

SA 340. Mr. McCONNELL (for Mr. DAINES) proposed an amendment to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, supra.

SA 341. Mr. UDALL (for himself, Ms. CANTWELL, Ms. CORTEZ MASTO, Ms. HEITKAMP, Mr. FRANKEN, Mrs. MURRAY, Mr. SCHATZ, Ms. STABENOW, Mr. TESTER, and Mr. MERKLEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 342. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

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SA 346. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 347. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

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SA 354. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

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SA 359. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

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bill H.R. 1628, supra; which was ordered to lie on the table.

SA 362. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 363. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 364. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 365. Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 366. Mr. KAINE (for himself, Mr. BLUMENTHAL, Mr. CARPER, and Mrs. SHAHEEN) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 367. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 368. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 369. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 370. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

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SA 373. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 374. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 375. Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 376. Ms. DUCKWORTH (for herself, Mr. DURBIN, Mrs. ERNST, and Mr. GRASSLEY) submitted an amendment intended to be proposed by her to the bill H.R. 2810, supra; which was ordered to lie on the table.

SA 377. Mr. MENENDEZ (for himself, Mr. DURBIN, Mr. BLUMENTHAL, Mr. BOOKER, and Mr. HEINRICH) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table.

SA 378. Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 379. Mr. MARKEY (for himself, Ms. WARREN, Mr. CARPER, Mr. CASEY, Mr. BROWN, Ms. HIRONO, Ms. STABENOW, Mr. MENENDEZ, and Mr. VAN HOLLEN) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 380. Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 381. Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 382. Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 383. Mr. FRANKEN (for himself, Mr. CORNYN, Ms. HEITKAMP, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 384. Mr. MANCHIN (for himself, Mr. MURPHY, Mr. WHITEHOUSE, Mr. KING, Ms. KLOBUCHAR, Mr. NELSON, Ms. HEITKAMP, Mrs. SHAHEEN, Ms. BALDWIN, Mr. BLUMENTHAL, and Ms. WARREN) submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table.

SA 385. Mr. MANCHIN (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 386. Mr. MANCHIN (for himself, Mr. BROWN, Mr. WARNER, Mr. KAINE, Mr. COONS, and Mr. CASEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 387. Mr. CARDIN (for himself, Mr. CARPER, Mr. NELSON, Ms. WARREN, Mr. BLUMENTHAL, Mr. BROWN, Mr. VAN HOLLEN, Ms. STABENOW, Ms. DUCKWORTH, and Mr. MARKEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 388. Mr. CRAPO (for himself and Mr. RISCH) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 389. Mr. STRANGE submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table.

SA 390. Mr. BLUNT submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

SA 391. Mr. GRAHAM (for himself and Mr. CASSIDY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 281.** Mr. PAUL submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on

the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the end of title I, insert the following:  
**SEC. 122. SMALL BUSINESS HEALTH PLANS.**

(a) **TAX TREATMENT OF SMALL BUSINESS HEALTH PLANS.**—A small business health plan (as defined in section 801(a) of the Employee Retirement Income Security Act of 1974) shall be treated—

(1) as a group health plan (as defined in section 2791 of the Public Health Service Act (42 U.S.C. 300gg-91)) for purposes of applying title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) and title XXII of such Act (42 U.S.C. 300bb-1);

(2) as a group health plan (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986), for purposes of applying sections 4980B and 5000 and chapter 100 of the Internal Revenue Code of 1986; and

(3) as a group health plan (as defined in section 733(a)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(a)(1))) for purposes of applying parts 6 and 7 of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1161 et seq.)

(b) **RULES.**—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021 et seq.) is amended by adding at the end the following new part:

**“PART 8—RULES GOVERNING SMALL BUSINESS RISK SHARING POOLS**

**“SEC. 801. SMALL BUSINESS HEALTH PLANS.**

“(a) **IN GENERAL.**—For purposes of this part, the term ‘small business health plan’ means—

“(1) a fully insured group health plan, offered by a health insurance issuer in the large group market; or

“(2) a self-insured group health plan,

whose sponsor is described in subsection (b).

“(b) **SPONSOR.**—The sponsor of a group health plan is described in this subsection if such sponsor—

“(1) is a qualified sponsor and receives certification by the Secretary;

“(2) is organized and maintained in good faith, with a constitution or bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis;

“(3) is established as a permanent entity; and

“(4) does not condition membership on the basis of a minimum group size.

**“SEC. 802. FILING FEE AND CERTIFICATION OF SMALL BUSINESS HEALTH PLANS.**

“(a) **FILING FEE.**—A small business health plan shall pay to the Secretary at the time of filing an application for certification under subsection (b) a filing fee in the amount of \$5,000, which shall be available to the Secretary for the sole purpose of administering the certification procedures applicable with respect to small business health plans.

“(b) **CERTIFICATION.**—

“(1) **IN GENERAL.**—Not later than 6 months after the date of enactment of this part, the Secretary shall prescribe by interim final rule a procedure under which the Secretary—

“(A) will certify a qualified sponsor of a small business health plan, upon receipt of an application that includes the information described in paragraph (2);

“(B) may provide for continued certification of small business health plans under this part;

“(C) shall provide for the revocation of a certification if the applicable authority finds that the small business health plan involved fails to comply with the requirements of this part;

“(D) shall conduct oversight of certified plan sponsors, including periodic review, and

consistent with section 504, applying the requirements of sections 518, 519, and 520; and

“(E) will consult with a State with respect to a small business health plan domiciled in such State regarding the Secretary’s authority under this part and other enforcement authority under sections 502 and 504.

“(2) **INFORMATION TO BE INCLUDED IN APPLICATION FOR CERTIFICATION.**—An application for certification under this part meets the requirements of this section only if it includes, in a manner and form which shall be prescribed by the applicable authority by regulation, at least the following information:

“(A) Identifying information.

“(B) States in which the plan intends to do business.

“(C) Bonding requirements.

“(D) Plan documents.

“(E) Agreements with service providers.

“(3) **REQUIREMENTS FOR CERTIFIED PLAN SPONSORS.**—Not later than 6 months after the date of enactment of this part, the Secretary shall prescribe by interim final rule requirements for certified plan sponsors that include requirements regarding—

“(A) structure and requirements for boards of trustees or plan administrators;

“(B) notification of material changes; and

“(C) notification for voluntary termination.

“(c) **FILING NOTICE OF CERTIFICATION WITH STATES.**—A certification granted under this part to a small business health plan offered by a health insurance issuer, as described in section 801(a)(1), shall not be effective unless written notice of such certification is filed by the plan sponsor with the applicable authority of each State in which the small business health plan operates.

“(d) **EXPEDITED AND DEEMED CERTIFICATION.**—

“(1) **IN GENERAL.**—If the Secretary fails to act on a complete application for certification under this section within 90 days of receipt of such complete application, the applying small business health plan sponsor shall be deemed certified until such time as the Secretary may deny for cause the application for certification.

“(2) **PENALTY.**—The Secretary may assess a penalty against the board of trustees, plan administrator, and plan sponsor (jointly and severally) of a small business health plan sponsor that is deemed certified under paragraph (1) of up to \$500,000 in the event the Secretary determines that the application for certification of such small business health plan sponsor was willfully or with gross negligence incomplete or inaccurate.

**“SEC. 803. PARTICIPATION AND COVERAGE REQUIREMENTS.**

“(a) **COVERED EMPLOYERS AND INDIVIDUALS.**—The requirements of this subsection are met with respect to a small business health plan if, under the terms of the plan—

“(1) each participating employer must be—

“(A) a member of the sponsor;

“(B) the sponsor; or

“(C) an affiliated member of the sponsor, except that, in the case of a sponsor which is a professional association or other individual-based association, if at least one of the officers, directors, or employees of an employer, or at least one of the individuals who are partners in an employer and who actively participates in the business, is a member or such an affiliated member of the sponsor, participating employers may also include such employer;

“(2) a participating employer is not deemed to be a plan sponsor in applying requirements relating to coverage renewal; and

“(3) all individuals commencing coverage under the plan after certification under this part must be—

“(A) an active or retired owner (including a self-employed individual with or without employees), officer, director, or employee of, or partner in, a participating employer;

“(B) an eligible individual; or

“(C) a dependent of an individual described in subparagraph (A) or (B).

“(b) **PROHIBITION OF DISCRIMINATION AGAINST EMPLOYERS AND EMPLOYEES ELIGIBLE TO PARTICIPATE.**—The requirements of this subsection are met with respect to a small business health plan if—

“(1) under the terms of the plan, no participating employer may provide health insurance coverage in the individual market for any employee not covered under the plan, if such exclusion of the employee from coverage under the plan is based on a health status-related factor with respect to the employee and such employee would, but for such exclusion on such basis, be eligible for coverage under the plan; and

“(2) information regarding all coverage options available under the plan is made readily available to any employer eligible to participate.

**“SEC. 804. DEFINITIONS; RENEWAL.**

“For purposes of this part:

“(1) **AFFILIATED MEMBER.**—The term ‘affiliated member’ means, in connection with a sponsor—

“(A) a person who is otherwise eligible to be a member of the sponsor but who elects an affiliated status with the sponsor, or

“(B) in the case of a sponsor with members which consist of associations, a person who is a member or employee of any such association and elects an affiliated status with the sponsor.

“(2) **APPLICABLE AUTHORITY.**—The term ‘applicable authority’ means—

“(A) with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of title XXVII of the Public Health Service Act for the State involved with respect to such issuer; and

“(B) with respect to a group health plan, the Secretary of Labor.

“(3) **ELIGIBLE INDIVIDUAL.**—The term ‘eligible individual’ means any individual who—

“(A) is a member of a sponsor; and

“(B)(i) is not employed or self-employed; or  
“(ii) is employed by an employer who does not offer the individual the option to enroll in a group health plan.

“(4) **FRANCHISOR; FRANCHISEE.**—The terms ‘franchisor’ and ‘franchisee’ have the meanings given such terms for purposes of sections 436.2(a) through 436.2(c) of title 16, Code of Federal Regulations (including any such amendments to such regulation after the date of enactment of this part) and, for purposes of this part, franchisor or franchisee employers participating in such a group health plan shall not be treated as the employer, co-employer, or joint employer of the employees of another participating franchisor or franchisee employer for any purpose.

“(5) **HEALTH PLAN TERMS.**—The terms ‘group health plan’, ‘health insurance coverage’, and ‘health insurance issuer’ have the meanings given such terms in section 733.

“(6) **INDIVIDUAL MARKET.**—

“(A) **IN GENERAL.**—The term ‘individual market’ means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

“(B) **TREATMENT OF VERY SMALL GROUPS.**—

“(i) **IN GENERAL.**—Subject to clause (ii), such term includes coverage offered in connection with a group health plan that has fewer than 2 participants as current employees or participants described in section 732(d)(3) on the first day of the plan year.

“(ii) STATE EXCEPTION.—Clause (i) shall not apply in the case of health insurance coverage offered in a State if such State regulates the coverage described in such clause in the same manner and to the same extent as coverage in the small group market (as defined in section 2791(e)(5) of the Public Health Service Act) is regulated by such State.

“(7) PARTICIPATING EMPLOYER.—The term ‘participating employer’ means, in connection with a small business health plan, any employer, if any individual who is an employee of such employer, a partner in such employer, or a self-employed individual who is such employer, including a self-employed individual with no additional employees (or any dependent, as defined under the terms of the plan, of such individual) is or was covered under such plan in connection with the status of such individual as such an employee, partner, or self-employed individual in relation to the plan.”

(c) PREEMPTION RULES.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end the following:

“(f)(1) Except as provided in subsection (b)(4), the provisions of this title shall supersede any and all State laws insofar as they may now or hereafter preclude a health insurance issuer from offering health insurance coverage in connection with a small business health plan which is certified under part 8 or preclude a self-insured small business health plan which is certified under part 8 from operating.

“(2) Nothing in subparagraph (1) shall be construed to limit the authority of a State to otherwise regulate health plans offered by a health insurance issuer in such State.”

(d) PLAN SPONSOR.—Section 3(16)(B) of such Act (29 U.S.C. 102(16)(B)) is amended by adding at the end the following new sentence: “Such term also includes a person serving as the sponsor of a small business health plan under part 8.”

(e) SAVINGS CLAUSE.—Section 731(c) of such Act is amended by inserting “or part 8” after “this part”.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the enactment of this Act. The Secretary of Labor shall first issue all regulations necessary to carry out the amendments made by this section within 6 months after the date of the enactment of this Act.

**SA 282.** Mr. ROUNDS submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title VII, add the following:

**SEC. 710. EXCEPTION TO INCREASE IN COST-SHARING REQUIREMENTS FOR TRICARE PHARMACY BENEFITS PROGRAM FOR BENEFICIARIES WHO LIVE MORE THAN 40 MILES FROM A MILITARY TREATMENT FACILITY.**

(a) IN GENERAL.—Notwithstanding paragraph (6) of section 1074g(a) of title 10, United States Code, as amended by section 706(a), the Secretary of Defense may not increase after the date of the enactment of this Act any cost-sharing amounts under such paragraph with respect to covered beneficiaries described in subsection (b).

(b) COVERED BENEFICIARIES DESCRIBED.—Covered beneficiaries described in this sub-

section are eligible covered beneficiaries (as defined in section 1074g(g) of title 10, United States Code) who live more than 40 miles driving distance from the closest military treatment facility to the residence of the beneficiary.

(c) REPORT ON EFFECT OF INCREASE.—

(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the potential effect, without regard to subsection (a), of the increase in cost-sharing amounts under section 1074g(a)(6) of title 10, United States Code, on covered beneficiaries described in subsection (b).

(2) ELEMENTS.—The report required by paragraph (1) shall include an assessment of how much additional costs would be required of covered beneficiaries described in subsection (b) per year as a result of increases in cost-sharing amounts described in such paragraph, including the average amount per individual and the aggregate amount.

**SA 283.** Mr. ROUNDS submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title XVI, add the following:

**SEC. 1630C. SENSE OF CONGRESS ON USE OF INTERGOVERNMENTAL PERSONNEL ACT MOBILITY PROGRAM AND DEPARTMENT OF DEFENSE INFORMATION TECHNOLOGY EXCHANGE PROGRAM TO OBTAIN PERSONNEL WITH CYBER SKILLS AND ABILITIES FOR THE DEPARTMENT OF DEFENSE.**

It is the sense of Congress that—

(1) the Department of Defense should fully use the Intergovernmental Personnel Act Mobility Program (IPAMP) and the Department of Defense Information Technology Exchange Program (ITEP) to obtain cyber personnel across the Government by leveraging cyber capabilities found at the State and local government level and in the private sector in order to meet the needs of the Department for cybersecurity professionals; and

(2) the Department should implement at the earliest practicable date a strategy that includes policies and plans to fully use such programs to obtain such personnel for the Department.

**SA 284.** Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REDUCING MEDICAID FRAUD, WASTE, ABUSE, AND OTHER IMPROPER PAYMENTS.**

Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services, in consultation with the Comptroller General of the United States and representatives of State auditors, shall issue guidance establishing a national strategy for reducing fraud, waste, abuse, and other improper payments in Medicaid.

**SA 285.** Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . EXPLANATION OF BENEFITS.**

Subpart I of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) is amended by adding at the end the following:

**“SEC. 2710. EXPLANATION OF BENEFITS.**

“Each health insurance issuer offering health insurance coverage in the individual market or group market shall include the Current Procedural Terminology (‘CPT’) code with each explanation of benefits.”

**SA 286.** Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . EMERGENCY ROOM PHYSICIANS.**

The Secretary of Health and Human Services shall promulgate regulations requiring hospitals to employ only emergency room physicians who have a contract with the same health insurance issuers with which the hospital has a contract.

**SA 287.** Mr. KENNEDY submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . WORK REQUIREMENT FOR NON-DISABLED, NONELDERLY, NONPREGNANT INDIVIDUALS.**

Section 1902 of the Social Security Act (42 U.S.C. 1396a), as previously amended, is further amended by adding at the end the following new subsection:

“(oo) WORK REQUIREMENT FOR NON-DISABLED, NONELDERLY, NONPREGNANT INDIVIDUALS.—

“(1) IN GENERAL.—Beginning October 1, 2017, subject to paragraph (3), States shall condition medical assistance to a non-disabled, nonelderly, nonpregnant individual under this title upon such an individual’s satisfaction of a work requirement (as defined in paragraph (2)).

“(2) WORK REQUIREMENT DEFINED.—In this section, the term ‘work requirement’ means, with respect to an individual, the individual’s participation in work activities (as defined in section 407(d)) for such period of time as determined by the State, and as directed and administered by the State.

“(3) REQUIRED EXCEPTIONS.—States may not apply a work requirement under this subsection to—

“(A) a woman during pregnancy through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends;

“(B) an individual who is under 19 years of age;

“(C) an individual who is a regular participant in a drug addiction or alcoholic treatment and rehabilitation program;

“(D) an individual who is the only parent or caretaker relative in the family of a child who has not attained 6 years of age or who is the only parent or caretaker of a child with disabilities; or

“(E) an individual who is married or a head of household and has not attained 20 years of age and who—

“(i) maintains satisfactory attendance at secondary school or the equivalent; or

“(ii) participates in education directly related to employment.”

**SA 288.** Mr. HELLER submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . SENSE OF THE SENATE.**

It is the Sense of the Senate that—

(1) the committee of jurisdiction of the Senate—

(A) should review the issue of Medicaid expansion and coverage for low-income Americans, and the incentives such expansion provides States for certain services;

(B) should consider legislation that provides incentives for States to prioritize Medicaid services for individuals who have the greatest medical need, including individuals with disabilities;

(C) should not consider legislation that reduces or eliminates benefits or coverage for individuals who are currently eligible for Medicaid;

(D) should not consider legislation that prevents or discourages a State from expanding its Medicaid program to include groups or individuals or types of services that are operational under current law; and

(E) should not consider legislation that shifts costs to States to cover such care;

(2) Obamacare should be repealed because it increases health care costs, limits patient choice of health plans and doctors, forces Americans to buy insurance that they do not want, cannot afford, or may not be able to access, and increases taxes on middle class families, which is evidenced by the facts that—

(A) premiums for health plans offered on the Federal Exchange have doubled on average over the last 4 years, and those increases are projected to continue;

(B) 70 percent of counties have only a few options for Obamacare insurance in 2017, and at least 40 counties are expected to have zero insurers planning on their Exchange for 2018;

(C) 2,300,000 Americans on the Exchange are projected to have only one insurer to choose from for plan year 2018; and

(D) the Joint Committee on Taxation has identified significant and widespread tax increases on individuals earning less than \$200,000; and

(3) Obamacare should be replaced with patient-centered legislation that—

(A) provides access to quality, affordable private health care coverage for Americans and their families by increasing competition, State flexibility, and individual choice; and

(B) strengthens Medicaid and empowers States through increased flexibility to best meet the needs of each State's population.

**SA 289.** Mr. DAINES submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 5, strike lines 20 through 22 and insert the following:

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to months beginning after December 31, 2013.

(c) **TAXPAYER REFUND PROGRAM.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall implement a program under which taxpayers who have paid a penalty under section 5000A of the Internal Revenue Code of 1986 for any taxable year receive 1 payment in refund of all such penalties paid, without regard to whether or not an amended return is filed. Such payment shall be made not later than April 15, 2018.

(2) **WAIVER OF STATUTE OF LIMITATIONS.**—Solely for purposes of claiming the refund under paragraph (1), the period prescribed by section 6511(a) of the Internal Revenue Code of 1986 with respect to any payment of a penalty under section 5000A shall be extended until the date prescribed by law (including extensions) for filing the return of tax for the taxable year that includes December 31, 2017.

**SA 290.** Ms. WARREN (for herself, Mr. MARKEY, Mr. CARPER, Mr. DURBIN, Ms. STABENOW, Ms. HIRONO, Mr. VAN HOLLEN, and Mr. BROWN) submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would increase costs for community health centers, including by increasing the number of uninsured individuals or by reducing Federal funding of the Medicaid program that helps provide coverage for many patients receiving care at community health centers, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 291.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would lead to an increased likelihood of bankruptcies for American families, including provisions that would allow insurers to impose annual or lifetime limits on insurance benefits or that would eliminate insurance coverage, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 292.** Ms. WARREN submitted an amendment intended to be proposed by

her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would reduce funding for special education programs, including provisions that break President Trump's promise not to cut Medicaid, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 293.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would harm individuals with Alzheimer's disease by increasing their premiums or cutting Federal Medicaid funding that supports those in nursing homes, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 294.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would harm babies born prematurely by cutting Federal Medicaid funding that supports medications, special equipment, and therapies to help these babies thrive and protect their family from bankruptcy, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 295.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would reduce coverage for prescription drug benefits, lead to increased out-of-pocket prescription drug costs, or allow States to apply for waivers to drop prescription drug coverage from the list of essential health benefits, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 296.** Ms. WARREN submitted an amendment intended to be proposed by



her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people seeking mental health care shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 310.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people with brain cancer shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 311.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people receiving chemotherapy or radiation treatment shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 312.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people living in a rural area shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 313.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for veterans shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 314.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people over the age of 50 shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 315.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people with ALS shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 316.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people with multiple sclerosis shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 317.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for peo-

ple with diabetes shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 318.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people receiving Social Security benefits, including SSI and SSDI shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 319.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people with heart disease shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 320.** Ms. WARREN submitted an amendment intended to be proposed by her to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would threaten to make health insurance unaffordable for people with prostate cancer shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 321.** Mr. NELSON submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . HEALTHCARE FRAUD REMOVAL.**

(a) 10-YEAR PROHIBITION ON DEDUCTION OF TRADE OR BUSINESS EXPENSES FOR BUSINESSES ENGAGED IN FRAUD OR ILLEGAL TRANSACTIONS.—Subsection (c) of section 162 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(4) 10-YEAR PROHIBITION ON DEDUCTION OF TRADE OR BUSINESS EXPENSES.—In the case of a taxpayer subject to a criminal penalty for

engaging in fraud, an illegal bribe or kick-back, or any other illegal transaction (as such term is defined by the Secretary) under any law of the United States, or under any law of a State (but only if such State law is generally enforced), no deduction shall be allowed under subsection (a) for any taxable year during the 10-year period subsequent to the date on which such criminal penalty was imposed.”

