
5 “2021” and inserting “2026”;

6 (II) in subparagraph (A)—

7 (aa) in clause (i), by striking
8 “and” at the end; and

9 (bb) in clause (ii)—

10 (AA) by striking “fiscal
11 year 2021” and inserting
12 “each of fiscal years 2021
13 and 2022”; and

14 (BB) by striking the
15 period and inserting “;
16 and”; and

17 (III) in subparagraph (B)—

18 (aa) in clause (i), by striking
19 “2021” and inserting “2026”;
20 and

21 (bb) in clause (ii)(II), by
22 striking “2021” and inserting
23 “2026”.

24 (B) EXTENSION OF CAP AMOUNT FOR
25 OTHER YEARS.—Section 1108(g)(6)(A) of the

1 Social Security Act (42 U.S.C. 1308(g)), as
2 amended by subparagraph (A), is further
3 amended by adding at the end the following
4 new clause:

5 “(iii) for each of fiscal years 2023
6 through 2026, \$2,719,072,000.”

7 (2) OTHER TERRITORIES.—

8 (A) ENSURING INCREASED CAP AMOUNTS
9 IN RESPONSE TO COVID-19.—Section
10 1108(g)(2) of the Social Security Act (42
11 U.S.C. 1308(g)(2)) is amended in each of sub-
12 paragraphs (B)(iii), (C)(iii), (D)(iii), and
13 (E)(iii), by striking “fiscal year 2021” and in-
14 serting “each of fiscal years 2021 and 2022”.

15 (B) EXTENSION OF CAP AMOUNTS FOR
16 OTHER YEARS.—Section 1108(g)(2) of the So-
17 cial Security Act (42 U.S.C. 1308(g)(2)) is
18 amended—

19 (i) in subparagraph (B)—

20 (I) in clause (i), by striking
21 “clause (ii)” and inserting “clauses
22 (ii) through (iv)”;

23 (II) in clause (ii), by striking
24 “and” at the end;

1 (III) in clause (iii), by adding

2 “and” at the end; and

3 (IV) by adding at the end the fol-

4 lowing new clause:

5 “(iv) for each of fiscal years 2023

6 through 2029, \$126,000,000;”;

7 (ii) in subparagraph (C)—

8 (I) in clause (i), by striking

9 “clause (ii)” and inserting “clauses

10 (ii) through (iv)”;

11 (II) in clause (ii), by striking

12 “and” at the end;

13 (III) in clause (iii), by adding

14 “and” at the end; and

15 (IV) by adding at the end the fol-

16 lowing new clause:

17 “(iv) for each of fiscal years 2023

18 through 2029, \$127,000,000;”;

19 (iii) in subparagraph (D)—

20 (I) in clause (i), by striking

21 “clause (ii)” and inserting “clauses

22 (ii) through (iv)”;

23 (II) in clause (ii), by striking

24 “and” at the end;

1 (III) in clause (iii), by adding

2 “and” at the end; and

3 (IV) by adding at the end the fol-

4 lowing new clause:

5 “(iv) for each of fiscal years 2023

6 through 2029, \$60,000,000; and”; and

7 (iv) in subparagraph (E)—

8 (I) in clause (i), by striking

9 “clause (ii)” and inserting “clauses

10 (ii) through (iv)”;

11 (II) in clause (ii), by striking

12 “and” at the end;

13 (III) in clause (iii), by adding

14 “and” at the end; and

15 (IV) by adding at the end the fol-

16 lowing new clause:

17 “(iv) for each of fiscal years 2023

18 through 2029, \$84,000,000.”.

19 (3) MODIFICATION OF SPECIAL RULE FOR CAL-

20 CULATION OF CAP AMOUNTS FOR CERTAIN YEARS.—

21 Section 1108(g)(2) of the Social Security Act (42

22 U.S.C. 1308(g)(2)) is amended, in the matter fol-

23 lowing subparagraph (E)—

1 (A) by striking “fiscal year 2021” and in-
2 serting “fiscal year 2029 (or, in the case of
3 Puerto Rico, fiscal year 2026)”;

4 (B) by striking “through 2021” and in-
5 serting “through 2029 (or, in the case of Puer-
6 to Rico, 2026)”;

7 (C) by striking “each such subparagraph”
8 and inserting “subparagraph (A) and any of
9 clauses (ii) through (iv) of subparagraphs (B)
10 through (E)”.

11 (c) APPLICATION OF ASSET VERIFICATION PROGRAM
12 REQUIREMENTS TO PUERTO RICO.—Section 1940 of the
13 Social Security Act (42 U.S.C. 1396w) is amended—

14 (1) in subsection (a)—

15 (A) in paragraph (3)(A), by adding at the
16 end the following new clause:

17 “(iii) IMPLEMENTATION IN PUERTO
18 RICO.—The Secretary shall require Puerto
19 Rico to implement an asset verification
20 program under this subsection by the end
21 of fiscal year 2024.”; and

22 (B) in paragraph (4)—

23 (i) in the paragraph heading, by strik-
24 ing “EXEMPTION OF TERRITORIES” and

1 inserting “EXEMPTION OF CERTAIN TERRI-
2 TORIES”; and

3 (ii) by striking “and the District of
4 Columbia” and inserting “, the District of
5 Columbia, and Puerto Rico”; and

