

116TH CONGRESS  
1ST SESSION

# H. R. 259

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.

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## 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 Energy and Commerce, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## 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”.

5 **SEC. 6. BUDGETARY EFFECTS.**

6 (a) **STATUTORY PAYGO SCORECARDS.**—The budg-  
7 etary effects of this Act shall not be entered on either  
8 PAYGO scorecard maintained pursuant to section 4(d) of  
9 the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C.  
10 933(d)).

11 (b) **SENATE PAYGO SCORECARDS.**—The budgetary  
12 effects of this Act shall not be entered on any PAYGO  
13 scorecard maintained for purposes of section 4106 of H.  
14 Con. Res. 71 (115th Congress).

15 (c) **CLASSIFICATION OF BUDGETARY EFFECTS.**—  
16 Notwithstanding Rule 3 of the Budget Scorekeeping  
17 Guidelines set forth in the joint explanatory statement of  
18 the committee of conference accompanying Conference Re-  
19 port 105–217 and section 250(c)(8) of the Balanced  
20 Budget and Emergency Deficit Control Act of 1985, the  
21 budgetary effects of this Act shall not be estimated—

22 (1) for purposes of section 251 of the Balanced  
23 Budget and Emergency Deficit Control Act of 1985;  
24 and

1           (2) for purposes of paragraph (4)(C) of section  
2           3 of the Statutory Pay-As-You-Go Act of 2010 as  
3           being included in an appropriation Act.

4           (d) PAYGO ANNUAL REPORT.—For the purposes of  
5 the annual report issued pursuant to section 5 of the Stat-  
6 utory Pay-As-You-Go Act of 2010 (2 U.S.C. 934) after  
7 adjournment of the second session of the 115th Congress,  
8 and for determining whether a sequestration order is nec-  
9 essary under such section, the debit for the budget year  
10 on the 5-year scorecard, if any, and the 10-year scorecard,  
11 if any, shall be deducted from such scorecard in 2019 and  
12 added to such scorecard in 2020.

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