(b) **HEALTH CARE FRAUD PENALTIES.**—Section 1347(a) of title 18, United States Code, is amended, in the undesignated matter following paragraph (2)—

(1) by striking “10 years” and inserting “15 years”; and

(2) by striking “20 years” and inserting “25 years”.

(c) **ESTABLISHMENT OF HEALTH CARE FRAUD EXCISE TAX.**—

(1) **HEALTH CARE FRAUD EXCISE TAX.**—

(A) **IN GENERAL.**—Subchapter C of chapter 100 of subtitle K of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“**SEC. 9835. HEALTH CARE FRAUD EXCISE TAX.**

“(a) **IN GENERAL.**—In the case of any payment relating to health care benefits, items, or services which is made by health insurance issuer (as defined in section 9832(c)(2)) to a person engaged in a violation of section 1347(a) of title 18, United States Code, there is hereby imposed a tax equal to 20 percent of such payment.

“(b) **NO KNOWLEDGE REQUIREMENT.**—With respect to the tax imposed under subsection (a), the health insurance issuer shall not be required to have knowledge of the violation under section 1347(a) of title 18, United States Code.”

(B) **CLERICAL AMENDMENT.**—The table of sections for such subchapter is amended by adding at the end the following new item:

“Sec. 9835. Health care fraud excise tax.”

(C) **EFFECTIVE DATE.**—The amendments made by this paragraph shall apply to payments made after the date of the enactment of this Act.

(2) **HEALTH CARE FRAUD TRUST FUND.**—

(A) **IN GENERAL.**—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end the following section:

“**SEC. 9512. HEALTH CARE FRAUD TRUST FUND.**

“(a) **CREATION OF TRUST FUND.**—There is established in the Treasury of the United States a trust fund to be known as the ‘Health Care Fraud Trust Fund’, consisting of any amount appropriated or credited to the Trust Fund as provided in this section or section 9602(b).

“(b) **TRANSFERS TO TRUST FUND.**—There is hereby appropriated to the Health Care Fraud Trust Fund amounts equivalent to the revenues received in the Treasury from the tax imposed by section 9835.

“(c) **EXPENDITURES.**—Amounts in the Health Care Fraud Trust Fund shall be available, without further appropriation, to the Secretary of Health and Human Services for providing grants to—

“(1) local law enforcement authorities for health care fraud prevention efforts, with priority given to authorities operating in areas experiencing high rates of health care fraud or drug abuse, and

“(2) qualified drug addiction treatment centers.

“(d) **DEFINITIONS.**—

“(1) **LOCAL LAW ENFORCEMENT AUTHORITY.**—The term ‘local law enforcement authority’ means any officially recognized law enforcement agency legally organized under a political subdivision of a state or possession of the United States.

**SA 322.** Mr. HEINRICH submitted an amendment intended to be proposed by

him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . POINT OF ORDER AGAINST LEGISLATION THAT WOULD DECREASE MEDICAID OR CHIP ENROLLMENT OF CHILDREN.**

(a) **POINT OF ORDER.**—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, amendment between the Houses, or conference report that, as determined by the Director of the Congressional Budget Office, would result in a decrease in the number of children enrolled in Medicaid under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or the Children’s Health Insurance Program under title XXI of such Act (42 U.S.C. 1397aa et seq.).

(b) **WAIVER AND APPEAL.**—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

**SA 323.** Mr. HEINRICH submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . POINT OF ORDER AGAINST LEGISLATION THAT WOULD AFFECT ADVERSELY IMPACT UNINSURED INDIVIDUALS IN RURAL AREAS.**

(a) **POINT OF ORDER.**—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, amendment between the Houses, or conference report that would result in an increase in the rate of uninsured individuals in rural areas, a decrease in Medicaid enrollment or a reduction in the scope of Medicaid benefits offered in rural areas, reduced wages or a shortage of employment opportunities in the health care profession for prospective employees and previously insured individuals living in rural areas, or a decrease in revenue or Federal funds available to rural health care providers, including hospitals, clinics, and community health centers.

(b) **WAIVER AND APPEAL.**—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

**SA 324.** Mr. HEINRICH (for himself and Mr. UDALL) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title XXXI, add the following:

**SEC. 3116. PLUTONIUM CAPABILITIES.**

(a) **REPORT.**—Not later than 30 days after the date of the enactment of this Act, the Administrator for Nuclear Security shall submit to the congressional defense committees, the Secretary of Defense, and the Director of Cost Assessment and Program Evaluation of the Department of Defense a report on the recommended alternative endorsed by the Administrator for recapitalization of plutonium science and production capabilities of the nuclear security enterprise. The report shall identify the recommended alternative endorsed by the Administrator and contain the analysis of alternatives, including costs, upon which the Administrator relied in making such endorsement.

(b) **CERTIFICATION.**—Not later than 60 days after the date on which the Secretary of Defense receives the notification under subsection (a), the Chairman of the Nuclear Weapons Council shall submit to the congressional defense committees the written certification of the Chairman regarding whether the recommended alternative endorsed by the Administrator—

(1) is acceptable to the Secretary of Defense and the Nuclear Weapons Council and meets the requirements of the Secretary for plutonium pit production capacity and capability;

(2) is likely to meet the pit production timelines and milestones required by section 4219 of the Atomic Energy Defense Act (50 U.S.C. 2538a);

(3) is likely to meet pit production timelines and requirements responsive to military requirements;

(4) is cost effective and has reasonable near-term and lifecycle costs that are minimized, to the extent practicable, as compared to other alternatives, and has tested and documented the sensitivity of the cost estimates for each alternative to risks and changes in key assumptions;

(5) contains minimized and manageable risks as compared to other alternatives;

(6) can be acceptably reconciled with any differences in the conclusions made by the Office of Cost Assessment and Program Evaluation of the Department of Defense in the business case analysis of plutonium pit production capability issued in 2013; and

(7) has documented the assumptions and constraints used in the analysis of alternatives.

(c) **FAILURE TO CERTIFY.**—If the Chairman is unable to submit the certification under subsection (b), the Chairman shall submit to the congressional defense committees and the Administrator written notification describing why the Chairman is unable to make such certification.

(d) **ASSESSMENT.**—Not later than 120 days after the date on which the Director of Cost Assessment and Program Evaluation receives the notification under subsection (a), the Director shall provide to the congressional defense committees a briefing containing the assessment of the Director of the analysis of alternatives conducted by the Administrator to select a preferred alternative for recapitalizing plutonium science and production capabilities.

**SA 325.** Mr. HEINRICH (for himself and Mr. UDALL) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title X, add the following:

**SEC. \_\_\_\_ . AIR FORCE PILOT PROGRAM ON EDUCATION AND TRAINING AND CERTIFICATION OF SECONDARY AND POST-SECONDARY STUDENTS AS AIRCRAFT TECHNICIANS.**

**(a) PILOT PROGRAM REQUIRED.—**

(1) IN GENERAL.—The Secretary of the Air Force shall carry out a pilot program to assess the feasibility and advisability of—

(A) providing education and training to secondary and post-secondary students in the skills and qualifications required to lead to certification as an aircraft technician for the Air Force with skills levels 3-5; and

(B) certifying individuals who successfully complete education and training under the pilot program as aircraft technicians for the Air Force at the applicable skill level.

(2) DESIGNATION.—The pilot program carried out pursuant to this section may be known as the “Air Force Dual Credit Maintainers Program” (in this section, referred to as the “pilot program”).

(b) ELIGIBLE PARTICIPANTS.—Individuals eligible to participate in the pilot program are individuals in secondary or post-secondary school who—

(1) have education, skills, or both appropriate for further education and training leading to certification as an aircraft technician of the Air Force; and

(2) seek to pursue education and training under the pilot program in order to become certified as aircraft technicians of the Air Force.

**(c) SECONDARY SCHOOLS AND INSTITUTIONS OF HIGHER EDUCATION.—**

(1) IN GENERAL.—The Secretary shall carry out the pilot program through secondary schools and institutions of higher education selected by the Secretary for purposes of the pilot program.

(2) LOCATIONS.—The secondary schools and institutions of higher education selected pursuant to paragraph (1) shall, to the extent practicable, be located in the vicinity of installations of the Air Force at which there is, or is anticipated to be, a shortfall in aircraft technicians with skill levels 3-5.

(3) COORDINATION.—The pilot program may be carried out at a secondary school only with the approval of the local educational agency concerned. The pilot program may be carried out at an institution of higher education only with the approval of the board of trustees or other appropriate leadership of the institution.

(4) GRANTS.—In carrying out the pilot program, the Secretary may award a grant to any secondary school or institution of higher education participating in the pilot program for purposes of providing education and training under the pilot program.

(d) CURRICULUM AND ASSOCIATED EQUIPMENT.—In carrying out the pilot program, the Secretary shall support curriculum development by secondary and post-secondary educational institutions, and any associated training equipment, to be used in providing education and training under the pilot program.

(e) EMPLOYMENT AS AIR FORCE AIRCRAFT TECHNICIANS.—As part of the pilot program, the Secretary may employ, and may afford an emphasis on employment, in the Department of the Air Force as aircraft technicians of the Air Force any individuals who obtain certification under the pilot program as aircraft technicians of the Air Force.

(f) SUNSET.—The authority of the Secretary to carry out the pilot program shall expire on the date that is five years after the date of the enactment of this Act. Expiration of the authority to carry out the pilot program shall not be construed to require the termination of any education or training, or

the provision of any certifications, for individuals participating in education or training under the pilot program on the date of the expiration of authority to carry out the pilot program.

**(g) FUNDING.—**

(1) IN GENERAL.—The amount authorized to be appropriated for fiscal year 2018 for the Department of Defense by this division is hereby increased by \$5,000,000, with the amount of the increase to be available for the pilot program, including for the award of grants pursuant to subsection (c)(4) and for support of the development of curriculum and training equipment pursuant to subsection (d).

(2) OFFSET.—The amount authorized to be appropriated for fiscal year 2018 by section 301 is hereby reduced by \$5,000,000, with the amount of the reduction to be applied against amounts available for operation and maintenance, Defense-wide, for SAG 4GTV Office of the Inspector General.

**SA 326.** Mr. LANKFORD (for himself, Mr. CRUZ, Mrs. FISCHER, and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . JUDGMENT FUND TRANSPARENCY.**

(a) TRANSPARENCY REQUIREMENT.—Section 1304 of title 31, United States Code, is amended by adding at the end the following:

“(d)(1) Unless the disclosure of such information is otherwise prohibited by law (other than section 552a of title 5) or court order, the Secretary of the Treasury shall make available to the public on a website, as soon as practicable, but not later than 30 days after the date on which the Secretary makes a payment under this section, the following information with regard to that payment:

“(A) The name of the specific agency or entity whose actions gave rise to the claim or judgment.

“(B) The name of the plaintiff or claimant who is 18 years or older.

“(C) The name of counsel for the plaintiff or claimant.

“(D) The amount paid representing principal liability, and any amounts paid representing any ancillary liability, including attorney fees, costs, and interest.

“(E) A brief description of the facts that gave rise to the claim.

“(F) The name of the agency that submitted the claim.

“(2) In addition to the information described in paragraph (1), if a payment under this section is made to a foreign state, the Secretary of the Treasury shall make available to the public in accordance with paragraph (1), the following information with regard to that payment:

“(A) A description of the method of payment.

“(B) A description of the currency denominations used for the payment.

“(C) The name and location of each financial institution owned or controlled, directly or indirectly, by a foreign state or an agent of a foreign state to which the payment was disbursed, including any financial institution owned or controlled, directly or indirectly, by a foreign state or an agent of a

foreign state that is holding the payment as of the date on which the information is made available.

“(3) In this subsection, the term ‘foreign state’ has the meaning given the term in section 1603 of title 28.

“(e) No payment may be made under this section to a state sponsor of terrorism, as defined in section 1605A(h) of title 28.”.

(b) IMPLEMENTATION.—The Secretary of the Treasury shall carry out the amendment made by this section not later than 90 days after the date of enactment of this Act.

**SA 327.** Mrs. SHAHEEN (for herself and Mr. SASSE) submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title XII, add the following:

**SEC. \_\_\_\_ . SYRIA STUDY GROUP.**

(a) ESTABLISHMENT.—There is hereby established a working group to be known as the “Syria Study Group” (in this section referred to as the “Group”).

(b) PURPOSE.—The purpose of the Group is to examine and make recommendations with respect to the military and diplomatic strategy of the United States with respect to the conflict in Syria.

**(c) COMPOSITION.—**

(1) MEMBERSHIP.—The Group shall be composed of 8 members appointed as follows:

(A) One member appointed by the chair of the Committee on Armed Services of the Senate.

(B) One member appointed by the ranking minority member of the Committee on Armed Services of the Senate.

(C) One member appointed by the chair of the Committee on Foreign Relations of the Senate.

(D) One member appointed by the ranking minority member of the Committee on Foreign Relations of the Senate.

(E) One member appointed by the chair of the Committee on Armed Services of the House of Representatives.

(F) One member appointed by the ranking minority member of the Committee on Armed Services of the House of Representatives.

(G) One member appointed by the chair of the Committee on Foreign Affairs of the House of Representatives.

(H) One member appointed by the ranking minority member of the Committee on Foreign Affairs of the House of Representatives.

**(2) CO-CHAIRS.—**

(A) The chair of the Committee on Armed Services of the Senate, the chair of the Committee on Armed Services of the House of Representatives, the chair of the Committee on Foreign Relations of the Senate, and the chair of the Committee on Foreign Affairs of the House of Representatives shall jointly designate one member of the Group to serve as co-chair of the Group.

(B) The ranking minority member of the Committee on Armed Services of the Senate, the ranking minority member of the Committee on Armed Services of the House of Representatives, the ranking minority member of the Committee on Foreign Relations of the Senate, and the ranking minority member of the Committee on Foreign Affairs of the House of Representatives shall jointly designate one member of the Group to serve as co-chair of the Group.



(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Group. Any vacancy in the Group shall be filled in the same manner as the original appointment.

(d) DUTIES.—

(1) REVIEW.—The Group shall review the current situation with respect to the United States military and diplomatic strategy in Syria, including a review of current United States objectives in Syria and the desired end state in Syria.

(2) ASSESSMENT AND RECOMMENDATIONS.—The Group shall—

(A) conduct a comprehensive assessment of the current situation in Syria, its impact on neighboring countries, resulting regional and geopolitical threats to the United States, and current military, diplomatic, and political efforts to achieve a stable Syria; and

(B) develop recommendations on a military and diplomatic strategy for the United States with respect to the conflict in Syria.

(e) COOPERATION FROM UNITED STATES GOVERNMENT.—

(1) IN GENERAL.—The Group shall receive the full and timely cooperation of the Secretary of Defense, the Secretary of State, and the Director of National Intelligence in providing the Group with analyses, briefings, and other information necessary for the discharge of the duties of the Group.

(2) LIAISON.—The Secretary of Defense, the Secretary of State, and the Director of National Intelligence shall each designate at least one officer or employee of their respective organizations to serve as a liaison officer to the Group.

(f) REPORT.—

(1) FINAL REPORT.—Not later than September 30, 2018, the Group shall submit to the President, the Secretary of Defense, the Committee on Armed Services of the Senate, the Committee on Armed Services of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report on the findings, conclusions, and recommendations of the Group under this section. The report shall do each of the following:

(A) Assess the current security, political, humanitarian, and economic situation in Syria.

(B) Assess the current participation and objectives of various external actors in Syria.

(C) Assess the consequences of continued conflict in Syria.

(D) Provide recommendations for a diplomatic resolution of the conflict in Syria, including options for a gradual political transition to a post-Assad Syria and actions necessary for reconciliation.

(E) Provide a roadmap for a United States and coalition strategy to reestablish security and governance in Syria, including recommendations for the synchronization of stabilization, development, counterterrorism, and reconstruction efforts.

(F) Address any other matters with respect to the conflict in Syria that the Group considers appropriate.

(2) INTERIM BRIEFING.—Not later than June 30, 2018, the Group shall provide to the Committees on Armed Services of the Senate and the House of Representatives a briefing on the status of its review and assessment under subsection (d), together with a discussion of any interim recommendations developed by the Group as of the date of the briefing.

(3) FORM OF REPORT.—The report submitted to Congress under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

(g) FACILITATION.—The United States Institute of Peace shall take appropriate actions

to facilitate the Group in the discharge of its duties under this section.

(h) TERMINATION.—The Group shall terminate six months after the date on which it submits the report required by subsection (f)(1).

(i) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 2018 for the Department of Defense by this Act, \$1,500,000 is available to fund the activities of the Group.

**SA 328.** Mrs. SHAHEEN submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . FOREIGN AGENTS REGISTRATION.**

(a) SHORT TITLE.—This section may be cited as the “Foreign Agents Registration Modernization and Enforcement Act”.

(b) CIVIL INVESTIGATIVE DEMAND AUTHORITY.—The Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.) is amended—

(1) by redesignating sections 8, 9, 10, 11, 12, 13, and 14 as sections 9, 10, 11, 12, 13, 14, and 16, respectively; and

(2) by inserting after section 7 (22 U.S.C. 617) the following:

“CIVIL INVESTIGATIVE DEMAND AUTHORITY

“SEC. 8. (a) Whenever the Attorney General has reason to believe that any person or enterprise may be in possession, custody, or control of any documentary material relevant to an investigation under this Act, the Attorney General, before initiating a civil or criminal proceeding with respect to the production of such material, may serve a written demand upon such person to produce such material for examination.

“(b) Each such demand under subsection (a) shall—

“(1) state the nature of the conduct constituting the alleged violation which is under investigation and the provision of law applicable to such violation;

“(2) describe the class or classes of documentary material required to be produced under such demand with such definiteness and certainty as to permit such material to be fairly identified;

“(3) state that the demand is immediately returnable or prescribe a return date which will provide a reasonable period within which the material may be assembled and made available for inspection and copying or reproduction; and

“(4) identify the custodian to whom such material shall be made available.

“(c) A demand under subsection (a) may not—

“(1) contain any requirement that would be considered unreasonable if contained in a subpoena duces tecum issued by a court of the United States in aid of grand jury investigation of such alleged violation; or

“(2) require the production of any documentary evidence that would be privileged from disclosure if demanded by a subpoena duces tecum issued by a court of the United States in aid of a grand jury investigation of such alleged violation.”.

(c) INFORMATIONAL MATERIALS.—

(1) DEFINITIONS.—Section 1 of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611) is amended—

(A) in subsection (c), by striking “Expect as provided in subsection (d) hereof,” and in-

serting “Except as provided in subsection (d),”; and

(B) by inserting after subsection (i) the following:

“(j) The term ‘informational materials’ means any oral, visual, graphic, written, or pictorial information or matter of any kind, including matter published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise.”.

(2) INFORMATIONAL MATERIALS.—Section 4 of the such Act (22 U.S.C. 614) is amended—

(A) in subsection (a)—

(i) by inserting “, including electronic mail and social media,” after “United States mails”; and

(ii) by striking “, not later than forty-eight hours after the beginning of the transmittal thereof, file with the Attorney General two copies thereof” and inserting “file such materials with the Attorney General in conjunction with, and at the same intervals as, disclosures required under section 2(b).”; and

(B) in subsection (b)—

(i) by striking “It shall” and inserting “(1) Except as provided in paragraph (2), it shall”; and

(ii) by inserting at the end the following:

“(2) Foreign agents described in paragraph (1) may omit disclosure required under that paragraph in individual messages, posts, or transmissions on social media on behalf of a foreign principal if the social media account or profile from which the information is sent includes a conspicuous statement that—

“(A) the account is operated by, and distributes information on behalf of, the foreign agent; and

“(B) additional information about the account is on file with the Department of Justice in Washington, District of Columbia.

“(3) Informational materials disseminated by an agent of a foreign principal as part of an activity that is exempt from registration, or an activity which by itself would not require registration, need not be filed under this subsection.”.

(d) FEES.—

(1) REPEAL.—The Department of Justice and Related Agencies Appropriations Act, 1993 (title I of Public Law 102-395) is amended, under the heading “SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES”, by striking “In addition, notwithstanding 31 U.S.C. 3302, for fiscal year 1993 and thereafter, the Attorney General shall establish and collect fees to recover necessary expenses of the Registration Unit (to include salaries, supplies, equipment and training) pursuant to the Foreign Agents Registration Act, and shall credit such fees to this appropriation, to remain available until expended.”.

