

113TH CONGRESS  
1ST SESSION

# H. R. 467

To amend title XIX of the Social Security Act to redistribute Federal funds that would otherwise be made available to States that do not provide for the Medicaid expansion in accordance with the Affordable Care Act to those States electing to provide those Medicaid benefits.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2013

Mr. CONNOLLY introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XIX of the Social Security Act to redistribute Federal funds that would otherwise be made available to States that do not provide for the Medicaid expansion in accordance with the Affordable Care Act to those States electing to provide those Medicaid benefits.

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 Expansion  
5 Incentive Act of 2013”.

1 **SEC. 2. REDISTRIBUTION OF FEDERAL MEDICAID FUNDS**  
2 **TO STATES ELECTING TO MEET ACA MED-**  
3 **ICAID EXPANSION REQUIREMENTS FROM**  
4 **STATES NOT SO ELECTING.**

5 (a) IN GENERAL.—Section 1903 of the Social Secu-  
6 rity Act (42 U.S.C. 1396b) is amended by adding at the  
7 end the following new subsection:

8 “(aa) BONUS FOR STATES ELECTING TO MEET ACA  
9 MEDICAID EXPANSION REQUIREMENTS FROM FUNDS  
10 MADE AVAILABLE BY OTHER STATES NOT ELECTING TO  
11 MEET THOSE REQUIREMENTS.—

12 “(1) IN GENERAL.—In the case of a partici-  
13 pating State for a fiscal year as determined under  
14 paragraph (2), in accordance with regulations of the  
15 Secretary, the State shall be entitled to an increase  
16 in payments under its State plan under this title in  
17 an amount determined under paragraph (3) of the  
18 Secretary’s estimate of the net reduction in Federal  
19 expenditures for nonparticipating States (including  
20 the amount of the additional Federal financial par-  
21 ticipation under this title that otherwise would have  
22 been paid to such States if they were participating  
23 States) during the fiscal year as a result of such  
24 States not applying the ACA Medicaid expansion re-  
25 quirements.

26 “(2) NOTICE REGARDING PARTICIPATION.—

1           “(A) IN GENERAL.—Before the beginning  
2 of each fiscal year (beginning with fiscal year  
3 2014) each of the 50 States and the District of  
4 Columbia is requested to inform the Secretary,  
5 in a form and manner specified by the Sec-  
6 retary and accompanied by such assurances re-  
7 garding State plan amendments as the Sec-  
8 retary may specify, if the State will be applying  
9 its State plan under this title for such fiscal  
10 year in accordance with the requirements speci-  
11 fied in the amendments made by paragraphs  
12 (1) and (2) of section 2001(a) of the Patient  
13 Protection and Affordable Care Act (in this  
14 subsection referred to as the ‘ACA Medicaid ex-  
15 pansion requirements’), which include require-  
16 ments described in—

17                   “(i) section 1902(a)(10)(A)(I)(VIII);

18                   and

19                   “(ii) section 1902(k).

20           The Secretary shall not accept information sub-  
21 mitted under this subparagraph for a fiscal  
22 year after the beginning of the fiscal year in-  
23 volved.

24           “(B) DETERMINATION OF PARTICIPATING  
25 AND NONPARTICIPATING STATES.—Taking into

1 account the information submitted under sub-  
2 paragraph (A) for a fiscal year, the Secretary  
3 shall determine for the fiscal year which of the  
4 50 States and the District of Columbia will be  
5 applying the ACA Medicaid expansion require-  
6 ments for the fiscal year and which will not.  
7 For purposes of this subsection—

8 “(i) each State or District determined  
9 to be applying such requirements for a fis-  
10 cal year is referred to as a ‘participating  
11 State’ for such fiscal year; and

12 “(ii) each State or District determined  
13 not to be applying such requirements for a  
14 fiscal year is referred to as a ‘nonpartici-  
15 pating State’ for such fiscal year.

16 “(3) AMOUNT OF INCREASE.—The Secretary  
17 shall compute the increase in payments under this  
18 subsection for a participating State for a fiscal year,  
19 to the extent of available funds, in accordance with  
20 a formula specified by the Secretary. Within the  
21 amount of available funds, such formula may take  
22 into account elements such as—

23 “(A) increasing to 100 percent the FMAP  
24 for newly eligible mandatory individuals;

1           “(B) increasing the matching percentage  
2           for administrative costs attributable to applica-  
3           tion of ACA Medicaid expansion requirements;  
4           and

5           “(C) an increase in DSH allotments.

6           “(4) PUBLICATION OF INFORMATION ON ESTI-  
7           MATED IMPACT OF NONPARTICIPATION.—The Sec-  
8           retary shall publish for each nonparticipating State  
9           for each fiscal year—

10           “(A) the amount of the additional Federal  
11           funds under this title for the fiscal year that  
12           the Secretary estimates the State has forgone  
13           as a result of its not being a participating State  
14           for such fiscal year; and

15           “(B) the number of additional beneficiaries  
16           that would have been covered under the State  
17           plan under this title in the fiscal year if the  
18           State had been a participating State for the fis-  
19           cal year.”.

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