6 (2) in subsection (k)—

7 (A) in paragraph (1)—

8 (i) by redesignating subparagraphs
9 (A) through (D) as clauses (i) through
10 (iv), respectively, and adjusting the mar-
11 gins accordingly;

12 (ii) in the matter preceding clause (i),
13 as so redesignated—

14 (I) by striking “beginning on or
15 after January 1, 2021”; and

16 (II) by striking “for a non-com-
17 pliant State shall be reduced—” and
18 inserting the following: “for—

19 “(A) a non-compliant State that is one of
20 the 50 States or the District of Columbia shall
21 be reduced—”;

22 (iii) in clause (iv), as so redesignated,
23 by striking the period at the end and in-
24 serting “; and”; and

1 (iv) by adding at the end the following
2 new subparagraph:

3 “(B) a non-compliant State that is Puerto
4 Rico shall be reduced—

5 “(i) for calendar quarters in fiscal
6 years 2025 and 2026, by 0.12 percentage
7 points;

8 “(ii) for calendar quarters in fiscal
9 year 2027, by 0.25 percentage points;

10 “(iii) for calendar quarters in fiscal
11 year 2028, by 0.35 percentage points; and

12 “(iv) for calendar quarters in fiscal
13 year 2029 and each fiscal year thereafter,
14 by 0.5 percentage points.”; and

15 (B) in paragraph (2)(A), by striking “or
16 the District of Columbia” and inserting “the
17 District of Columbia, or Puerto Rico”.

18 (d) EXTENSION OF REPORTING REQUIREMENT.—
19 Section 1108(g)(9) of the Social Security Act (42 U.S.C.
20 1308(g)(9)) is amended—

21 (1) in subparagraph (A), by striking “2021”
22 and inserting “2029”; and

23 (2) in subparagraph (B)(i), by inserting “or by
24 reason of the amendments made by section 2 of the

1 Supporting Medicaid in the U.S. Territories Act of
2 2021” before the period at the end.

3 (e) PUERTO RICO PROGRAM INTEGRITY.—Section
4 1108(g)(7)(A) of the Social Security Act (42 U.S.C.
5 1308(g)(7)(A)) is amended—

6 (1) in clause (iii), in the header, by inserting
7 “REPORTING” after “REFORM”; and

8 (2) by adding at the end the following new
9 clauses:

10 “(v) CORE SET REPORTING COMPLI-
11 ANCE REPORT.—Not later than October 1,
12 2022, Puerto Rico shall submit to the
13 Chair and Ranking Member of the Com-
14 mittee on Energy and Commerce of the
15 House of Representatives and the Chair
16 and Ranking Member of the Committee on
17 Finance of the Senate a report outlining
18 steps being taken by Puerto Rico to reach
19 compliance with the reporting requirements
20 described in section 1139A(a)(4)(B) and
21 section 1139B(b)(5)(C) and describing
22 what further actions are needed by Puerto
23 Rico in order to comply with such require-
24 ments with respect to annual State reports
25 under section 1139A(c) and State reports

1 under section 1139B(d)(1) beginning with
2 fiscal year 2024.

3 “(vi) CONTRACTING AND PROCURE-
4 MENT OVERSIGHT LEAD REQUIREMENT.—

5 “(I) IN GENERAL.—Not later
6 than 6 months after the date of the
7 enactment of this clause, the agency
8 responsible for the administration of
9 Puerto Rico’s Medicaid program
10 under title XIX shall designate an of-
11 ficer (other than the director of such
12 agency) to serve as the Contracting
13 and Procurement Oversight Lead to
14 carry out the duties specified in sub-
15 clause (II).

16 “(II) DUTIES.—Not later than
17 60 days after the end of each fiscal
18 quarter (beginning with the first fiscal
19 quarter beginning on or after the date
20 that is 1 year after the date of the en-
21 actment of this clause), the officer
22 designated pursuant to subclause (I)
23 shall, with respect to each contract
24 described in clause (iii) with an an-
25 nual value exceeding \$150,000 en-

1 tered into during such quarter, certify
2 to the Secretary either—

3 “(aa) that such contract has
4 met the procurement standards
5 identified under any of sections
6 75.327, 75.328, and 75.329 of
7 title 45, Code of Federal Regula-
8 tions (or successor regulations);
9 or

10 “(bb) that extenuating cir-
11 cumstances (including a lack of
12 multiple entities competing for
13 such contract) prevented the
14 compliance of such contract with
15 such standards.

16 “(III) PUBLICATION.—The offi-
17 cer designated pursuant to subclause
18 (I) shall make public each certification
19 containing extenuating circumstances
20 described in subclause (II)(bb) not
21 later than 30 days after such certifi-
22 cation is made, including a description
23 of, and justification of, such extenu-
24 ating circumstances.

1 “(IV) REVIEW OF COMPLI-
2 ANCE.—Not later than 2 years after
3 the date of the enactment of this
4 clause, the Inspector General of the
5 Department of Health and Human
6 Services shall submit to Congress a
7 report on the compliance of Puerto
8 Rico with the provisions of this
9 clause.”.