(2) REGISTRATION FEE.—The Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611 et seq.), as amended by this Act, is further amended by adding after section 14, as redesignated by subsection (b)(1), the following:

“FEES

“SEC. 15. The Attorney General shall—

“(1) establish and collect a registration fee, as part of the initial filing requirement, to help defray the expenses of the FARA Registration Unit; and

“(2) credit such fees to the amount appropriated to carry out the activities of the National Security Division, which shall remain available until expended.”.

(e) REPORTS TO CONGRESS.—Section 12 of the Foreign Agents Registration Act of 1938, as amended, as redesignated by subsection (b)(1), is amended to read as follows:

## "REPORTS TO CONGRESS

"SEC. 12. The Assistant Attorney General for National Security, through the FARA Registration Unit of the National Security Division, shall submit a semiannual report to Congress regarding the administration of this Act. Each report under this section shall include, for the applicable reporting period, the identification of—

"(1) registrations filed pursuant to this Act;

"(2) the nature, sources, and content of political propaganda disseminated and distributed by agents of foreign principal;

"(3) the number of investigations initiated based upon a perceived violation of section 8; and

"(4) the number of such investigations that were referred to the Attorney General for prosecution."

**SA 329.** Ms. BALDWIN (for herself, Mr. REED, Mr. KAINÉ, and Ms. WARREN) submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle F of title VIII, add following:

**SEC. \_\_\_\_ . SUPPORT OF AMERICA'S DEFENSE WORKERS.**

(a) **SHORT TITLE.**—This section may be cited as the "Supporting America's Defense Workers Act".

(b) **INEFFECTIVENESS OF SECTION 863.**—Section 863 shall have no force or effect, and the amendments specified in section 863 shall not be made.

**SA 330.** Mr. TILLIS submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 104, line 15, strike "mental health services" and insert "mental health services for conditions that are defined in the Diagnostic and Statistical Manual of Mental Disorders at the time of the enrollee's diagnosis, including Autism Spectrum Disorder,".

**SA 331.** Mr. COONS (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

Beginning on page 102, strike line 1 and all that follows through page 104, line 12, and insert the following:

**SEC. 203. EXPANSION AND MODIFICATION OF CREDIT FOR EMPLOYEE HEALTH INSURANCE EXPENSES OF SMALL EMPLOYERS.**

(a) **EXPANSION OF DEFINITION OF ELIGIBLE SMALL EMPLOYER.**—Subparagraph (A) of section 45R(d)(1) of the Internal Revenue Code of 1986 is amended by striking "25" and inserting "50".

(b) **AMENDMENT TO PHASEOUT DETERMINATION.**—Subsection (c) of section 45R of the Internal Revenue Code of 1986 is amended to read as follows:

"(c) **PHASEOUT OF CREDIT AMOUNT BASED ON NUMBER OF EMPLOYEES AND AVERAGE WAGES.**—The amount of the credit determined under subsection (b) (without regard to this subsection) shall be adjusted (but not below zero) by multiplying such amount by the product of—

"(1) the lesser of—

"(A) a fraction the numerator of which is the excess (if any) of 50 over the total number of full-time equivalent employees of the employer and the denominator of which is 30, and

"(B) 1, and

"(2) the lesser of—

"(A) a fraction—

"(i) the numerator of which is the excess (if any) of—

"(I) the dollar amount in effect under subsection (d)(3)(B) for the taxable year, multiplied by 3, over

"(II) the average annual wages of the employer for such taxable year, and

"(ii) the denominator of which is the dollar amount so in effect under subsection (d)(3)(B), multiplied by 2, and

"(B) 1."

(c) **EXTENSION OF CREDIT PERIOD.**—Paragraph (2) of section 45R(e) of the Internal Revenue Code of 1986 is amended by striking "2-consecutive-taxable year period" and all that follows and inserting "3-consecutive-taxable year period beginning with the 1st taxable year beginning after 2016 in which—

"(A) the employer (or any predecessor) offers 1 or more qualified health plans to its employees through an Exchange, and

"(B) the employer (or any predecessor) claims the credit under this section."

(d) **AVERAGE ANNUAL WAGE LIMITATION.**—Subparagraph (B) of section 45R(d)(3) of the Internal Revenue Code of 1986 is amended to read as follows:

"(B) **DOLLAR AMOUNT.**—For purposes of paragraph (1)(B) and subsection (c)(2), the dollar amount in effect under this paragraph is the amount equal to 110 percent of the poverty line (within the meaning of section 36B(d)(3)) for a family of 4."

(e) **ELIMINATION OF UNIFORM PERCENTAGE CONTRIBUTION REQUIREMENT.**—Paragraph (4) of section 45R(d) of the Internal Revenue Code of 1986 is amended by striking "a uniform percentage (not less than 50 percent)" and inserting "at least 50 percent".

(f) **ELIMINATION OF CAP RELATING TO AVERAGE LOCAL PREMIUMS.**—Subsection (b) of section 45R of the Internal Revenue Code of 1986 is amended by striking "the lesser of" and all that follows and inserting "the aggregate amount of nonelective contributions the employer made on behalf of its employees during the taxable year under the arrangement described in subsection (d)(4) for premiums for qualified health plans offered by the employer to its employees through an Exchange."

(g) **AMENDMENT RELATING TO ANNUAL WAGE LIMITATION.**—Subparagraph (B) of section 45R(d)(1) of the Internal Revenue Code of 1986 is amended by striking "twice" and inserting "three times".

(h) **EFFECTIVE DATE.**—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2016.

**SA 332.** Mr. COONS (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . ANNUAL AND LIFETIME LIMITS.**

A State granted a waiver under section 1332 of the Patient Protection and Affordable Care Act (42 U.S.C. 18052), as amended by this Act, shall ensure that the provisions of section 2711 of the Public Health Service Act (42 U.S.C. 300gg-11) shall continue to apply to health insurance issuers in the State with respect to any essential health benefit as defined by the Secretary of Health and Human Services under section 1302(b) of the Patient Protection and Affordable Care Act.

**SA 333.** Mr. COONS (for himself, Mr. DURBIN, and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . LEVEL OF COVERAGE.**

A State granted a waiver with respect to essential health benefits coverage under section 1332 of the Patient Protection and Affordable Care Act (42 U.S.C. 18052), as amended by this Act, shall ensure that new essential health benefits provided under the waiver provide at least a level of coverage that is equal to the essential health benefits coverage provided to Members of Congress.

**SA 334.** Mr. COONS (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NOTICE REQUIREMENT.**

The President shall notify in writing any individual who receives a cut in health care benefits, lower quality health insurance, or loses health insurance altogether that these changes are the result of this Act and the amendments made by this Act.

**SA 335.** Mr. KING (for himself, Mr. BLUMENTHAL, Mr. CASEY, Mrs. SHAHEEN, and Mr. COONS) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAMS.**

Section 511(j)(1) of the Social Security Act (42 U.S.C. 711(j)(1)) is amended—

(1) in subparagraph (G), by striking "and" after the semicolon;

(2) in subparagraph (H), by striking the period at the end and inserting " ; and "; and

(3) by adding at the end the following new subparagraph:

"(I) for each of fiscal years 2018 through 2027, \$400,000,000."

**SA 336.** Mr. KING (for himself, Mr. BLUMENTHAL, and Mrs. SHAHEEN) submitted an amendment intended to be

proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REDUCING INFANT MORTALITY.**

The Secretary of Health and Human Services shall implement programs to protect, preserve, maintain, sustain, and expand all programs related to addressing, identifying the cause of, and reducing infant mortality.

**SA 337.** Mr. KING (for himself, Mr. BLUMENTHAL, and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NATIONAL HEALTH SERVICE CORPS.**

There are authorized to be appropriated, and there are appropriated, for each of fiscal years 2018 through 2026, \$400,000,000 to carry out the National Health Service Corps program under subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) and the scholarship program and loan repayment program under subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254i et seq.).

**SA 338.** Mr. KING (for himself, Mr. BLUMENTHAL, and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

Strike section 201.

**SA 339.** Mr. GRASSLEY submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PRESERVATION OF RIGHT TO MAINTAIN EXISTING COVERAGE.**

(a) IN GENERAL.—Section 1251 of the Patient Protection and Affordable Care Act (42 U.S.C. 18011) is amended:

(1) in subsection (e), by inserting “other than a plan or coverage described in subsection (f)” before the period; and

(2) by adding at the end the following:

“(f) PRESERVATION OF EXISTING OPTIONS.—In the case of a group health plan or health insurance coverage (other than a qualified health plan offered on an exchange established pursuant to this Act) offered to the members of an agricultural organization exempt from Federal income tax under section 501(c)(5) of the Internal Revenue Code of 1986, in existence since 1918, that has been pro-

viding health coverage to members since 1970, to the extent permitted by applicable State law—

“(1) this subtitle and subtitle A (and the amendments made by such subtitles) shall not apply, and

“(2) such plan or coverage shall not be subject to any requirement of this Act that does not apply to a grandfathered plan. This subsection shall apply to such plan or coverage, including with respect to new enrollees.”.

(b) EFFECTIVE DATE.—This section shall be effective for plan and policy years beginning on or after January 1, 2018.

**SA 340.** Mr. McCONNELL (for Mr. DAINES) proposed an amendment to amendment SA 267 proposed by Mr. McCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the “Expanded & Improved Medicare For All Act”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions and terms.

**TITLE I—ELIGIBILITY AND BENEFITS**

Sec. 101. Eligibility and registration.

Sec. 102. Benefits and portability.

Sec. 103. Qualification of participating providers.

Sec. 104. Prohibition against duplicating coverage.

**TITLE II—FINANCES**

**Subtitle A—Budgeting and Payments**

Sec. 201. Budgeting process.

Sec. 202. Payment of providers and health care clinicians.

Sec. 203. Payment for long-term care.

Sec. 204. Mental health services.

Sec. 205. Payment for prescription medications, medical supplies, and medically necessary assistive equipment.

Sec. 206. Consultation in establishing reimbursement levels.

**Subtitle B—Funding**

Sec. 211. Overview: funding the Medicare For All Program.

Sec. 212. Appropriations for existing programs.

**TITLE III—ADMINISTRATION**

Sec. 301. Public administration; appointment of Director.

Sec. 302. Office of Quality Control.

Sec. 303. Regional and State administration; employment of displaced clerical workers.

Sec. 304. Confidential electronic patient record system.

Sec. 305. National Board of Universal Quality and Access.

**TITLE IV—ADDITIONAL PROVISIONS**

Sec. 401. Treatment of VA and IHS health programs.

Sec. 402. Public health and prevention.

Sec. 403. Reduction in health disparities.

**TITLE V—EFFECTIVE DATE**

Sec. 501. Effective date.

**SEC. 2. DEFINITIONS AND TERMS.**

In this Act:

(1) MEDICARE FOR ALL PROGRAM; PROGRAM.—The terms “Medicare For All Program” and “Program” mean the program of benefits provided under this Act and, unless

the context otherwise requires, the Secretary with respect to functions relating to carrying out such program.

(2) NATIONAL BOARD OF UNIVERSAL QUALITY AND ACCESS.—The term “National Board of Universal Quality and Access” means such Board established under section 305.

(3) REGIONAL OFFICE.—The term “regional office” means a regional office established under section 303.

(4) SECRETARY.—The term “Secretary” means the Secretary of Health and Human Services.

(5) DIRECTOR.—The term “Director” means, in relation to the Program, the Director appointed under section 301.

**TITLE I—ELIGIBILITY AND BENEFITS**

**SEC. 101. ELIGIBILITY AND REGISTRATION.**

(a) IN GENERAL.—All individuals residing in the United States (including any territory of the United States) are covered under the Medicare For All Program entitling them to a universal, best quality standard of care. Each such individual shall receive a card with a unique number in the mail. An individual’s Social Security number shall not be used for purposes of registration under this section.

(b) REGISTRATION.—Individuals and families shall receive a Medicare For All Program Card in the mail, after filling out a Medicare For All Program application form at a health care provider. Such application form shall be no more than 2 pages long.

(c) PRESUMPTION.—Individuals who present themselves for covered services from a participating provider shall be presumed to be eligible for benefits under this Act, but shall complete an application for benefits in order to receive a Medicare For All Program Card and have payment made for such benefits.

(d) RESIDENCY CRITERIA.—The Secretary shall promulgate a rule that provides criteria for determining residency for eligibility purposes under the Medicare For All Program.

(e) COVERAGE FOR VISITORS.—The Secretary shall promulgate a rule regarding visitors from other countries who seek premeditated non-emergency surgical procedures. Such a rule should facilitate the establishment of country-to-country reimbursement arrangements or self pay arrangements between the visitor and the provider of care.

**SEC. 102. BENEFITS AND PORTABILITY.**

(a) IN GENERAL.—The health care benefits under this Act cover all medically necessary services, including at least the following:

(1) Primary care and prevention.

(2) Approved dietary and nutritional therapies.

(3) Inpatient care.

(4) Outpatient care.

(5) Emergency care.

(6) Prescription drugs.

(7) Durable medical equipment.

(8) Long-term care.

(9) Palliative care.

(10) Mental health services.

(11) The full scope of dental services, services, including periodontics, oral surgery, and endodontics, but not including cosmetic dentistry.

(12) Substance abuse treatment services.

(13) Chiropractic services, not including electrical stimulation.

(14) Basic vision care and vision correction (other than laser vision correction for cosmetic purposes).

(15) Hearing services, including coverage of hearing aids.

(16) Podiatric care.

(b) PORTABILITY.—Such benefits are available through any licensed health care clinician anywhere in the United States that is legally qualified to provide the benefits.

(c) **NO COST-SHARING.**—No deductibles, co-payments, coinsurance, or other cost-sharing shall be imposed with respect to covered benefits.

**SEC. 103. QUALIFICATION OF PARTICIPATING PROVIDERS.**

(a) **REQUIREMENT TO BE PUBLIC OR NON-PROFIT.**—

(1) **IN GENERAL.**—No institution may be a participating provider unless it is a public or not-for-profit institution. Private physicians, private clinics, and private health care providers shall continue to operate as private entities, but are prohibited from being investor owned.

(2) **CONVERSION OF INVESTOR-OWNED PROVIDERS.**—For-profit providers of care opting to participate shall be required to convert to not-for-profit status.

(3) **PRIVATE DELIVERY OF CARE REQUIREMENT.**—For-profit providers of care that convert to non-profit status shall remain privately owned and operated entities.

(4) **COMPENSATION FOR CONVERSION.**—The owners of such for-profit providers shall be compensated for reasonable financial losses incurred as a result of the conversion from for-profit to non-profit status.

(5) **FUNDING.**—There are authorized to be appropriated from the Treasury such sums as are necessary to compensate investor-owned providers as provided for under paragraph (3).

(6) **REQUIREMENTS.**—The payments to owners of converting for-profit providers shall occur during a 15-year period, through the sale of U.S. Treasury Bonds. Payment for conversions under paragraph (3) shall not be made for loss of business profits.

(7) **MECHANISM FOR CONVERSION PROCESS.**—The Secretary shall promulgate a rule to provide a mechanism to further the timely, efficient, and feasible conversion of for-profit providers of care.

(b) **QUALITY STANDARDS.**—

(1) **IN GENERAL.**—Health care delivery facilities must meet State quality and licensing guidelines as a condition of participation under such program, including guidelines regarding safe staffing and quality of care.

(2) **LICENSURE REQUIREMENTS.**—Participating clinicians must be licensed in their State of practice and meet the quality standards for their area of care. No clinician whose license is under suspension or who is under disciplinary action in any State may be a participating provider.

(c) **PARTICIPATION OF HEALTH MAINTENANCE ORGANIZATIONS.**—

(1) **IN GENERAL.**—Non-profit health maintenance organizations that deliver care in their own facilities and employ clinicians on a salaried basis may participate in the program and receive global budgets or capitation payments as specified in section 202.

(2) **EXCLUSION OF CERTAIN HEALTH MAINTENANCE ORGANIZATIONS.**—Other health maintenance organizations which principally contract to pay for services delivered by non-employees shall be classified as insurance plans. Such organizations shall not be participating providers, and are subject to the regulations promulgated by reason of section 104(a) (relating to prohibition against duplicating coverage).

(d) **FREEDOM OF CHOICE.**—Patients shall have free choice of participating physicians and other clinicians, hospitals, and inpatient care facilities.

**SEC. 104. PROHIBITION AGAINST DUPLICATING COVERAGE.**

(a) **IN GENERAL.**—It is unlawful for a private health insurer to sell health insurance coverage that duplicates the benefits provided under this Act.

(b) **CONSTRUCTION.**—Nothing in this Act shall be construed as prohibiting the sale of

health insurance coverage for any additional benefits not covered by this Act, such as for cosmetic surgery or other services and items that are not medically necessary.

**TITLE II—FINANCES**

**Subtitle A—Budgeting and Payments**

**SEC. 201. BUDGETING PROCESS.**

(a) **ESTABLISHMENT OF OPERATING BUDGET AND CAPITAL EXPENDITURES BUDGET.**—

(1) **IN GENERAL.**—To carry out this Act there are established on an annual basis consistent with this title—

(A) an operating budget, including amounts for optimal physician, nurse, and other health care professional staffing;

(B) a capital expenditures budget;

(C) reimbursement levels for providers consistent with subtitle B; and

(D) a health professional education budget, including amounts for the continued funding of resident physician training programs.

(2) **REGIONAL ALLOCATION.**—After Congress appropriates amounts for the annual budget for the Medicare For All Program, the Director shall provide the regional offices with an annual funding allotment to cover the costs of each region's expenditures. Such allotment shall cover global budgets, reimbursements to clinicians, health professional education, and capital expenditures. Regional offices may receive additional funds from the national program at the discretion of the Director.

(b) **OPERATING BUDGET.**—The operating budget shall be used for—

(1) payment for services rendered by physicians and other clinicians;

(2) global budgets for institutional providers;

(3) capitation payments for capitated groups; and

(4) administration of the Program.

(c) **CAPITAL EXPENDITURES BUDGET.**—The capital expenditures budget shall be used for funds needed for—

(1) the construction or renovation of health facilities; and

(2) for major equipment purchases.

(d) **PROHIBITION AGAINST CO-MINGLING OPERATIONS AND CAPITAL IMPROVEMENT FUNDS.**—It is prohibited to use funds under this Act that are earmarked—

(1) for operations for capital expenditures; or

(2) for capital expenditures for operations.

**SEC. 202. PAYMENT OF PROVIDERS AND HEALTH CARE CLINICIANS.**

(a) **ESTABLISHING GLOBAL BUDGETS; MONTHLY LUMP SUM.**—

(1) **IN GENERAL.**—The Medicare For All Program, through its regional offices, shall pay each institutional provider of care, including hospitals, nursing homes, community or migrant health centers, home care agencies, or other institutional providers or pre-paid group practices, a monthly lump sum to cover all operating expenses under a global budget.

(2) **ESTABLISHMENT OF GLOBAL BUDGETS.**—The global budget of a provider shall be set through negotiations between providers, State directors, and regional directors, but are subject to the approval of the Director. The budget shall be negotiated annually, based on past expenditures, projected changes in levels of services, wages and input, costs, a provider's maximum capacity to provide care, and proposed new and innovative programs.

(b) **THREE PAYMENT OPTIONS FOR PHYSICIANS AND CERTAIN OTHER HEALTH PROFESSIONALS.**—

(1) **IN GENERAL.**—The Program shall pay physicians, dentists, doctors of osteopathy, pharmacists, psychologists, chiropractors, doctors of optometry, nurse practitioners, nurse midwives, physicians' assistants, and

other advanced practice clinicians as licensed and regulated by the States by the following payment methods:

(A) Fee for service payment under paragraph (2).

(B) Salaried positions in institutions receiving global budgets under paragraph (3).

(C) Salaried positions within group practices or non-profit health maintenance organizations receiving capitation payments under paragraph (4).

(2) **FEE FOR SERVICE.**—

(A) **IN GENERAL.**—The Program shall negotiate a simplified fee schedule that is fair and optimal with representatives of physicians and other clinicians, after close consultation with the National Board of Universal Quality and Access and regional and State directors. Initially, the current prevailing fees or reimbursement would be the basis for the fee negotiation for all professional services covered under this Act.

(B) **CONSIDERATIONS.**—In establishing such schedule, the Director shall take into consideration the following:

(i) The need for a uniform national standard.

(ii) The goal of ensuring that physicians, clinicians, pharmacists, and other medical professionals be compensated at a rate which reflects their expertise and the value of their services, regardless of geographic region and past fee schedules.

(C) **STATE PHYSICIAN PRACTICE REVIEW BOARDS.**—The State director for each State, in consultation with representatives of the physician community of that State, shall establish and appoint a physician practice review board to assure quality, cost effectiveness, and fair reimbursements for physician delivered services.

(D) **FINAL GUIDELINES.**—The Director shall be responsible for promulgating final guidelines to all providers.

(E) **BILLING.**—Under this Act physicians shall submit bills to the regional director on a simple form, or via computer. Interest shall be paid to providers who are not reimbursed within 30 days of submission.

(F) **NO BALANCE BILLING.**—Licensed health care clinicians who accept any payment from the Medicare For All Program may not bill any patient for any covered service.

(G) **UNIFORM COMPUTER ELECTRONIC BILLING SYSTEM.**—The Director shall create a uniform computerized electronic billing system, including those areas of the United States where electronic billing is not yet established.

(3) **SALARIES WITHIN INSTITUTIONS RECEIVING GLOBAL BUDGETS.**—

(A) **IN GENERAL.**—In the case of an institution, such as a hospital, health center, group practice, community and migrant health center, or a home care agency that elects to be paid a monthly global budget for the delivery of health care as well as for education and prevention programs, physicians and other clinicians employed by such institutions shall be reimbursed through a salary included as part of such a budget.

(B) **SALARY RANGES.**—Salary ranges for health care providers shall be determined in the same way as fee schedules under paragraph (2).

(4) **SALARIES WITHIN CAPITATED GROUPS.**—

(A) **IN GENERAL.**—Health maintenance organizations, group practices, and other institutions may elect to be paid capitation payments to cover all outpatient, physician, and medical home care provided to individuals enrolled to receive benefits through the organization or entity.

(B) **SCOPE.**—Such capitation may include the costs of services of licensed physicians and other licensed, independent practitioners provided to inpatients. Other costs of

inpatient and institutional care shall be excluded from capitation payments, and shall be covered under institutions' global budgets.

(C) **PROHIBITION OF SELECTIVE ENROLLMENT.**—Patients shall be permitted to enroll or disenroll from such organizations or entities without discrimination and with appropriate notice.

(D) **HEALTH MAINTENANCE ORGANIZATIONS.**—Under this Act—

(i) health maintenance organizations shall be required to reimburse physicians based on a salary; and

(ii) financial incentives between such organizations and physicians based on utilization are prohibited.

**SEC. 203. PAYMENT FOR LONG-TERM CARE.**

(a) **ALLOTMENT FOR REGIONS.**—The Program shall provide for each region a single budgetary allotment to cover a full array of long-term care services under this Act.

(b) **REGIONAL BUDGETS.**—Each region shall provide a global budget to local long-term care providers for the full range of needed services, including in-home, nursing home, and community based care.

(c) **BASIS FOR BUDGETS.**—Budgets for long-term care services under this section shall be based on past expenditures, financial and clinical performance, utilization, and projected changes in service, wages, and other related factors.

(d) **FAVORING NON-INSTITUTIONAL CARE.**—All efforts shall be made under this Act to provide long-term care in a home- or community-based setting, as opposed to institutional care.

**SEC. 204. MENTAL HEALTH SERVICES.**

(a) **IN GENERAL.**—The Program shall provide coverage for all medically necessary mental health care on the same basis as the coverage for other conditions. Licensed mental health clinicians shall be paid in the same manner as specified for other health professionals, as provided for in section 202(b).

(b) **FAVORING COMMUNITY-BASED CARE.**—The Medicare For All Program shall cover supportive residences, occupational therapy, and ongoing mental health and counseling services outside the hospital for patients with serious mental illness. In all cases the highest quality and most effective care shall be delivered, and, for some individuals, this may mean institutional care.

**SEC. 205. PAYMENT FOR PRESCRIPTION MEDICATIONS, MEDICAL SUPPLIES, AND MEDICALLY NECESSARY ASSISTIVE EQUIPMENT.**

(a) **NEGOTIATED PRICES.**—The prices to be paid each year under this Act for covered pharmaceuticals, medical supplies, and medically necessary assistive equipment shall be negotiated annually by the Program.

(b) **PRESCRIPTION DRUG FORMULARY.**—

(1) **IN GENERAL.**—The Program shall establish a prescription drug formulary system, which shall encourage best-practices in prescribing and discourage the use of ineffective, dangerous, or excessively costly medications when better alternatives are available.

(2) **PROMOTION OF USE OF GENERICS.**—The formulary shall promote the use of generic medications but allow the use of brand-name and off-formulary medications.

(3) **FORMULARY UPDATES AND PETITION RIGHTS.**—The formulary shall be updated frequently and clinicians and patients may petition their region or the Director to add new pharmaceuticals or to remove ineffective or dangerous medications from the formulary.

**SEC. 206. CONSULTATION IN ESTABLISHING REIMBURSEMENT LEVELS.**

Reimbursement levels under this subtitle shall be set after close consultation with re-

gional and State Directors and after the annual meeting of National Board of Universal Quality and Access.

**Subtitle B—Funding**

**SEC. 211. OVERVIEW: FUNDING THE MEDICARE FOR ALL PROGRAM.**

(a) **IN GENERAL.**—The Medicare For All Program is to be funded as provided in subsection (c)(1).

(b) **MEDICARE FOR ALL TRUST FUND.**—There shall be established a Medicare For All Trust Fund in which funds provided under this section are deposited and from which expenditures under this Act are made.

(c) **FUNDING.**—

(1) **IN GENERAL.**—There are appropriated to the Medicare For All Trust Fund amounts sufficient to carry out this Act from the following sources:

(A) Existing sources of Federal Government revenues for health care.

(B) Increasing personal income taxes on the top 5 percent income earners.

(C) Instituting a modest and progressive excise tax on payroll and self-employment income.

(D) Instituting a modest tax on unearned income.

(E) Instituting a small tax on stock and bond transactions.

(2) **SYSTEM SAVINGS AS A SOURCE OF FINANCING.**—Funding otherwise required for the Program is reduced as a result of—

(A) vastly reducing paperwork;

(B) requiring a rational bulk procurement of medications under section 205(a); and

(C) improved access to preventive health care.

(3) **ADDITIONAL ANNUAL APPROPRIATIONS TO MEDICARE FOR ALL PROGRAM.**—Additional sums are authorized to be appropriated annually as needed to maintain maximum quality, efficiency, and access under the Program.

**SEC. 212. APPROPRIATIONS FOR EXISTING PROGRAMS.**

Notwithstanding any other provision of law, there are hereby transferred and appropriated to carry out this Act, amounts from the Treasury equivalent to the amounts the Secretary estimates would have been appropriated and expended for Federal public health care programs, including funds that would have been appropriated under the Medicare program under title XVIII of the Social Security Act, under the Medicaid program under title XIX of such Act, and under the Children's Health Insurance Program under title XXI of such Act.

**TITLE III—ADMINISTRATION**

**SEC. 301. PUBLIC ADMINISTRATION; APPOINTMENT OF DIRECTOR.**

(a) **IN GENERAL.**—Except as otherwise specifically provided, this Act shall be administered by the Secretary through a Director appointed by the Secretary.

(b) **LONG-TERM CARE.**—The Director shall appoint a director for long-term care who shall be responsible for administration of this Act and ensuring the availability and accessibility of high quality long-term care services.

(c) **MENTAL HEALTH.**—The Director shall appoint a director for mental health who shall be responsible for administration of this Act and ensuring the availability and accessibility of high quality mental health services.

**SEC. 302. OFFICE OF QUALITY CONTROL.**

The Director shall appoint a director for an Office of Quality Control. Such director shall, after consultation with State and regional directors, provide annual recommendations to Congress, the President, the Secretary, and other Program officials on how to ensure the highest quality health

care service delivery. The director of the Office of Quality Control shall conduct an annual review on the adequacy of medically necessary services, and shall make recommendations of any proposed changes to the Congress, the President, the Secretary, and other Medicare For All Program officials.

**SEC. 303. REGIONAL AND STATE ADMINISTRATION; EMPLOYMENT OF DISPLACED CLERICAL WORKERS.**

(a) **ESTABLISHMENT OF MEDICARE FOR ALL PROGRAM REGIONAL OFFICES.**—The Secretary shall establish and maintain Medicare For All regional offices for the purpose of distributing funds to providers of care. Whenever possible, the Secretary should incorporate pre-existing Medicare infrastructure for this purpose.

(b) **APPOINTMENT OF REGIONAL AND STATE DIRECTORS.**—In each such regional office there shall be—

(1) one regional director appointed by the Director; and

(2) for each State in the region, a deputy director (in this Act referred to as a "State Director") appointed by the governor of that State.

(c) **REGIONAL OFFICE DUTIES.**—Regional offices of the Program shall be responsible for—

(1) coordinating funding to health care providers and physicians; and

(2) coordinating billing and reimbursements with physicians and health care providers through a State-based reimbursement system.

(d) **STATE DIRECTOR'S DUTIES.**—Each State Director shall be responsible for the following duties:

(1) Providing an annual State health care needs assessment report to the National Board of Universal Quality and Access, and the regional board, after a thorough examination of health needs, in consultation with public health officials, clinicians, patients, and patient advocates.

(2) Health planning, including oversight of the placement of new hospitals, clinics, and other health care delivery facilities.

(3) Health planning, including oversight of the purchase and placement of new health equipment to ensure timely access to care and to avoid duplication.

(4) Submitting global budgets to the regional director.

(5) Recommending changes in provider reimbursement or payment for delivery of health services in the State.

(6) Establishing a quality assurance mechanism in the State in order to minimize both under utilization and over utilization and to assure that all providers meet high quality standards.

(7) Reviewing program disbursements on a quarterly basis and recommending needed adjustments in fee schedules needed to achieve budgetary targets and assure adequate access to needed care.

(e) **FIRST PRIORITY IN RETRAINING AND JOB PLACEMENT; 2 YEARS OF SALARY PARITY BENEFITS.**—The Program shall provide that clerical, administrative, and billing personnel in insurance companies, doctors offices, hospitals, nursing facilities, and other facilities whose jobs are eliminated due to reduced administration—

(1) should have first priority in retraining and job placement in the new system; and

(2) shall be eligible to receive two years of Medicare For All employment transition benefits with each year's benefit equal to salary earned during the last 12 months of employment, but shall not exceed \$100,000 per year.

(f) **ESTABLISHMENT OF MEDICARE FOR ALL EMPLOYMENT TRANSITION FUND.**—The Secretary shall establish a trust fund from

which expenditures shall be made to recipients of the benefits allocated in subsection (e).

(g) ANNUAL APPROPRIATIONS TO MEDICARE FOR ALL EMPLOYMENT TRANSITION FUND.—Sums are authorized to be appropriated annually as needed to fund the Medicare For All Employment Transition Benefits.

(h) RETENTION OF RIGHT TO UNEMPLOYMENT BENEFITS.—Nothing in this section shall be interpreted as a waiver of Medicare For All Employment Transition benefit recipients' right to receive Federal and State unemployment benefits.

#### SEC. 304. CONFIDENTIAL ELECTRONIC PATIENT RECORD SYSTEM.

(a) IN GENERAL.—The Secretary shall create a standardized, confidential electronic patient record system in accordance with laws and regulations to maintain accurate patient records and to simplify the billing process, thereby reducing medical errors and bureaucracy.

(b) PATIENT OPTION.—Notwithstanding that all billing shall be preformed electronically, patients shall have the option of keeping any portion of their medical records separate from their electronic medical record.

#### SEC. 305. NATIONAL BOARD OF UNIVERSAL QUALITY AND ACCESS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a National Board of Universal Quality and Access (in this section referred to as the "Board") consisting of 15 members appointed by the President, by and with the advice and consent of the Senate.

(2) QUALIFICATIONS.—The appointed members of the Board shall include at least one of each of the following:

(A) Health care professionals.  
(B) Representatives of institutional providers of health care.  
(C) Representatives of health care advocacy groups.

(D) Representatives of labor unions.

(E) Citizen patient advocates.

(3) TERMS.—Each member shall be appointed for a term of 6 years, except that the President shall stagger the terms of members initially appointed so that the term of no more than 3 members expires in any year.

(4) PROHIBITION ON CONFLICTS OF INTEREST.—No member of the Board shall have a financial conflict of interest with the duties before the Board.

(b) DUTIES.—

(1) IN GENERAL.—The Board shall meet at least twice per year and shall advise the Secretary and the Director on a regular basis to ensure quality, access, and affordability.

(2) SPECIFIC ISSUES.—The Board shall specifically address the following issues:

(A) Access to care.  
(B) Quality improvement.  
(C) Efficiency of administration.  
(D) Adequacy of budget and funding.  
(E) Appropriateness of reimbursement levels of physicians and other providers.  
(F) Capital expenditure needs.  
(G) Long-term care.  
(H) Mental health and substance abuse services.

(I) Staffing levels and working conditions in health care delivery facilities.

(3) ESTABLISHMENT OF UNIVERSAL, BEST QUALITY STANDARD OF CARE.—The Board shall specifically establish a universal, best quality of standard of care with respect to—

(A) appropriate staffing levels;  
(B) appropriate medical technology;  
(C) design and scope of work in the health workplace;  
(D) best practices; and

(E) salary level and working conditions of physicians, clinicians, nurses, other medical professionals, and appropriate support staff.

(4) TWICE-A-YEAR REPORT.—The Board shall report its recommendations twice each year to the Secretary, the Director, Congress, and the President.

(c) COMPENSATION, ETC.—The following provisions of section 1805 of the Social Security Act shall apply to the Board in the same manner as they apply to the Medicare Payment Assessment Commission (except that any reference to the Commission or the Comptroller General shall be treated as references to the Board and the Secretary, respectively):

(1) Subsection (c)(4) (relating to compensation of Board members).

(2) Subsection (c)(5) (relating to chairman and vice chairman).

(3) Subsection (c)(6) (relating to meetings).

(4) Subsection (d) (relating to director and staff; experts and consultants).

(5) Subsection (e) (relating to powers).

#### TITLE IV—ADDITIONAL PROVISIONS

##### SEC. 401. TREATMENT OF VA AND IHS HEALTH PROGRAMS.

(a) VA HEALTH PROGRAMS.—This Act provides for health programs of the Department of Veterans' Affairs to initially remain independent for the 10-year period that begins on the date of the establishment of the Medicare For All Program. After such 10-year period, the Congress shall reevaluate whether such programs shall remain independent or be integrated into the Medicare For All Program.

(b) INDIAN HEALTH SERVICE PROGRAMS.—This Act provides for health programs of the Indian Health Service to initially remain independent for the 5-year period that begins on the date of the establishment of the Medicare For All Program, after which such programs shall be integrated into the Medicare For All Program.

##### SEC. 402. PUBLIC HEALTH AND PREVENTION.

It is the intent of this Act that the Program at all times stress the importance of good public health through the prevention of diseases.

##### SEC. 403. REDUCTION IN HEALTH DISPARITIES.

It is the intent of this Act to reduce health disparities by race, ethnicity, income and geographic region, and to provide high quality, cost-effective, culturally appropriate care to all individuals regardless of race, ethnicity, sexual orientation, or language.

#### TITLE V—EFFECTIVE DATE

##### SEC. 501. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act shall take effect on the first day of the first year that begins more than 1 year after the date of the enactment of this Act, and shall apply to items and services furnished on or after such date.

**SA 341.** Mr. UDALL (for himself, Ms. CANTWELL, Ms. CORTEZ MASTO, Ms. HEITKAMP, Mr. FRANKEN, Mrs. MURRAY, Mr. SCHATZ, Ms. STABENOW, Mr. TESTER, and Mr. MERKLEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### SEC. \_\_\_\_ POINT OF ORDER AGAINST LEGISLATION THAT WOULD REDUCE OR LIMIT FEDERAL PAYMENTS FOR HEALTH INSURANCE OR HEALTH CARE FOR AMERICAN INDIANS OR ALASKA NATIVES.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment,

amendment between the Houses, or conference report that would—

(1) reduce or limit Federal payments to help cover the cost of private health insurance with respect to private health insurance purchased by American Indians or Alaska Natives; or

(2) reduce or limit Federal payments for spending under the Medicaid program with respect to services provided by the Indian Health Service, an Indian Health Program, an Urban Indian Organization, or Indian tribes or other tribal organizations, or with respect to services provided to individuals who are American Indians or Alaska Natives.

(b) WAIVER AND APPEAL.—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

**SA 342.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### SEC. \_\_\_\_ PROTECTION OF INDIVIDUALS' HEALTH PLANS.

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in increased premiums under employer-sponsored insurance.

**SA 343.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### SEC. \_\_\_\_ PROTECTION OF INDIVIDUALS' HEALTH PLANS.

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in increased deductibles under employer-sponsored insurance.

**SA 344.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

##### SEC. \_\_\_\_ PROTECTION OF INDIVIDUALS' HEALTH PLANS.

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in the loss of pregnancy, maternity, and newborn care (both before and after birth) under qualified health plans.

**SA 345.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROTECTION OF INDIVIDUALS' HEALTH PLANS.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in the loss of mental health and substance use disorder services, including behavioral health treatment (including counseling and psychotherapy) under qualified health plans.

**SA 346.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NO INCREASES IN DEDUCTIBLES.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in increased deductibles under qualified health plans.

**SA 347.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROTECTION OF INDIVIDUALS' HEALTH PLANS.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in the loss of coverage for people under qualified health plans.

**SA 348.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NO INCREASES IN UNCOMPENSATED CARE.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not increase uncompensated care at nonprofit or hospitals operated by the Federal Government.

**SA 349.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of

the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO OPIOID ADDICTION.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment for opioid addiction. Funds appropriated under this section shall remain available until expended.

**SA 350.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROTECTION OF INDIVIDUALS' HEALTH PLANS.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in individuals losing access to their current health plans, if such individuals wish to keep such plans.

**SA 351.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO DOMESTIC VIOLENCE.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support assistance for victims of domestic violence. Funds appropriated under this section shall remain available until expended.

**SA 352.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO PEDIATRIC CANCERS.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of pediatric cancers. Funds appropriated under this section shall remain available until expended.

**SA 353.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO CANCER.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of adults with cancer. Funds appropriated under this section shall remain available until expended.

**SA 354.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO CHILDREN WITH PRE-EXISTING CONDITIONS.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of children with pre-existing conditions. Funds appropriated under this section shall remain available until expended.

**SA 355.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO ADULTS WITH PRE-EXISTING CONDITIONS.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of adults with pre-existing conditions. Funds appropriated under this section shall remain available until expended.

**SA 356.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO DEPRESSION.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with depression. Funds appropriated under this section shall remain available until expended.

**SA 357.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO MENTAL ILLNESS.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with mental illness. Funds appropriated under this section shall remain available until expended.

**SA 358.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO HEART DISEASE.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with heart disease. Funds appropriated under this section shall remain available until expended.

**SA 359.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO ALZHEIMER'S DISEASE.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with Alzheimer's disease. Funds appropriated under this section shall remain available until expended.

**SA 360.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO BREAST CANCER.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with breast cancer. Funds appropriated under this section shall remain available until expended.

**SA 361.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO PARKINSON'S DISEASE.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with Parkinson's disease. Funds appropriated under this section shall remain available until expended.

**SA 362.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO POST-TRAUMATIC STRESS DISORDER.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with post-traumatic stress disorder. Funds appropriated under this section shall remain available until expended.

**SA 363.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

On page 129, strike lines 3 through 10 and insert the following:

**SEC. 221. SUPPORT FOR STATE RESPONSE TO DIABETES.**

There is authorized to be appropriated, and is appropriated, out of monies in the Treasury not otherwise obligated, \$10,000,000,000 for fiscal year 2018 to the Secretary of Health and Human Services to provide grants to States to support treatment of individuals with diabetes. Funds appropriated under this section shall remain available until expended.

**SA 364.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROTECTION OF INDIVIDUALS' HEALTH CARE.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in the loss of coverage under the Medicaid program.

**SA 365.** Mr. MURPHY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . PROTECTION OF INDIVIDUALS' HEALTH CARE.**

This Act (and the amendments made by this Act) shall not take effect until the Chief Actuary of the Centers for Medicare & Medicaid Services certifies to Congress that the implementation of this Act (and amendments) will not result in the loss of mental health and substance use disorder services, including behavioral health treatment (including counseling and psychotherapy) under the Medicaid program.

**SA 366.** Mr. KAINÉ (for himself, Mr. BLUMENTHAL, Mr. CARPER, and Mrs. SHAHEEN) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

Strike subtitles B through C of title I.

**SA 367.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

On page 312, strike line 21 and all that follows through page 313, line 9.

**SA 368.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 821.

**SA 369.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle H of title V, add the following:

**SEC. \_\_\_\_ . REPORT ON POSSIBLE IMPROVEMENTS TO PROCESSING RETIREMENTS AND MEDICAL DISCHARGES.**

(a) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall, in consultation with the Secretary of Veterans Affairs, submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on possible improvements to the transition of members of the Armed Forces to veteran status.



(b) ELEMENTS.—The report under subsection (a) shall address the following:

(1) Feasibility of requiring members of the Armed Forces to apply for benefits administered by the Secretary of Veterans Affairs before such members complete discharge from the Armed Forces.

(2) Feasibility of requiring members of the Armed Forces to undergo compensation and pension examinations (to be administered by the Secretary of Defense) for purposes of obtaining benefits described in paragraph (1) before such members complete discharge from the Armed Forces.

(3) Possible improvements to the timeliness of the process for transitioning members who undergo medical discharge to care provided by the Secretary of Veterans Affairs.

**SA 370.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title VII, add the following:

**SEC. \_\_\_\_ . TRAINING REQUIREMENT FOR HEALTH CARE PROFESSIONALS OF THE DEPARTMENT OF DEFENSE PRESCRIBING OPIOIDS FOR TREATMENT OF PAIN.**

(a) TRAINING.—

(1) IN GENERAL.—The Secretary of Defense shall ensure that health care professionals of the Department of Defense, other than pharmacists, who are authorized to prescribe or otherwise dispense opioids for the treatment of pain—

(A) complete the training described in paragraph (2) not less frequently than once every three years; or

(B) are licensed in a State that requires training that is equivalent to or greater than the training described in paragraph (2) with respect to the prescribing or dispensing of opioids for the treatment of pain.

(2) TRAINING DESCRIBED.—

(A) IN GENERAL.—The training described in this paragraph is not fewer than 12 hours of training (through classroom situations, seminars at professional society meetings, electronic communications, or otherwise) that is provided by organizations specified in subparagraph (B) with respect to—

(i) pain management treatment guidelines and best practices;

(ii) early detection of opioid addiction; and

(iii) the treatment and management of opioid-dependent patients.

(B) ORGANIZATIONS SPECIFIED.—The organizations specified in this subparagraph are the following:

(i) The American Society of Addiction Medicine.

(ii) The American Academy of Addiction Psychiatry.

(iii) The American Medical Association.

(iv) The American Osteopathic Association.

(v) The American Psychiatric Association.

(vi) The American Academy of Pain Management.

(vii) The American Pain Society.

(viii) The American Academy of Pain Medicine.

(ix) The American Board of Pain Medicine.

(x) The American Society of Interventional Pain Physicians.

(xi) Such other organizations as the Secretary of Defense determines appropriate for purposes of this subsection.

(b) ESTABLISHMENT OF TRAINING MODULES.—

(1) IN GENERAL.—The Secretary of Defense shall establish or support the establishment of one or more training modules to be used to provide the training required under subsection (a).

(2) SUPPORT FOR ORGANIZATIONS.—The Secretary may support the establishment of a training module under paragraph (1) by—

(A) an organization specified in paragraph (2)(B) of subsection (a); or

(B) any other organization that the Secretary determines is appropriate to provide the training required under such subsection.

**SA 371.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title VII, add the following:

**SEC. \_\_\_\_ . PROVISION OF SUPPORT BY DEPARTMENT OF DEFENSE TO DEPARTMENT OF VETERANS AFFAIRS REGARDING ELECTRONIC HEALTH RECORD SYSTEM.**

(a) IN GENERAL.—The Secretary of Defense may support the Secretary of Veterans Affairs, to the extent the Secretary of Defense and the Secretary of Veterans Affairs jointly consider feasible and advisable, in the development and implementation of an electronic health record system that—

(1) is derivative of the Military Health System Genesis record being developed and implemented by the Secretary of Defense as of the date of the enactment of this Act; and

(2) achieves complete interoperability with the Military Health System Genesis.

(b) ANNUAL REVIEW.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly conduct an annual review of the efforts undertaken by the Secretary of Defense and the Secretary of Veterans Affairs to achieve complete interoperability between the electronic health record of the Department of Veterans Affairs and the Military Health System Genesis.

(c) ANNUAL REPORT.—

(1) REPORTS.—Not later than 60 days after completing each annual review under subsection (b), the Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to the Committee on Armed Services and the Committee on Veterans Affairs of the Senate and the Committee on Armed Services and the Committee on Veterans Affairs of the House of Representatives a report on the review.

(2) ELEMENTS.—Each report under paragraph (1) shall include an assessment of the following:

(A) Milestones reached as part of the schedule developed by the Department of Defense and the Department of Veterans Affairs of the development and implementation of an electronic health record system under subsection (a).

(B) Costs associated with such development and implementation.

(C) Actions, if any, of the Secretary of Defense in supporting the Secretary of Veterans Affairs pursuant to subsection (a) with respect to the development and implementa-

tion of an electronic health record system and in achieving complete interoperability with the Military Health System Genesis.

(D) Status of the adoption of the national standards and architectural requirements identified by the Interagency Program Office of the Department of Defense and the Department of Veterans Affairs in collaboration with the Office of the National Coordinator for Health Information Technology of the Department of Health and Human Services.

(d) TERMINATION.—The requirements under subsections (b) and (c) shall terminate on the date on which the Secretary of Defense and the Secretary of Veterans Affairs jointly certify to the Committee on Armed Services and the Committee on Veterans Affairs of the Senate and the Committee on Armed Services and the Committee on Veterans Affairs of the House of Representatives that the electronic health records of both the Department of Defense and the Department of Veterans Affairs are completely interoperable.

(e) INTEROPERABILITY DEFINED.—In this section, the term “interoperability” means the ability of different electronic health records systems or software to meaningfully exchange information in real time and provide useful results to one or more systems.

**SA 372.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title VII, add the following:

**SEC. \_\_\_\_ . COUNSELING AND TREATMENT FOR SUBSTANCE USE DISORDERS AND CHRONIC PAIN MANAGEMENT FOR MEMBERS WHO SEPARATE FROM THE ARMED FORCES.**

Section 1145(a)(6)(B)(i) of title 10, United States Code, is amended—

(1) in subclause (I)—

(A) by inserting “, substance use disorder,” after “post-traumatic stress disorder”; and

(B) by striking “and” at the end;

(2) by redesignating subclause (II) as subclause (III); and

(3) by inserting after subclause (I) the following new subclause (II):

“(II) chronic pain management services, including counseling and treatment of co-occurring mental health disorders and alternatives to opioid analgesics; and”.

**SA 373.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . RESPONSIBILITIES OF COMMERCIAL MARKET REPRESENTATIVES.**

Section 4(h) of the Small Business Act (15 U.S.C. 633(h)) is amended to read as follows:

“(h) COMMERCIAL MARKET REPRESENTATIVES.—

“(1) DUTIES.—The principal duties of a commercial market representative employed by the Administrator and reporting to the senior official appointed by the Administrator with responsibilities under sections 8, 15, 31, and 36 (or the designee of the official) shall be to advance the policies established in section 8(d)(1) relating to subcontracting, including—

“(A) helping prime contractors to find small business concerns that are capable of performing subcontracts;

“(B) for contractors awarded contracts containing the clause described in section 8(d)(3), providing—

“(i) counseling on the responsibility of the contractor to maximize subcontracting opportunities for small business concerns;

“(ii) instruction on methods and tools to identify potential subcontractors that are small business concerns; and

“(iii) assistance to increase awards to subcontractors that are small business concerns through visits, training, and reviews of past performance;

“(C) providing counseling on how a small business concern may promote the capacity of the small business concern to contractors awarded contracts containing the clause described in section 8(d)(3); and

“(D) conducting periodic reviews of contractors awarded contracts containing the clause described in section 8(d)(3) to assess compliance with subcontracting plans required under section 8(d)(6).

“(2) CERTIFICATION REQUIREMENTS.—

“(A) IN GENERAL.—Consistent with the requirements of subparagraph (B), a commercial market representative referred to in section 15(q)(3) shall have a Level I Federal Acquisition Certification in Contracting (or any successor certification) or the equivalent Department of Defense certification.

“(B) DELAY OF CERTIFICATION REQUIREMENT.—The certification described in subparagraph (A) is not required—

“(i) for any person serving as a commercial market representative on the date of enactment of the National Defense Authorization Act for Fiscal Year 2018, until the date that is 1 calendar year after the date on which the person was appointed as a commercial market representative; or

“(ii) for any person serving as a commercial market representative on or before November 25, 2015, until November 20, 2020.

“(3) JOB POSTING REQUIREMENTS.—The duties and certification requirements described in this subsection shall be included in any initial job posting for the position of a commercial market representative.”

**SA 374.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title IX, add the following:

**SEC. \_\_\_\_ . DESIGNATION OF OFFICE WITHIN OFFICE OF THE SECRETARY OF DEFENSE TO OVERSEE USE OF FOOD ASSISTANCE PROGRAMS BY MEMBERS OF THE ARMED FORCES ON ACTIVE DUTY.**

Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall designate an office or official within the Office of the Secretary of Defense for purposes as follows:

(1) To discharge responsibility for overseeing the efforts of the Department of Defense to collect, analyze, and monitor data on the use of food assistance programs by members of the Armed Forces on active duty.

(2) To establish and maintain relationships with other departments and agencies of the Federal Government to facilitate the discharge of the responsibility specified in paragraph (1).

**SA 375.** Ms. DUCKWORTH submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title VIII, add the following:

**SEC. 832. OPTIMIZATION OF MICRO-PURCHASE THRESHOLD TO INCREASE GOVERNMENT EFFICIENCY.**

(a) INCREASE IN THRESHOLD.—Section 1902(a)(1) of title 41, United States Code, is amended—

(1) by striking “sections 2338 and 2339” and inserting “section 2339”; and

(2) by striking “\$3,000” and inserting “\$10,000”.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

(1) Section 2338 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 137 of such title is amended by striking the item relating to section 2338.

(c) CONVENIENCE CHECKS.—A convenience check may not be used for an amount in excess of one half of the micro-purchase threshold under section 1902(a) of title 41, United States Code, or a lower amount set by the head of the agency. Use of convenience checks shall comply with controls prescribed in Office of Management and Budget Circular A-123, Appendix B.

**SA 376.** Ms. DUCKWORTH (for herself, Mr. DURBIN, Mrs. ERNST, and Mr. GRASSLEY) submitted an amendment intended to be proposed by her to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title XXVIII, add the following:

**SEC. \_\_\_\_ . CERTIFICATION RELATED TO CERTAIN ACQUISITIONS OR LEASES OF REAL PROPERTY.**

Section 2662(a) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking the period at the end and inserting the following: “, as well as the certification described in paragraph (5).”; and

(2) by adding at the end the following:

“(5) For purposes of paragraph (2), the certification described in this paragraph with respect to an acquisition or lease of real property is a certification that the Secretary concerned—

“(A) evaluated the feasibility of using space in property under the jurisdiction of

the Department of Defense to satisfy the purposes of the acquisition or lease; and

“(B) determined that—

“(i) space in property under the jurisdiction of the Department of Defense is not reasonably available to be used to satisfy the purposes of the acquisition or lease;

“(ii) acquiring the property or entering into the lease would be more cost-effective than the use of the Department of Defense property; or

“(iii) the use of the Department of Defense property would interfere with the ongoing military mission of the property.”

**SA 377.** Mr. MENENDEZ (for himself, Mr. DURBIN, Mr. BLUMENTHAL, Mr. BOOKER, and Mr. HEINRICH) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . POINT OF ORDER AGAINST ELIMINATING OR REDUCING FEDERAL FUNDING TO STATES UNDER THE MEDICAID EXPANSION.**

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, amendment between the Houses, or conference report that would eliminate or reduce funding to States available under law in effect on the date of the adoption of this section to provide comprehensive, affordable health care to low-income Americans by eliminating or reducing the availability of Federal financial assistance to States available under section 1905(y)(1) or 1905(z)(2) of the Social Security Act (42 U.S.C. 1396d(y)(1), 1396d(z)(2)) or other means, unless the Director of the Congressional Budget Office certifies that the legislation would not—

(1) increase the number of uninsured Americans;

(2) decrease Medicaid enrollment in States that have opted to expand eligibility for medical assistance under that program for low-income, non-elderly individuals under the eligibility option established by the Affordable Care Act under section 1902(a)(10)(A)(i)(VIII) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(VIII));

(3) reduce the likelihood that any State that, as of the date of the adoption of this section, has not opted to expand Medicaid under the eligibility option established by the Affordable Care Act under section 1902(a)(10)(A)(i)(VIII) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(VIII)) would opt to use that eligibility option to expand eligibility for medical assistance under that program for low-income, non-elderly individuals; and

(4) increase the State share of Medicaid spending under that eligibility option.

(b) WAIVER AND APPEAL.—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

**SA 378.** Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would reduce the Federal Government's financial commitment to currently active and successful Medicaid waivers under section 1115 of the Social Security Act that are promoting the objectives of title XIX of such Act shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 379.** Mr. MARKEY (for himself, Ms. WARREN, Mr. CARPER, Mr. CASEY, Mr. BROWN, Ms. HIRONO, Ms. STABENOW, Mr. MENENDEZ, and Mr. VAN HOLLEN) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

If the Congressional Budget Office determines that the provisions of, or the amendments made by, this Act would increase the amount of uncompensated care provided by hospitals, such provisions or amendments shall be null and void and this Act shall be applied and administered as if such provisions and amendments had not been enacted.

**SA 380.** Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . MEMBERS OF CONGRESS.**

Notwithstanding any other provision of law, if, as a result of the enactment of this Act, the rate of uninsured individuals in the United States is higher on the date that is 1 year after the date of enactment of this Act than such rate was on the date of enactment of this Act, Members of Congress shall not be eligible for an employer contribution to their health plan premiums until the rate of uninsured individuals in the United States is equal to or lower than such rate on the date of enactment of this Act.

**SA 381.** Mr. MARKEY submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NULLIFICATION OF CERTAIN PROVISIONS.**

If the Congressional Budget Office determines that the provisions of, or the amendments made by, this Act would increase the average premium or out-of-pocket health care costs for individuals who have attained 50 years of age, such provisions or amendments shall be null and void and this Act shall be applied and administered as if such provisions and amendments had not been enacted.

**SA 382.** Mr. MARKEY submitted an amendment intended to be proposed by

him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REPEAL OF CERTAIN PROVISIONS IF PERCENTAGE OF UNINSURED INCREASES.**

Not later than 30 days after the date that is 1 year after the date of enactment of this Act, the Director of the Congressional Budget Office shall determine whether the percentage of uninsured individuals in America is higher than the percentage of such individuals as of such date of enactment. If the percentage of such individuals has increased during that 1-year period as a result of changes made by this Act, effective as of the date of such determination, the provisions of, and the amendments made by, this Act that terminate the Medicaid expansion and impose Medicaid per capita caps shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 383.** Mr. FRANKEN (for himself, Mr. CORNYN, Ms. HEITKAMP, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title V, add the following:

**PART II—RESERVE COMPONENT BENEFITS PARITY**

**SEC. \_\_\_\_ . ELIGIBILITY OF RESERVE COMPONENT MEMBERS FOR PRE-MOBILIZATION HEALTH CARE.**

Section 1074(d)(2) of title 10, United States Code, is amended by striking “in support of a contingency operation under” and inserting “under section 12304b of this title or”.

**SEC. \_\_\_\_ . ELIGIBILITY OF RESERVE COMPONENT MEMBERS FOR TRANSITIONAL HEALTH CARE.**

Section 1145(a)(2)(B) of title 10, United States Code, is amended by striking “in support of a contingency operation” and inserting “under section 12304b of this title or a provision of law referred to in section 101(a)(13)(B) of this title”.

**SEC. \_\_\_\_ . CONSIDERATION OF SERVICE ON ACTIVE DUTY TO REDUCE AGE FOR ELIGIBILITY FOR RETIRED PAY FOR NON-REGULAR SERVICE.**

Section 12731(f)(2)(B)(i) of title 10, United States Code, is amended by striking “under a provision of law referred to in section 101(a)(13)(B) or under section 12301(d)” and inserting “under section 12301(d) or 12304b of this title or a provision of law referred to in section 101(a)(13)(B)”.

**SEC. \_\_\_\_ . ELIGIBILITY OF RESERVE COMPONENT MEMBERS FOR HIGH-DEPLOYMENT ALLOWANCE FOR LENGTHY OR NUMEROUS DEPLOYMENTS AND FREQUENT MOBILIZATIONS.**

Section 436(a)(2)(C)(ii) of title 37, United States Code, is amended by inserting after “under” the first place it appears the following: “section 12304b of title 10 or”.

**SEC. \_\_\_\_ . ELIGIBILITY OF RESERVE COMPONENT MEMBERS FOR POST-9/11 EDUCATIONAL ASSISTANCE.**

Section 3301(1)(B) of title 38, United States Code, is amended by striking “or 12304” and inserting “12304, 12304a, or 12304b”.

**SEC. \_\_\_\_ . ELIGIBILITY OF RESERVE COMPONENT MEMBERS FOR NONREDUCTION IN PAY WHILE SERVING IN THE UNIFORMED SERVICES OR NATIONAL GUARD.**

Section 5538(a) of title 5, United States Code, is amended in the matter preceding paragraph (1) by inserting after “under” the following: “section 12304b of title 10 or”.

**SEC. \_\_\_\_ . EFFECT OF ORDER TO SERVE ON ACTIVE DUTY ON ELIGIBILITY FOR OR USE OF CERTAIN MILITARY BENEFITS.**

(a) EXCEPTION TO VOLUNTARY SEPARATION PAY REPAYMENT REQUIREMENT FOR MEMBERS WHO RETURN TO ACTIVE DUTY.—Section 1175a(j)(2) of title 10, United States Code, is amended by striking “or 12304” and inserting “12304, 12304a, or 12304b”.

(b) TIME LIMITATION FOR TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—Section 3103(f) of title 38, United States Code, is amended by striking “or 12304” and inserting “12304, 12304a, or 12304b”.

**SEC. \_\_\_\_ . RETROACTIVE APPLICABILITY OF AMENDMENTS.**

The amendments made by this part shall apply with respect to any order for a member of a reserve component to serve on active duty under section 12304a or 12304b of title 10, United States Code, issued on or after January 1, 2012.

**SA 384.** Mr. MANCHIN (for himself, Mr. MURPHY, Mr. WHITEHOUSE, Mr. KING, Ms. KLOBUCHAR, Mr. NELSON, Ms. HEITKAMP, Mrs. SHAHEEN, Ms. BALDWIN, Mr. BLUMENTHAL, and Ms. WARREN) submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ 01. STEWARDSHIP FEE ON OPIOID PAIN RELIEVERS.**

(a) IN GENERAL.—Subchapter E of chapter 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 4192. OPIOID PAIN RELIEVERS.**

“(a) IN GENERAL.—There is hereby imposed on the sale of any active opioid by the manufacturer, producer, or importer a fee equal to 1 cent per milligram so sold.

“(b) ACTIVE OPIOID.—For purposes of this section—

“(1) IN GENERAL.—The term ‘active opioid’ means any controlled substance (as defined in section 102 of the Controlled Substances Act, as in effect on the date of the enactment of this section) which is opium, an opiate, or any derivative thereof.

“(2) EXCLUSION FOR CERTAIN PRESCRIPTION MEDICATIONS.—Such term shall not include any prescribed drug which is used exclusively for the treatment of opioid addiction as part of a medically assisted treatment effort.

“(3) EXCLUSION OF OTHER INGREDIENTS.—In the case of a product that includes an active opioid and another ingredient, subsection (a) shall apply only to the portion of such product that is an active opioid.”

(b) CLERICAL AMENDMENTS.—

(1) The heading of subchapter E of chapter 32 of the Internal Revenue Code of 1986 is amended by striking “Medical Devices” and inserting “Other Medical Products”.

(2) The table of subchapters for chapter 32 of such Code is amended by striking the item

relating to subchapter E and inserting the following new item:

“SUBCHAPTER E. OTHER MEDICAL PRODUCTS”.

(3) The table of sections for subchapter E of chapter 32 of such Code is amended by adding at the end the following new item:

“Sec. 4192. Opioid pain relievers.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales on or after the date that is 1 year after the date of the enactment of this Act.

(d) REBATE OR DISCOUNT PROGRAM FOR CERTAIN CANCER AND HOSPICE PATIENTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services, in consultation with patient advocacy groups and other relevant stakeholders as determined by such Secretary, shall establish a mechanism by which—

(A) any amount paid by an eligible patient in connection with the stewardship fee under section 4192 of the Internal Revenue Code of 1986 (as added by this section) shall be rebated to such patient in as timely a manner as possible, or

(B) amounts paid by an eligible patient for active opioids (as defined in section 4192(b) of such Code) are discounted at time of payment or purchase to ensure that such patient does not pay any amount attributable to such fee,

with as little burden on the patient as possible. The Secretary shall choose whichever of the options described in subparagraph (A) or (B) is, in the Secretary's determination, most effective and efficient in ensuring eligible patients face no economic burden from such fee.

(2) ELIGIBLE PATIENT.—For purposes of this section, the term “eligible patient” means—

(A) a patient for whom any active opioid (as so defined) is prescribed to treat pain relating to cancer or cancer treatment;

(B) a patient participating in hospice care; and

(C) in the case of the death or incapacity of a patient described in subparagraph (A) or (B) or any similar situation as determined by the Secretary of Health and Human Services, the appropriate family member, medical proxy, or similar representative or the estate of such patient.

**SEC. 02. BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE.**

(a) GRANTS TO STATES.—Section 1921(b) of the Public Health Service Act (42 U.S.C. 300x-21(b)) is amended by inserting “, and, as applicable, for carrying out section 1923A” before the period.

(b) NONAPPLICABILITY OF PREVENTION PROGRAM PROVISION.—Section 1922(a)(1) of the Public Health Service Act (42 U.S.C. 300x-22(a)(1)) is amended by inserting “except with respect to amounts made available as described in section 1923A,” before “will expend”.

(c) OPIOID TREATMENT PROGRAMS.—Subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x-21 et seq.) is amended by inserting after section 1923 the following:

**“SEC. 1923A. ADDITIONAL SUBSTANCE ABUSE TREATMENT PROGRAMS.**

“A funding agreement for a grant under section 1921 is that the State involved shall provide that any amounts made available by any increase in revenues to the Treasury in the previous fiscal year resulting from the enactment of section 4192 of the Internal Revenue Code of 1986, reduced by any amounts rebated or discounted under section 01(d) of the \_\_\_\_\_ Act (as described in section 1933(a)(1)(B)(i)) be used exclusively for substance abuse (including opioid abuse) treatment efforts in the State, including—

“(1) treatment programs—

“(A) establishing new addiction treatment facilities, residential and outpatient, including covering capital costs;

“(B) establishing sober living facilities;

“(C) recruiting and increasing reimbursement for certified mental health providers providing substance abuse treatment in medically underserved communities or communities with high rates of prescription drug abuse;

“(D) expanding access to long-term, residential treatment programs for opioid addicts (including 30-, 60-, and 90-day programs);

“(E) establishing or operating support programs that offer employment services, housing, and other support services to help recovering addicts transition back into society;

“(F) establishing or operating housing for children whose parents are participating in substance abuse treatment programs, including capital costs;

“(G) establishing or operating facilities to provide care for babies born with neonatal abstinence syndrome, including capital costs; and

“(H) other treatment programs, as the Secretary determines appropriate; and

“(2) recruitment and training of substance use disorder professionals to work in rural and medically underserved communities.”.

(d) ADDITIONAL FUNDING.—Section 1933(a)(1)(B)(i) of the Public Health Service Act (42 U.S.C. 300x-33(a)(1)(B)(i)) is amended by inserting “, plus any increase in revenues to the Treasury in the previous fiscal year resulting from the enactment of section 4192 of the Internal Revenue Code of 1986, reduced by any amounts rebated or discounted under section 01(d) of the \_\_\_\_\_ Act” before the period.

**SEC. 03. REPORT.**

Not later than 2 years after the date described in section 01(c), the Secretary of Health and Human Services shall submit to Congress a report on the impact of the amendments made by sections 01 and 02 on—

(1) the retail cost of active opioids (as defined in section 4192 of the Internal Revenue Code of 1986, as added by section 01);

(2) patient access to such opioids, particularly cancer and hospice patients, including the effect of the discount or rebate on such opioids for cancer and hospice patients under section 01(d);

(3) how the increase in revenue to the Treasury resulting from the enactment of section 4192 of the Internal Revenue Code of 1986 is used to improve substance abuse treatment efforts in accordance with section 1923A of the Public Health Service Act (as added by section 02); and

(4) suggestions for improving—

(A) access to opioids for cancer and hospice patients; and

(B) substance abuse treatment efforts under such section 1923A.

**SA 385.** Mr. MANCHIN (for himself and Mr. BLUMENTHAL) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 00. HEALTH EDUCATION AND LITERACY FOR MEDICAID BENEFICIARIES.**

(a) GUIDELINES.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall issue guidelines that require States to

provide health education and literacy training to Medicaid enrollees. The guidelines shall include information on the following:

(1) Making healthy choices, including nutrition, exercise, and smoking cessation.

(2) How to manage chronic diseases.

(3) How to navigate the healthcare system, including finding a primary care physician and seeking care at the appropriate location.

(4) Helping Medicaid enrollees select a primary care physician and make appointments, when appropriate.

(b) STATE IMPLEMENTATION.—Not later than 2 years after the date of enactment of this Act, each State with a State Medicaid plan under title XIX of the Social Security Act shall implement the guidelines issued under subsection (a) and demonstrate to the Secretary that enrollees are receiving the health education and literacy training required under such guidelines. In implementing such guidelines, a State shall take into consideration barriers to enrollee participation, including transportation, health status, language barriers, and such other barriers as the Secretary may designate.

**SA 386.** Mr. MANCHIN (for himself, Mr. BROWN, Mr. WARNER, Mr. KAINE, Mr. COONS, and Mr. CASEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 00. NULLIFICATION OF CERTAIN PROVISIONS.**

The provisions of, and the amendments made by, this Act that would weaken the financial viability of the Black Lung Clinics serving coal miners with pneumoconiosis, including any provision that would cause an increase in the rate of uninsured individuals in the communities served by those clinics, shall be null and void and this Act shall be applied and administered as if such provisions and amendments had never been enacted.

**SA 387.** Mr. CARDIN (for himself, Mr. CARPER, Mr. NELSON, Ms. WARREN, Mr. BLUMENTHAL, Mr. BROWN, Mr. VAN HOLLEN, Ms. STABENOW, Ms. DUCKWORTH, and Mr. MARKEY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 00. STRIKING PROVISIONS THAT WEAKEN THE ACCESSIBILITY AND AFFORDABILITY OF HEALTH BENEFITS AND SERVICES.**

Any provision of this Act that would weaken access to essential health benefits, reduce access to affordable preventive services, or undermine the prohibition of annual and lifetime limits and caps on out-of-pocket expenditures for health insurance plans shall be null and void and of no effect.

**SA 388.** Mr. CRAPO (for himself and Mr. RISCH) submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and

for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title XXVIII, add the following:

**SEC. 2826. LAND CONVEYANCE, MOUNTAIN HOME AIR FORCE BASE, IDAHO.**

(a) **CONVEYANCE AUTHORIZED.**—The Secretary of the Air Force may convey, without consideration, to the City of Mountain Home, Idaho (in this section referred to as the “City”), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.25 miles of railroad spur located near Mountain Home Air Force Base, Idaho, as further described in subsection (b), for the purpose of economic development.

(b) **MAP AND LEGAL DESCRIPTION.**—

(1) **FINALIZING LEGAL DESCRIPTIONS.**—As soon as practicable after the date of the enactment of this Act, the Secretary of the Air Force shall finalize a map and the legal description of the property to be conveyed under subsection (a).

(2) **MINOR ERRORS.**—The Secretary of the Air Force may correct any minor errors in the map or the legal description.

(3) **AVAILABILITY.**—The map and legal description shall be on file and available for public inspection.

(c) **PAYMENT OF COSTS OF CONVEYANCE.**—

(1) **PAYMENT REQUIRED.**—The Secretary may require the City to cover all costs (except costs for environmental remediation of the property) to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under this section, including survey costs, costs for environmental documentation, and any other administrative costs related to the conveyance. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the City.

(2) **TREATMENT OF AMOUNTS RECEIVED.**—Amounts received under paragraph (1) as reimbursement for costs incurred by the Secretary to carry out the conveyance under subsection (a) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance, or to an appropriate fund or account currently available to the Secretary for the purposes for which the costs were paid. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(d) **USE RESERVATION.**—The Secretary may reserve a right to temporarily use, for urgent reasons of national defense and at no cost to the United States, all or a portion of the railroad spur conveyed under subsection (a).

(e) **ADDITIONAL TERMS AND CONDITIONS.**—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

**SA 389.** Mr. STRANGE submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. 1. PREMIUM ASSISTANCE FOR LOW INCOME INDIVIDUALS.**

(a) **IN GENERAL.**—Subsection (h) of section 2105 of the Social Security Act (42 U.S.C. 1397ee), as added by this Act, is amended to read as follows:

“(h) **SHORT-TERM ASSISTANCE TO ADDRESS COVERAGE AND ACCESS DISRUPTION AND PROVIDE SUPPORT FOR STATES AND DIRECT PREMIUM ASSISTANCE.**—

“(1) **APPROPRIATION.**—There are authorized to be appropriated, and are appropriated, out of monies in the Treasury not otherwise obligated—

“(A) \$15,000,000,000 for each of calendar years 2018 and 2019, and \$10,000,000,000 for each of calendar years 2020 and 2021, to remain available until expended, to the Administrator of the Centers for Medicare & Medicaid Services (in this subsection and subsection (i) referred to as the ‘Administrator’) to fund arrangements with health insurance issuers to assist in the purchase of health benefits coverage by addressing coverage and access disruption and responding to urgent health care needs within States; and

“(B) such sums as are necessary for calendar year 2019 and each calendar year thereafter to the Secretary of the Treasury for the purpose of making payments to the Administrator to allow the Administrator to make the premium assistance payments described in paragraph (2).

“(2) **PREMIUM ASSISTANCE PAYMENTS.**—For calendar year 2019 and each calendar year thereafter, with respect to each individual enrolled in a qualified health plan (as defined in section 1301(a) of the Patient Protection and Affordable Care Act) for whom an advance payment has been determined under section 1412 of such Act (as reported by the Secretary under subsection (c)(4)(B) of such section), the Administrator shall pay to the issuer of such plan the amount described in subsection (c)(4)(D) of such section.

“(3) **PARTICIPATION REQUIREMENTS.**—

“(A) **GUIDANCE.**—Not later than 30 days after the date of enactment of this subsection, the Administrator shall issue guidance to health insurance issuers regarding how to submit a notice of intent to participate in the program established under this subsection.

“(B) **NOTICE OF INTENT TO PARTICIPATE.**—To be eligible for funding under this subsection, a health insurance issuer shall submit to the Administrator a notice of intent to participate at such time (but, in the case of funding for calendar year 2018, not later than 35 days after the date of enactment of this subsection and, in the case of funding for any subsequent calendar year, not later than March 31 of the previous year) and in such form and manner as specified by the Administrator and containing—

“(i) a certification that the health insurance issuer will use the funds in accordance with the requirements of paragraph (6); and

“(ii) such information as the Administrator may require to carry out this subsection.

“(4) **PROCEDURE FOR DISTRIBUTION OF FUNDS.**—The Administrator shall determine an appropriate procedure for providing and distributing funds under this subsection that includes reserving an amount equal to 1 percent of the amount appropriated under paragraph (1)(A) for a calendar year for providing and distributing funds to health insurance issuers in States where the cost of insurance premiums are at least 75 percent higher than the national average.

“(5) **NO MATCH.**—Neither the State percentage applicable to payments to States under subsection (i)(5)(B) nor any other matching requirement shall apply to funds provided to

health insurance issuers under this subsection.

“(6) **USE OF FUNDS.**—Funds provided to a health insurance issuer under paragraphs (1) and (2) shall be subject to the requirements of paragraphs (1)(D) and (7) of subsection (i) in the same manner as such requirements apply to States receiving payments under subsection (i) and shall be used only for the activities specified in paragraph (1)(A)(ii) of subsection (i) or, in the case of funds provided under paragraph (2), for reducing the amount of the premiums charged to individuals as required under section 1412(c)(4)(E) of the Patient Protection and Affordable Care Act.

“(7) **MISUSE OF FUNDS.**—If the Administrator determines that a health insurance issuer is not using funds provided under this subsection in a manner consistent with the requirements applicable to such funds, the Administrator may withhold payments, reduce payments, or recover previous payments to such health insurance issuer under this subsection as the Administrator deems appropriate.”

(b) **PASS-THROUGH OF FUNDING.**—Subsection (i) of section 2105 of the Social Security Act (42 U.S.C. 1397ee), as added by this Act, is amended by adding at the end the following new paragraph:

“(8) **PASS-THROUGH OF FUNDING.**—Beginning in calendar year 2019, notwithstanding the other requirements of funds provided to States under this subsection, except for the requirements of paragraphs (1)(D) and (7), with respect to a State waiver under section 1332 of the Patient Protection and Affordable Care Act under which, due to the structure of the State plan, individuals would not qualify for advance payments under section 1412 of such Act (or under which the amount of such payments would be reduced), the Secretary shall provide for an alternative means by which the aggregate amount of such payments which would have been paid on behalf of participants in the Exchange established under such Act for or by the State if the State had not received such a waiver, shall be paid to the State for the purpose of assisting in the purchase of health benefits coverage by implementing the State plan under the waiver. Such amount shall be determined annually by the Secretary, taking into consideration the experience of other States with respect to participation in an Exchange and payments provided under such section to residents of the other States. A State may request that all of, or any portion of, the amount determined under this paragraph for the State for a year be paid to the State as described in subsection (h)(2).”

(c) **CONFORMING AMENDMENTS.**—

(1) Section 2101(a) of the Social Security Act (42 U.S.C. 1397aa(a)), as previously amended by this Act, is amended in the matter preceding paragraph (1), by striking “short-term assistance”.

(2) Section 2105(c)(1) of the Social Security Act (42 U.S.C. 1397ee(c)(1)), as previously amended by this Act, is amended by striking “short-term assistance”.

(3) Section 1332(a) of the Patient Protection and Affordable Care Act (42 U.S.C. 18052(a)), as previously amended by this Act, is amended—

(A) in paragraph (2), by adding at the end the following new subparagraph:

“(E) Section 2105(h)(1)(B) of the Social Security Act.”; and

(B) in paragraph (3), by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(d) **PHASEDOWN OF TAX CREDITS.**—

(1) **IN GENERAL.**—Subsection (b) of section 36B of the Internal Revenue Code of 1986, as amended by section 102, is further amended

by adding at the end the following new paragraph:

“(4) PHASEDOWN OF PREMIUM ASSISTANCE CREDIT AMOUNT IN YEARS AFTER 2018.—In the case of any taxable year beginning after 2018, the premium assistance credit amount is 1/10 of the amount determined under paragraph (1) (without regard to this paragraph).”.

(2) COORDINATION WITH DIRECT PREMIUM ASSISTANCE.—

(A) IN GENERAL.—Subsection (c) of section 1412 of the Patient Protection and Affordable Care Act is amended by adding at the end the following new paragraph:

“(4) COORDINATION WITH DIRECT PREMIUM ASSISTANCE.—In the case of calendar, taxable, and plan years beginning after December 31, 2018—

“(A) solely for purposes of this section, the premium tax credit under section 36B of the Internal Revenue Code of 1986 shall be determined without regard to subsection (b)(4) thereof;

“(B) in addition to the persons described in paragraph (1), the Secretary shall notify the Administrator of the Centers for Medicare and Medicaid Services of the advance determination under this section;

“(C) notwithstanding subparagraph (A), only 1/10 of the advance payment determined under this section (but for this paragraph) shall be paid to the issuer of a qualified health plan as provided in paragraph (2);

“(D) the remaining 9/10 of the advance payment so determined shall be paid to the Administrator of the Centers for Medicare and Medicaid Services for the purposes described in section 2105(h)(2) of the Social Security Act; and

“(E) an issuer of a qualified health plan receiving a payment from the Administrator of the Centers for Medicare and Medicaid Services under section 2105(h)(2) of the Social Security Act shall treat such payment for purposes of paragraph (2)(B) in the same manner as an advance payment under paragraph (2).”.

(B) RECAPTURE OF EXCESS PAYMENTS AND INFORMATION REPORTING.—Subsection (f) of section 36B of the Internal Revenue Code of 1986 is amended—

(i) by striking “advance payments to a taxpayer under section 1412 of the Patient Protection and Affordable Care Act for a taxable year exceed” in paragraph (2)(A) and inserting “aggregate sum of any advance payments to a taxpayer under section 1412 of the Patient Protection and Affordable Care Act and any premium assistance paid to a health insurance issuer with respect to such taxpayer under section 2105(h)(2) of the Social Security Act for a taxable year exceeds”;

(ii) by inserting “or subsection (b)(4)” after “paragraph (1)” in paragraph (2)(A),

(iii) by striking “or cost-sharing reductions under section 1402 of such Act” in paragraph (3)(B) and inserting “, premium assistance under section 2105(h)(2) of the Social Security Act, or cost-sharing reductions under section 1402 of the Patient Protection and Affordable Care Act”;

(iv) by striking “such Act” in paragraph (3)(C) and inserting “the Patient Protection and Affordable Care Act, and any premium assistance under section 2105(h)(2) of the Social Security Act”; and

(v) by striking “excess advance payments” in paragraph (3)(F) and inserting “an excess aggregate amount of advance payments and premium assistance payments for purposes of paragraph (2)”.

(C) REGULATIONS.—Subsection (g) of section 36B of such Code is amended by inserting “and payments for premium assistance” after “the credit” both places it appears.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2018.

**SA 390.** Mr. BLUNT submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. —. SIMPLIFICATION OF SEASONAL RULES FOR PURPOSES OF EMPLOYER SHARED RESPONSIBILITY REQUIREMENT.**

(a) FULL-TIME EMPLOYEE EXCEPTION FOR DETERMINING ASSESSABLE PAYMENT.—Paragraph (4) of section 4980H(c) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating subparagraph (B) as subparagraph (C), and

(2) by inserting after subparagraph (A) the following new subparagraph:

“(B) EXCEPTION FOR SEASONAL EMPLOYEES.—Such term shall not include any seasonal employee.”.

(b) APPLICABLE LARGE EMPLOYER.—Subparagraph (B) of section 4980H(c)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(B) EXCEPTION FOR SEASONAL EMPLOYEES.—For purposes of this paragraph, seasonal employees shall not be taken into account as employees.”.

(c) SEASONAL EMPLOYEE.—Subsection (c) of section 4980H of the Internal Revenue Code of 1986 is amended—

(1) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and

(2) by inserting after paragraph (4) the following new paragraph:

“(5) SEASONAL EMPLOYEE.—The term ‘seasonal employee’ means an employee who is employed in a position for which the customary annual employment is not more than 6 months and which requires performing labor or services which are ordinarily performed at certain seasons or periods of the year.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1513 of the Patient Protection and Affordable Care Act.

**SA 391.** Mr. GRAHAM (for himself and Mr. CASSIDY) submitted an amendment intended to be proposed by him to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**TITLE I**

**SEC. 101. ELIMINATION OF LIMITATION ON RECAPTURE OF EXCESS ADVANCE PAYMENTS OF PREMIUM TAX CREDITS.**

Subparagraph (B) of section 36B(f)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

“(iii) NONAPPLICABILITY OF LIMITATION.—This subparagraph shall not apply to taxable years ending after December 31, 2017.”.

**SEC. 102. PREMIUM TAX CREDIT.**

(a) PREMIUM TAX CREDIT.—

(1) MODIFICATION OF DEFINITION OF QUALIFIED HEALTH PLAN.—

(A) IN GENERAL.—Section 36B(c)(3)(A) of the Internal Revenue Code of 1986 is amended by inserting before the period at the end the following: “or a plan that includes coverage for abortions (other than any abortion necessary to save the life of the mother or any abortion with respect to a pregnancy that is the result of an act of rape or incest)”.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to taxable years beginning after December 31, 2017.

(2) REPEAL.—

(A) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking section 36B.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to taxable years beginning after December 31, 2019.

(b) REPEAL OF ELIGIBILITY DETERMINATIONS.—

(1) IN GENERAL.—The following sections of the Patient Protection and Affordable Care Act are repealed:

(A) Section 1411 (other than subsection (i), the last sentence of subsection (e)(4)(A)(ii), and such provisions of such section solely to the extent related to the application of the last sentence of subsection (e)(4)(A)(ii)).

(B) Section 1412.

(2) EFFECTIVE DATE.—The repeals in paragraph (1) shall take effect on January 1, 2020.

(c) PROTECTING AMERICANS BY REPEAL OF DISCLOSURE AUTHORITY TO CARRY OUT ELIGIBILITY REQUIREMENTS FOR CERTAIN PROGRAMS.—

(1) IN GENERAL.—Paragraph (21) of section 6103(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) TERMINATION.—No disclosure may be made under this paragraph after December 31, 2019.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1, 2020.

**SEC. 103. MODIFICATIONS TO SMALL BUSINESS TAX CREDIT.**

(a) SUNSET.—

(1) IN GENERAL.—Section 45R of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) SHALL NOT APPLY.—This section shall not apply with respect to amounts paid or incurred in taxable years beginning after December 31, 2019.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2019.

(b) DISALLOWANCE OF SMALL EMPLOYER HEALTH INSURANCE EXPENSE CREDIT FOR PLAN WHICH INCLUDES COVERAGE FOR ABORTION.—

(1) IN GENERAL.—Subsection (h) of section 45R of the Internal Revenue Code of 1986 is amended—

(A) by striking “Any term” and inserting the following:

“(1) IN GENERAL.—Any term”, and

(B) by adding at the end the following new paragraph:

“(2) EXCLUSION OF HEALTH PLANS INCLUDING COVERAGE FOR ABORTION.—The term ‘qualified health plan’ does not include any health plan that includes coverage for abortions (other than any abortion necessary to save the life of the mother or any abortion with respect to a pregnancy that is the result of an act of rape or incest).”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2017.

**SEC. 104. INDIVIDUAL MANDATE.**

(a) IN GENERAL.—Section 5000A(c) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (2)(B)(iii), by striking “2.5 percent” and inserting “Zero percent”, and

(2) in paragraph (3)—

(A) by striking “\$695” in subparagraph (A) and inserting “\$0”, and

(B) by striking subparagraph (D).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2015.

**SEC. 105. EMPLOYER MANDATE.**

(a) IN GENERAL.—

(1) Paragraph (1) of section 4980H(c) of the Internal Revenue Code of 1986 is amended by inserting “(\$0 in the case of months beginning after December 31, 2015)” after “\$2,000”.

(2) Paragraph (1) of section 4980H(b) of the Internal Revenue Code of 1986 is amended by inserting “(\$0 in the case of months beginning after December 31, 2015)” after “\$3,000”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2015.

**SEC. 106. SHORT TERM ASSISTANCE FOR STATES AND MARKET-BASED HEALTH CARE GRANT PROGRAM.**

(a) IN GENERAL.—Section 2105 of the Social Security Act (42 U.S.C. 1397ee) is amended by adding at the end the following new subsections:

“(h) SHORT-TERM ASSISTANCE TO ADDRESS COVERAGE AND ACCESS DISRUPTION AND PROVIDE SUPPORT FOR STATES.—

“(1) APPROPRIATION.—There are authorized to be appropriated, and are appropriated, out of monies in the Treasury not otherwise obligated, \$20,000,000,000 for each of calendar years 2018 and 2019, and \$15,000,000,000 for calendar year 2020, to the Administrator of the Centers for Medicare & Medicaid Services (in this subsection and subsection (i) referred to as the ‘Administrator’) to fund arrangements with health insurance issuers to assist in the purchase of health benefits coverage by addressing coverage and access disruption and responding to urgent health care needs within States. Funds appropriated under this paragraph shall remain available until expended.

“(2) PARTICIPATION REQUIREMENTS.—

“(A) GUIDANCE.—Not later than 30 days after the date of enactment of this subsection, the Administrator shall issue guidance to health insurance issuers regarding how to submit a notice of intent to participate in the program established under this subsection.

“(B) NOTICE OF INTENT TO PARTICIPATE.—To be eligible for funding under this subsection, a health insurance issuer shall submit to the Administrator a notice of intent to participate at such time (but, in the case of funding for calendar year 2018, not later than 35 days after the date of enactment of this subsection and, in the case of funding for calendar year 2019, 2020, or 2021, not later than March 31 of the previous year) and in such form and manner as specified by the Administrator and containing—

“(i) a certification that the health insurance issuer will use the funds in accordance with the requirements of paragraph (5); and

“(ii) such information as the Administrator may require to carry out this subsection.

“(3) PROCEDURE FOR DISTRIBUTION OF FUNDS.—The Administrator shall determine an appropriate procedure for providing and distributing funds under this subsection.

“(4) USE OF FUNDS.—Funds provided to a health insurance issuer under paragraph (1) shall be subject to the requirements of paragraphs (1)(D) and (7) of subsection (i) in the same manner as such requirements apply to States receiving payments under subsection (i) and shall be used only for the activities specified in paragraph (1)(A)(ii) of subsection (i).

“(i) MARKET-BASED HEALTH CARE GRANT PROGRAM.—

“(1) APPLICATION AND CERTIFICATION REQUIREMENTS.—To be eligible for an allotment of funds under this subsection, a State shall submit to the Administrator an application, not later than March 31, 2019, in the case of allotments for calendar year 2020, and not later than March 31 of the previous year, in the case of allotments for any subsequent calendar year) and in such form and manner

as specified by the Administrator, that contains the following:

“(A) A description of how the funds will be used to do 1 or more of the following:

“(i) To establish or maintain a program or mechanism to help high-risk individuals in the purchase of health benefits coverage, including by reducing premium costs for such individuals, who have or are projected to have a high rate of utilization of health services, as measured by cost, and who do not have access to health insurance coverage offered through an employer, enroll in health insurance coverage under a plan offered in the individual market (within the meaning of section 5000A(f)(1)(C) of the Internal Revenue Code of 1986).

“(ii) To establish or maintain a program to enter into arrangements with health insurance issuers to assist in the purchase of health benefits coverage by stabilizing premiums and promoting State health insurance market participation and choice in plans offered in the individual market (within the meaning of section 5000A(f)(1)(C) of the Internal Revenue Code of 1986).

“(iii) To provide payments for health care providers for the provision of health care services, as specified by the Administrator.

“(iv) To provide health insurance coverage by funding assistance to reduce out-of-pocket costs, such as copayments, coinsurance, and deductibles, of individuals enrolled in plans offered in the individual market (within the meaning of section 5000A(f)(1)(C) of the Internal Revenue Code of 1986).

“(v) To establish or maintain a program or mechanism to help individuals purchase health benefits coverage, including by reducing premium costs for plans offered in the individual market (within the meaning of section 5000A(f)(1)(C) of the Internal Revenue Code of 1986) for individuals who do not have access to health insurance coverage offered through an employer.

“(vi) Subject to paragraph (4)(B)(iii), to provide wraparound, optional services to individuals enrolled in the State plan for medical assistance under title XIX who are not only eligible for such assistance on the basis of section 1902(a)(10)(A)(ii)(XXIII).

“(B) A certification that the State shall make, from non-Federal funds, expenditures for 1 or more of the activities specified in subparagraph (A) in an amount that is not less than the State percentage required for the year under paragraph (5)(B)(ii).

“(C) A certification that the funds provided under this subsection shall only be used for the activities specified in subparagraph (A).

“(D) A certification that none of the funds provided under this subsection shall be used by the State for an expenditure that is attributable to an intergovernmental transfer, certified public expenditure, or any other expenditure to finance the non-Federal share of expenditures required under any provision of law, including under the State plans established under this title and title XIX or under a waiver of such plans.

“(E) Such other information as necessary for the Administrator to carry out this subsection.

“(2) ELIGIBILITY.—Only the 50 States and the District of Columbia shall be eligible for an allotment and payments under this subsection and all references in this subsection to a State shall be treated as only referring to the 50 States and the District of Columbia.

“(3) ONE-TIME APPLICATION.—If an application of a State submitted under this subsection is approved by the Administrator for a year, the application shall be deemed to be approved by the Administrator for that year and each subsequent year through December 31, 2026.

“(4) MARKET-BASED HEALTH CARE GRANT ALLOTMENTS.—

“(A) APPROPRIATION.—For the purpose of providing allotments to States under this subsection, there is appropriated, out of any money in the Treasury not otherwise appropriated—

“(i) for calendar year 2020, **[\$140,000,000,000];**

“(ii) for calendar year 2021, **[\$143,000,000,000];**

“(iii) for calendar year 2022, **[\$146,000,000,000];**

“(iv) for calendar year 2023, **[\$149,000,000,000];**

“(v) for calendar year 2024, **[\$152,000,000,000];**

“(vi) for calendar year 2025, **[\$155,000,000,000];** and

“(vii) for calendar year 2026, **[\$158,000,000,000].**

“(B) ALLOTMENTS; AVAILABILITY OF ALLOTMENTS.—

“(i) IN GENERAL.—In the case of a State with an application approved under this subsection with respect to a year, the Administrator shall allot to the State for the year, from amounts appropriated for such year under subparagraph (A), the amount determined for the State and year under paragraph (5).

“(ii) AVAILABILITY OF ALLOTMENTS; UNUSED AMOUNTS.—

“(I) IN GENERAL.—Amounts allotted to a State for a calendar year under this subparagraph shall remain available for obligation by the State through March 31 of the second calendar year following the year for which the allotment is made.

“(II) UNUSED AMOUNTS TO BE USED FOR DEFICIT REDUCTION.—Amounts allotted to a State for a calendar year that remain unobligated on April 1 of the following year shall be deposited into the general fund of the Treasury and shall be used for deficit reduction.

“(iii) LIMITATION.—In no case may a State use more than 10 percent of the amount allotted to the State for a year under this subparagraph for the purpose described in clause (vi) of paragraph (1)(A).

“(5) DETERMINATION OF ALLOTMENT AMOUNTS.—

“(A) CALENDAR YEAR 2020.—Subject to subparagraph (B), the amount determined under this paragraph for a State for calendar year 2020 shall be equal to the sum of each of the following component amounts which is applicable to the State:

“(i) With respect to each State, an amount equal to 10 percent of the amount appropriated for calendar year 2020 under paragraph (4)(A) multiplied by the ratio of—

“(I) the number of individuals in the State whose income for calendar year 2019 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; over

“(II) the number of individuals in all States whose income for calendar year 2019 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as so defined) applicable to a family of the size involved.

“(ii) With respect to each State, an amount equal to 20 percent of the amount so appropriated multiplied by the ratio of—

“(I) the number of individuals in the State who are not less than 45 and not more than 64 years old; over

“(II) the number of individuals in all States who are not less than 45 and not more than 64 years old.

“(iii) With respect to each State that, for calendar year 2016, had a State average per capita income that did not exceed \$52,500, an

amount equal to 25 percent of the amount so appropriated multiplied by the ratio of—

“(I) the number of individuals in the State whose income for calendar year 2019 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; over

“(II) the number of individuals in all States that, for calendar year 2016, had a State average per capita income that did not exceed \$52,500, whose income for calendar year 2019 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as so defined) applicable to a family of the size involved.

“(iv) With respect to each State that, for calendar year 2016, had an average population density of fewer than 15 individuals per square mile, an amount equal to 1 percent of the amount so appropriated divided by the number of such States.

“(v) With respect to each State that, for calendar year 2016, had an average population density that was greater than 14 individuals per square mile but fewer than 80 individuals per square mile, an amount equal to 3.5 percent of the amount so appropriated, divided by the number of such States.

“(vi) With respect to each State that, for calendar year 2016, had an average population density that was greater than 79 individuals per square mile but fewer than 115 individuals per square mile, an amount equal to 5.5 percent of the amount so appropriated, divided by the number of such States.

“(vii) With respect to each State that was an expansion State for calendar year 2017, an amount equal to 35 percent of the amount so appropriated multiplied by the ratio of—

“(I) the number of individuals in the State whose income for calendar year 2016 was not less than 100 percent, and not greater than 138 percent of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; over

“(II) the number of individuals in all States that were expansion States for calendar year 2017 whose income for calendar year 2016 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as so defined) applicable to a family of the size involved.

“(B) CALENDAR YEAR 2020 ALLOTMENT PARAMETERS.—The Secretary shall adjust the amounts of allotments determined under this paragraph for States for calendar year 2020 under subparagraph (A) as necessary to ensure that a State’s allotment for calendar year 2026 (prior to any redistribution of unallotted funds under subparagraph (G)) shall in no case be—

“(i) greater than 3 times the sum of—

“(I) the amount of Federal payments made to the State for calendar year 2016 for medical assistance provided to individuals under clause (i)(VIII) or (ii)(XX) of section 1902(a)(10)(A) (including medical assistance provided to individuals who are not newly eligible (as defined in section 1905(y)(2)) individuals described in subclause (VIII) of section 1902(a)(10)(A)(i));

“(II) the amount of Federal payments made to the State for calendar year 2016 for operating a Basic Health Program under section 1331 of the Patient Protection and Affordable Care Act for such year;

“(III) the amount of advance payments of premium assistance credits allowable under section 36B of the Internal Revenue Code of 1986 made under section 1412(a) of the Patient Protection and Affordable Care Act in calendar year 2016 on behalf of individuals who purchased insurance through the Exchange established for or by the State pursuant to title I of such Act; and

“(IV) the amount of Federal payments for cost-sharing reductions provided for cal-

endar year 2016 under section 1402 of such Act to individuals who purchased insurance through the Exchange established for or by the State pursuant to title I of such Act; or

“(ii) less than 75 percent of the sum of the amounts described in subclauses (I) through (IV) of clause (i).

“(C) CALENDAR YEARS AFTER 2020 AND BEFORE 2026.—Subject to subparagraph (F), for calendar years after 2020 and before 2026, the amount determined under this paragraph for a State and year shall be equal to—

“(i) for calendar years before 2025—

“(I) the amount determined for the State under subparagraph (A) (after adjustment under subparagraph (B), if applicable) or this subparagraph for the previous year; increased by

“(II) the percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) from October 1 of the previous calendar year to October 1 of the calendar year involved;

“(ii) for calendar year 2025—

“(I) the amount determined for the State under this subparagraph for the previous year; increased by

“(II) the percentage increase in the consumer price index for all urban consumers (U.S. city average) from October 1 of the previous calendar year to October 1 of the calendar year involved.

“(D) CALENDAR YEAR 2026.—Subject to subparagraph (E), the amount determined under this paragraph for a State for calendar year 2026 shall be equal to the sum of each of the following component amounts which is applicable to the State:

“(i) With respect to each State, an amount equal to 15.5 percent of the amount appropriated for calendar year 2026 under paragraph (4)(A) multiplied by the ratio of—

“(I) the number of individuals in the State whose income for calendar year 2025 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; over

“(II) the number of individuals in all States whose income for calendar year 2025 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as so defined) applicable to a family of the size involved.

“(ii) With respect to each State, an amount equal to 30 percent of the amount so appropriated multiplied by the ratio of—

“(I) the number of individuals in the State who are not less than 45 and not more than 64 years old; over

“(II) the number of individuals in all States who are not less than 45 and not more than 64 years old.

“(iii) With respect to each State that, for calendar year 2025, had a State average per capita income that did not exceed \$52,500, an amount equal to 39 percent of the amount so appropriated multiplied by the ratio of—

“(I) the number of individuals in the State whose income for calendar year 2025 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; over

“(II) the number of individuals in all States that, for calendar year 2025, had a State average per capita income that did not exceed \$52,500, whose income for calendar year 2019 was not less than 100 percent, and not greater than 138 percent, of the poverty line (as so defined) applicable to a family of the size involved.

“(iv) With respect to each State that, for calendar year 2025, had an average population density of fewer than 15 individuals per square mile, an amount equal to 1.5 per-

cent of the amount so appropriated divided by the number of such States.

“(v) With respect to each State that, for calendar year 2025, had an average population density that was greater than 14 individuals per square mile but fewer than 80 individuals per square mile, an amount equal to 5.5 percent of the amount so appropriated, divided by the number of such States.

“(vi) With respect to each State that, for calendar year 2025, had an average population density that was greater than 79 individuals per square mile but fewer than 115 individuals per square mile, an amount equal to 8.5 percent of the amount so appropriated, divided by the number of such States.

“(E) CALENDAR YEAR 2026 ALLOTMENT PARAMETERS.—The Secretary shall adjust the amounts of allotments determined under this paragraph for States for calendar year 2026 as necessary to ensure that a State’s allotment for calendar year 2026 (prior to any adjustment which may be applicable under subparagraph (F) or distribution under subparagraph (G)) shall in no case be—

“(i) greater than 3.5 times the sum of—

“(I) the amount of Federal payments made to the State for calendar year 2016 for medical assistance provided to individuals under clause (i)(VIII) or (ii)(XX) of section 1902(a)(10)(A) (including medical assistance provided to individuals who are not newly eligible (as defined in section 1905(y)(2)) individuals described in subclause (VIII) of section 1902(a)(10)(A)(i));

“(II) the amount of Federal payments made to the State for calendar year 2016 for operating a Basic Health Program under section 1331 of the Patient Protection and Affordable Care Act for such year;

“(III) the amount of advance payments of premium assistance credits allowable under section 36B of the Internal Revenue Code of 1986 made under section 1412(a) of the Patient Protection and Affordable Care Act in calendar year 2016 on behalf of individuals who purchased insurance through the Exchange established for or by the State pursuant to title I of such Act; and

“(IV) the amount of Federal payments for cost-sharing reductions provided for calendar year 2016 under section 1402 of such Act to individuals who purchased insurance through the Exchange established for or by the State pursuant to title I of such Act; or

“(ii) less than 75 percent of the sum of the amounts described in subclauses (I) through (IV) of clause (i).

“(F) LOW INCOME POPULATION ADJUSTMENT.—

“(i) FOR CALENDAR YEARS 2021 THROUGH 2025.—For each of calendar years 2021, 2022, 2023, 2024, and 2025 if a State’s low income per capita allotment amount for the year (as defined in clause (iii))—

“(I) exceeds the mean low income per capita allotment amount for all States for the year by not less than 15 percent, the State’s allotment for the year (as determined under subparagraph (C)) shall be reduced by a percentage that shall be determined by the Secretary but which shall not be less than 0.5 percent or greater than 5 percent; or

“(II) is not less than 15 percent below the mean low income per capita allotment amount for all States for the year, the State’s allotment for the year (as so determined) shall be increased by a percentage that shall be determined by the Secretary but which shall not be less than 0.5 percent or greater than 5 percent.

“(ii) FOR CALENDAR YEAR 2026.—For calendar year 2026, Secretary shall adjust the allotment for the year for each State with a low income per capita allotment amount (as defined in clause (iii)) that exceeds the mean low income per capita allotment amount for



all States for the year by more than 10 percent or is below such mean amount by not less than 10 percent in such a manner that the low income per capita allotment for each such State (after the adjustment under this clause) is within 10 percent of such mean amount.

“(iii) LOW INCOME PER CAPITA ALLOTMENT AMOUNT.—The term ‘low income per capita allotment amount’ means, with respect to a State and year—

“(I) the State’s allotment for the year, as determined under subparagraph (C); divided by

“(II) the number of individuals in the State—

“(aa) whose income for the previous calendar year did not exceed 138 percent of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; and

“(bb) who, during the previous calendar year, were not enrolled under the State plan under title XIX (except that, in the case of an individual who is enrolled under the State plan under clause (i)(VIII), (ii)(XX), or (ii)(XXIII) of section 1902(a)(10)(A) or is described in any such clause and is enrolled under a waiver of such plan, shall not be considered to be enrolled under such State plan for purposes of this clause).

“(iv) RULES OF APPLICATION.—

“(I) BUDGET NEUTRALITY REQUIREMENT.—In determining the appropriate percentages by which to adjust States’ allotments for a calendar year under this subparagraph, the Secretary shall make such adjustments in a manner that does not result in a net increase in Federal payments under this section for such year, and if the Secretary cannot adjust such expenditures in such a manner there shall be no adjustment under this paragraph for such year.

“(II) NONAPPLICATION TO LOW-DENSITY STATES.—This paragraph shall not apply to any State that has a population density of less than 15 individuals per square mile, based on the most recent data available from the Bureau of the Census.

“(G) DISTRIBUTION OF UNALLOTTED FUNDS.—To the extent that any funds appropriated for a calendar year under paragraph (4)(A) remain unallotted after the determinations and adjustments made under the preceding subparagraphs of this paragraph, the Secretary shall increase the allotments so determined and adjusted for States that have a low income per capita allotment amount that is below the mean low income per capita allotment amount for all States in a manner to be determined by the Secretary.

“(H) EXPANSION STATE DEFINED.—In this paragraph, the term ‘expansion State’ means, with respect to a State and year, a State that provided for eligibility for medical assistance under the State plan established under title XIX on the basis of clause (i)(VIII) or (ii)(XX) of section 1902(a)(10)(A) (or provided eligibility for individuals described in either such clause under a waiver approved under section 1115) during calendar year 2017.

“(6) PAYMENTS.—

“(A) ANNUAL PAYMENT OF ALLOTMENTS.—Subject to subparagraph (B), the Administrator shall pay to each State that has an application approved under this subsection for a year, from the amount allotted to the State under paragraph (4)(B) for the year, an amount equal to the Federal percentage of the State’s expenditures for the year.

“(B) STATE EXPENDITURES REQUIRED BEGINNING 2022.—For purposes of subparagraph (A), the Federal percentage is equal to 100 percent reduced by the State percentage for that year, and the State percentage is equal to—

“(i) in the case of calendar year 2020, 3 percent;

“(ii) in the case of calendar year 2021, 3 percent;

“(iii) in the case of calendar year 2022, 4 percent;

“(iv) in the case of calendar year 2023, 4 percent;

“(v) in the case of calendar year 2024, 5 percent;

“(vi) in the case of calendar year 2025, 5 percent; and

“(vii) in the case of calendar year 2026, 5 percent.

“(C) ADVANCE PAYMENT; RETROSPECTIVE ADJUSTMENT.—

“(i) IN GENERAL.—If the Administrator deems it appropriate, the Administrator shall make payments under this subsection for each year on the basis of advance estimates of expenditures submitted by the State and such other investigation as the Administrator shall find necessary, and shall reduce or increase the payments as necessary to adjust for any overpayment or underpayment for prior years.

“(ii) MISUSE OF FUNDS.—If the Administrator determines that a State is not using funds paid to the State under this subsection in a manner consistent with the description provided by the State in its application approved under paragraph (1), the Administrator may withhold payments, reduce payments, or recover previous payments to the State under this subsection as the Administrator deems appropriate.

“(D) FLEXIBILITY IN SUBMITTAL OF CLAIMS.—Nothing in this subsection shall be construed as preventing a State from claiming as expenditures in the year expenditures that were incurred in a previous year.

“(7) EXEMPTIONS.—Paragraphs (2), (3), (5), (6), (8), (10), and (11) of subsection (c) do not apply to payments under this subsection.”.

(b) OTHER TITLE XXI AMENDMENTS.—

(1) Section 2101 of such Act (42 U.S.C. 1397aa) is amended—

(A) in subsection (a), in the matter preceding paragraph (1), by striking “The purpose” and inserting “Except with respect to short-term assistance activities under section 2105(h) and the Market-Based Health Care Grant Program established in section 2105(i), the purpose”; and

(B) in subsection (b), in the matter preceding paragraph (1), by inserting “subsection (a) or (g) of” before “section 2105”.

(2) Section 2105(c)(1) of such Act (42 U.S.C. 1397ee(c)(1)) is amended by striking “and may not include” and inserting “or to carry out short-term assistance activities under subsection (h) or the Market-Based Health Care Grant Program established in subsection (i) and, except in the case of funds made available under subsection (h) or (i), may not include”.

(3) Section 2106(a)(1) of such Act (42 U.S.C. 1397ff(a)(1)) is amended by inserting “subsection (a) or (g) of” before “section 2105”.

**SEC. 107. BETTER CARE RECONCILIATION IMPLEMENTATION FUND.**

(a) IN GENERAL.—There is hereby established a Better Care Reconciliation Implementation Fund (referred to in this section as the “Fund”) within the Department of Health and Human Services to provide for Federal administrative expenses in carrying out this Act.

(b) FUNDING.—There is appropriated to the Fund, out of any funds in the Treasury not otherwise appropriated, \$2,000,000,000.

**SEC. 108. REPEAL OF THE TAX ON EMPLOYEE HEALTH INSURANCE PREMIUMS AND HEALTH PLAN BENEFITS.**

(a) IN GENERAL.—Chapter 43 of the Internal Revenue Code of 1986 is amended by striking section 4980I.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2019.

(c) SUBSEQUENT EFFECTIVE DATE.—The amendment made by subsection (a) shall not apply to taxable years beginning after December 31, 2025, and chapter 43 of the Internal Revenue Code of 1986 is amended to read as such chapter would read if such subsection had never been enacted.

**SEC. 109. REPEAL OF TAX ON OVER-THE-COUNTER MEDICATIONS.**

(a) HSAs.—Subparagraph (A) of section 223(d)(2) of the Internal Revenue Code of 1986 is amended by striking “Such term” and all that follows through the period.

(b) ARCHER MSAs.—Subparagraph (A) of section 220(d)(2) of the Internal Revenue Code of 1986 is amended by striking “Such term” and all that follows through the period.

(c) HEALTH FLEXIBLE SPENDING ARRANGEMENTS AND HEALTH REIMBURSEMENT ARRANGEMENTS.—Section 106 of the Internal Revenue Code of 1986 is amended by striking subsection (f).

(d) EFFECTIVE DATES.—

(1) DISTRIBUTIONS FROM SAVINGS ACCOUNTS.—The amendments made by subsections (a) and (b) shall apply to amounts paid with respect to taxable years beginning after December 31, 2016.

(2) REIMBURSEMENTS.—The amendment made by subsection (c) shall apply to expenses incurred with respect to taxable years beginning after December 31, 2016.

**SEC. 110. REPEAL OF TAX ON HEALTH SAVINGS ACCOUNTS.**

(a) HSAs.—Section 223(f)(4)(A) of the Internal Revenue Code of 1986 is amended by striking “20 percent” and inserting “10 percent”.

(b) ARCHER MSAs.—Section 220(f)(4)(A) of the Internal Revenue Code of 1986 is amended by striking “20 percent” and inserting “15 percent”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after December 31, 2016.

**SEC. 111. REPEAL OF MEDICAL DEVICE EXCISE TAX.**

Section 4191 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(d) APPLICABILITY.—The tax imposed under subsection (a) shall not apply to sales after December 31, 2017.”.

**SEC. 112. REPEAL OF ELIMINATION OF DEDUCTION FOR EXPENSES ALLOCABLE TO MEDICARE PART D SUBSIDY.**

(a) IN GENERAL.—Section 139A of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “This section shall not be taken into account for purposes of determining whether any deduction is allowable with respect to any cost taken into account in determining such payment.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2016.

**SEC. 113. REPEAL OF CHRONIC CARE TAX.**

(a) IN GENERAL.—Subsection (a) of section 213 of the Internal Revenue Code of 1986 is amended by striking “10 percent” and inserting “7.5 percent”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2016.

**SEC. 114. PURCHASE OF INSURANCE FROM HEALTH SAVINGS ACCOUNT.**

(a) IN GENERAL.—Paragraph (2) of section 223(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking “and any dependent (as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B)

thereof) of such individual” in subparagraph (A) and inserting “any dependent (as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) of such individual, and any child (as defined in section 152(f)(1)) of such individual who has not attained the age of 27 before the end of such individual’s taxable year”.

(2) by striking subparagraph (B) and inserting the following:

“(B) HEALTH INSURANCE MAY NOT BE PURCHASED FROM ACCOUNT.—Except as provided in subparagraph (C), subparagraph (A) shall not apply to any payment for insurance.”, and

(3) by striking “or” at the end of subparagraph (C)(iii), by striking the period at the end of subparagraph (C)(iv) and inserting “, or”, and by adding at the end the following:

“(v) a high deductible health plan but only to the extent of the portion of such expense in excess of—

“(I) any amount allowable as a credit under section 36B for the taxable year with respect to such coverage,

“(II) any amount allowable as a deduction under section 162(l) with respect to such coverage, or

“(III) any amount excludable from gross income with respect to such coverage under section 106 (including by reason of section 125 or 402(l)).”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to amounts paid for expenses incurred for, and distributions made for, coverage under a high deductible health plan beginning after December 31, 2017.

#### SEC. 115. PRIMARY CARE ENHANCEMENT.

(a) TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.—Section 223(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(6) TREATMENT OF DIRECT PRIMARY CARE SERVICE ARRANGEMENTS.—An arrangement under which an individual is provided coverage restricted to primary care services in exchange for a fixed periodic fee or payment for such services—

“(A) shall not be treated as a health plan for purposes of paragraph (1)(A)(ii), and

“(B) shall not be treated as insurance for purposes of subsection (d)(2)(B).”

(b) CERTAIN PROVIDER FEES TO BE TREATED AS MEDICAL CARE.—Section 213(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(12) PERIODIC PROVIDER FEES.—The term ‘medical care’ shall include periodic fees paid for a defined set of primary care medical services provided on an as-needed basis.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2016.

#### SEC. 116. MAXIMUM CONTRIBUTION LIMIT TO HEALTH SAVINGS ACCOUNT INCREASED TO AMOUNT OF DEDUCTIBLE AND OUT-OF-POCKET LIMITATION.

(a) SELF-ONLY COVERAGE.—Section 223(b)(2)(A) of the Internal Revenue Code of 1986 is amended by striking “\$2,250” and inserting “the amount in effect under subsection (c)(2)(A)(ii)(I)”.

(b) FAMILY COVERAGE.—Section 223(b)(2)(B) of such Code is amended by striking “\$4,500” and inserting “the amount in effect under subsection (c)(2)(A)(ii)(II)”.

(c) COST-OF-LIVING ADJUSTMENT.—Section 223(g)(1) of such Code is amended—

(1) by striking “subsections (b)(2) and” both places it appears and inserting “subsection”, and

(2) in subparagraph (B), by striking “determined by” and all that follows through “‘calendar year 2003’.” and inserting “deter-

mined by substituting ‘calendar year 2003’ for ‘calendar year 1992’ in subparagraph (B) thereof.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2017.

#### SEC. 117. ALLOW BOTH SPOUSES TO MAKE CATCH-UP CONTRIBUTIONS TO THE SAME HEALTH SAVINGS ACCOUNT.

(a) IN GENERAL.—Section 223(b)(5) of the Internal Revenue Code of 1986 is amended to read as follows:

“(5) SPECIAL RULE FOR MARRIED INDIVIDUALS WITH FAMILY COVERAGE.—

“(A) IN GENERAL.—In the case of individuals who are married to each other, if both spouses are eligible individuals and either spouse has family coverage under a high deductible health plan as of the first day of any month—

“(i) the limitation under paragraph (1) shall be applied by not taking into account any other high deductible health plan coverage of either spouse (and if such spouses both have family coverage under separate high deductible health plans, only one such coverage shall be taken into account),

“(ii) such limitation (after application of clause (i)) shall be reduced by the aggregate amount paid to Archer MSAs of such spouses for the taxable year, and

“(iii) such limitation (after application of clauses (i) and (ii)) shall be divided equally between such spouses unless they agree on a different division.

“(B) TREATMENT OF ADDITIONAL CONTRIBUTION AMOUNTS.—If both spouses referred to in subparagraph (A) have attained age 55 before the close of the taxable year, the limitation referred to in subparagraph (A)(iii) which is subject to division between the spouses shall include the additional contribution amounts determined under paragraph (3) for both spouses. In any other case, any additional contribution amount determined under paragraph (3) shall not be taken into account under subparagraph (A)(iii) and shall not be subject to division between the spouses.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2017.

#### SEC. 118. SPECIAL RULE FOR CERTAIN MEDICAL EXPENSES INCURRED BEFORE ESTABLISHMENT OF HEALTH SAVINGS ACCOUNT.

(a) IN GENERAL.—Section 223(d)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) TREATMENT OF CERTAIN MEDICAL EXPENSES INCURRED BEFORE ESTABLISHMENT OF ACCOUNT.—If a health savings account is established during the 60-day period beginning on the date that coverage of the account beneficiary under a high deductible health plan begins, then, solely for purposes of determining whether an amount paid is used for a qualified medical expense, such account shall be treated as having been established on the date that such coverage begins.”

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to coverage under a high deductible health plan beginning after December 31, 2017.

#### SEC. 119. EXCLUSION FROM HSAS OF HIGH DEDUCTIBLE HEALTH PLANS INCLUDING COVERAGE FOR ABORTION.

(a) IN GENERAL.—Subparagraph (C) of section 223(d)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence:

“A high deductible health plan shall not be treated as described in clause (v) if such plan includes coverage for abortions (other than any abortion necessary to save the life of the mother or any abortion with respect to a pregnancy that is the result of an act of rape or incest).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to coverage under a high deductible health plan beginning after December 31, 2017.

#### SEC. 120. FEDERAL PAYMENTS TO STATES.

(a) IN GENERAL.—Notwithstanding section 504(a), 1902(a)(23), 1903(a), 2002, 2005(a)(4), 2102(a)(7), or 2105(a)(1) of the Social Security Act (42 U.S.C. 704(a), 1396a(a)(23), 1396b(a), 1397a, 1397d(a)(4), 1397bb(a)(7), 1397ee(a)(1)), or the terms of any Medicaid waiver in effect on the date of enactment of this Act that is approved under section 1115 or 1915 of the Social Security Act (42 U.S.C. 1315, 1396n), for the 1-year period beginning on the date of enactment of this Act, no Federal funds provided from a program referred to in this subsection that is considered direct spending for any year may be made available to a State for payments to a prohibited entity, whether made directly to the prohibited entity or through a managed care organization under contract with the State.

(b) DEFINITIONS.—In this section:

(1) PROHIBITED ENTITY.—The term “prohibited entity” means an entity, including its affiliates, subsidiaries, successors, and clinics—

(A) that, as of the date of enactment of this Act—

(i) is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

(ii) is an essential community provider described in section 156.235 of title 45, Code of Federal Regulations (as in effect on the date of enactment of this Act), that is primarily engaged in family planning services, reproductive health, and related medical care; and

(iii) provides for abortions, other than an abortion—

(I) if the pregnancy is the result of an act of rape or incest; or

(II) in the case where a woman suffers from a physical disorder, physical injury, or physical illness that would, as certified by a physician, place the woman in danger of death unless an abortion is performed, including a life-endangering physical condition caused by or arising from the pregnancy itself; and

(B) for which the total amount of Federal and State expenditures under the Medicaid program under title XIX of the Social Security Act in fiscal year 2014 made directly to the entity and to any affiliates, subsidiaries, successors, or clinics of the entity, or made to the entity and to any affiliates, subsidiaries, successors, or clinics of the entity as part of a nationwide health care provider network, exceeded \$1,000,000.

(2) DIRECT SPENDING.—The term “direct spending” has the meaning given that term under section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)).

#### SEC. 121. MEDICAID.

The Social Security Act (42 U.S.C. 301 et seq.) is amended—

(1) in section 1902—

(A) in subsection (a)(10)(A), in each of clauses (i)(VIII) and (ii)(XX), by inserting “and ending December 31, 2019,” after “January 1, 2014,”; and

(B) in subsection (a)(47)(B), by inserting “and provided that any such election shall cease to be effective on January 1, 2020, and no such election shall be made after that date” before the semicolon at the end;

(2) in section 1905—

(A) in the first sentence of subsection (b), by inserting “(50 percent on or after January 1, 2020)” after “55 percent”;

(B) in subsection (y)(1), by striking the semicolon at the end of subparagraph (D) and all that follows through “thereafter”; and

(C) in subsection (z)(2)—

(i) in subparagraph (A), by inserting “through 2019” after “each year thereafter”; and

(ii) in subparagraph (B)(ii)(VI), by striking “and each subsequent year”;

(3) in section 1915(k)(2), by striking “during the period described in paragraph (1)” and inserting “on or after the date referred to in paragraph (1) and before January 1, 2020”;

(4) in section 1920(e), by adding at the end the following: “This subsection shall not apply after December 31, 2019.”;

(5) in section 1937(b)(5), by adding at the end the following: “This paragraph shall not apply after December 31, 2019.”; and

(6) in section 1943(a), by inserting “and before January 1, 2020,” after “January 1, 2014.”.

#### SEC. 122. REPEAL OF MEDICAID EXPANSION.

Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended—

(1) in section 1902 (42 U.S.C. 1396a)—

(A) in subsection (a)(10)(A)—

(i) in clause (i)(VIII), by inserting “and ending December 31, 2019,” after “2014.”;

(ii) in clause (ii)(XX), by inserting “and ending December 31, 2017,” after “2014.”; and

(iii) in clause (ii), by adding at the end the following new subclause:

“(XXIII) beginning January 1, 2020, who are expansion enrollees (as defined in subsection (nn)(1));”; and

(B) by adding at the end the following new subsection:

“(nn) EXPANSION ENROLLEES.—In this title:“(1) IN GENERAL.—The term ‘expansion enrollee’ means an individual—

“(A) who is under 65 years of age;

“(B) who is not pregnant;

“(C) who is not entitled to, or enrolled for, benefits under part A of title XVIII, or enrolled for benefits under part B of title XVIII;

“(D) who is not described in any of subclauses (I) through (VII) of subsection (a)(10)(A)(i); and

“(E) whose income (as determined under subsection (e)(14)) does not exceed 133 percent of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved.

“(2) APPLICATION OF RELATED PROVISIONS.—Any reference in subsection (a)(10)(G), (k), or (gg) of this section or in section 1903, 1905(a), 1920(e), or 1937(a)(1)(B) to individuals described in subclause (VIII) of subsection (a)(10)(A)(i) shall be deemed to include a reference to expansion enrollees.”; and

(2) in section 1905 (42 U.S.C. 1396d)—

(A) in subsection (y)(1), by striking “; and” at the end of subparagraph (D) and all that follows through “thereafter”; and

(B) in subsection (z)(2)—

(i) in subparagraph (A), by striking “each year thereafter” and inserting “through 2019”; and

(ii) in subparagraph (B)(ii), by striking “is 80 percent” in subclause (IV) and all that follows through “100 percent” and inserting “and subsequent years is 80 percent”.

#### SEC. 123. REDUCING STATE MEDICAID COSTS.

(a) IN GENERAL.—

(1) STATE PLAN REQUIREMENTS.—Section 1902(a)(34) of the Social Security Act (42 U.S.C. 1396a(a)(34)) is amended by striking “in or after the third month” and all that follows through “individual” and inserting “in or after the month in which the individual (or, in the case of a deceased individual, another individual acting on the individual’s behalf) made application (or, in the case of an individual who is 65 years of age or older or who is eligible for medical assistance under the plan on the basis of being blind or disabled, in or after the third month before such month)”.

(2) DEFINITION OF MEDICAL ASSISTANCE.—Section 1905(a) of the Social Security Act (42

U.S.C. 1396d(a)) is amended by striking “in or after the third month before the month in which the recipient makes application for assistance” and inserting “in or after the month in which the recipient makes application for assistance, or, in the case of a recipient who is 65 years of age or older or who is eligible for medical assistance on the basis of being blind or disabled at the time application is made, in or after the third month before the month in which the recipient makes application for assistance.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance with respect to individuals whose eligibility for such assistance is based on an application for such assistance made (or deemed to be made) on or after October 1, 2017.

#### SEC. 124. ELIGIBILITY REDETERMINATIONS.

(a) IN GENERAL.—Section 1902(e)(14) of the Social Security Act (42 U.S.C. 1396a(e)(14)) (relating to modified adjusted gross income) is amended by adding at the end the following:

“(J) FREQUENCY OF ELIGIBILITY REDETERMINATIONS.—Beginning on October 1, 2017, and notwithstanding subparagraph (H), in the case of an individual whose eligibility for medical assistance under the State plan under this title (or a waiver of such plan) is determined based on the application of modified adjusted gross income under subparagraph (A) and who is so eligible on the basis of clause (i)(VIII), (ii)(XX), or (ii)(XXIII) of subsection (a)(10)(A), at the option of the State, the State plan may provide that the individual’s eligibility shall be redetermined every 6 months (or such shorter number of months as the State may elect).”.

(b) INCREASED ADMINISTRATIVE MATCHING PERCENTAGE.—For each calendar quarter during the period beginning on October 1, 2017, and ending on December 31, 2019, the Federal matching percentage otherwise applicable under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a)) with respect to State expenditures during such quarter that are attributable to meeting the requirement of section 1902(e)(14) (relating to determinations of eligibility using modified adjusted gross income) of such Act shall be increased by 5 percentage points with respect to State expenditures attributable to activities carried out by the State (and approved by the Secretary) to exercise the option described in subparagraph (J) of such section (relating to eligibility redeterminations made on a 6-month or shorter basis) (as added by subsection (a)) to increase the frequency of eligibility redeterminations.

#### SEC. 125. OPTIONAL WORK REQUIREMENT FOR NONDISABLED, NONELDERLY, NON-PREGNANT INDIVIDUALS.

(a) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a), as previously amended, is further amended by adding at the end the following new subsection:

“(oo) OPTIONAL WORK REQUIREMENT FOR NONDISABLED, NONELDERLY, NONPREGNANT INDIVIDUALS.—

“(1) IN GENERAL.—Beginning October 1, 2017, subject to paragraph (3), a State may elect to condition medical assistance to a nondisabled, nonelderly, nonpregnant individual under this title upon such an individual’s satisfaction of a work requirement (as defined in paragraph (2)).

“(2) WORK REQUIREMENT DEFINED.—In this section, the term ‘work requirement’ means, with respect to an individual, the individual’s participation in work activities (as defined in section 407(d)) for such period of time as determined by the State, and as directed and administered by the State.

“(3) REQUIRED EXCEPTIONS.—States administering a work requirement under this subsection may not apply such requirement to—

“(A) a woman during pregnancy through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends;

“(B) an individual who is under 19 years of age;

“(C) an individual who is the only parent or caretaker relative in the family of a child who has not attained 6 years of age or who is the only parent or caretaker of a child with disabilities; or

“(D) an individual who is married or a head of household and has not attained 20 years of age and who—

“(i) maintains satisfactory attendance at secondary school or the equivalent; or

“(ii) participates in education directly related to employment.”.

(b) INCREASE IN MATCHING RATE FOR IMPLEMENTATION.—Section 1903 of the Social Security Act (42 U.S.C. 1396b) is amended by adding at the end the following:

“(aa) The Federal matching percentage otherwise applicable under subsection (a) with respect to State administrative expenditures during a calendar quarter for which the State receives payment under such subsection shall, in addition to any other increase to such Federal matching percentage, be increased for such calendar quarter by 5 percentage points with respect to State expenditures attributable to activities carried out by the State (and approved by the Secretary) to implement subsection (oo) of section 1902.”.

#### SEC. 126. PROVIDER TAXES.

Section 1903(w)(4)(C) of the Social Security Act (42 U.S.C. 1396b(w)(4)(C)) is amended by adding at the end the following new clause:

“(iii) For purposes of clause (i), a determination of the existence of an indirect guarantee shall be made under paragraph (3)(i) of section 433.68(f) of title 42, Code of Federal Regulations, as in effect on June 1, 2017, except that—

“(I) for fiscal year 2021, ‘5.8 percent’ shall be substituted for ‘6 percent’ each place it appears;

“(II) for fiscal year 2022, ‘5.6 percent’ shall be substituted for ‘6 percent’ each place it appears;

“(III) for fiscal year 2023, ‘5.4 percent’ shall be substituted for ‘6 percent’ each place it appears;

“(IV) for fiscal year 2024, ‘5.2 percent’ shall be substituted for ‘6 percent’ each place it appears; and

“(V) for fiscal year 2025 and each subsequent fiscal year, ‘5 percent’ shall be substituted for ‘6 percent’ each place it appears.”.

#### SEC. 127. PER CAPITA ALLOTMENT FOR MEDICAL ASSISTANCE.

(a) IN GENERAL.—Title XIX of the Social Security Act is amended—

(1) in section 1903 (42 U.S.C. 1396b)—

(A) in subsection (a), in the matter before paragraph (1), by inserting “and section 1903A(a)” after “except as otherwise provided in this section”; and

(B) in subsection (d)(1), by striking “to which” and inserting “to which, subject to section 1903A(a),”; and

(2) by inserting after such section 1903 the following new section:

#### “SEC. 1903A. PER CAPITA-BASED CAP ON PAYMENTS FOR MEDICAL ASSISTANCE.

“(a) APPLICATION OF PER CAPITA CAP ON PAYMENTS FOR MEDICAL ASSISTANCE EXPENDITURES.—

“(1) IN GENERAL.—If a State which is one of the 50 States or the District of Columbia has excess aggregate medical assistance expenditures (as defined in paragraph (2)) for a fiscal year (beginning with fiscal year 2020), the amount of payment to the State under section 1903(a)(1) for each quarter in the following fiscal year shall be reduced by ¼ of

the excess aggregate medical assistance payments (as defined in paragraph (3)) for that previous fiscal year. In this section, the term ‘State’ means only the 50 States and the District of Columbia.

“(2) EXCESS AGGREGATE MEDICAL ASSISTANCE EXPENDITURES.—In this subsection, the term ‘excess aggregate medical assistance expenditures’ means, for a State for a fiscal year, the amount (if any) by which—

“(A) the amount of the adjusted total medical assistance expenditures (as defined in subsection (b)(1)) for the State and fiscal year; exceeds

“(B) the amount of the target total medical assistance expenditures (as defined in subsection (c)) for the State and fiscal year.

“(3) EXCESS AGGREGATE MEDICAL ASSISTANCE PAYMENTS.—In this subsection, the term ‘excess aggregate medical assistance payments’ means, for a State for a fiscal year, the product of—

“(A) the excess aggregate medical assistance expenditures (as defined in paragraph (2)) for the State for the fiscal year; and

“(B) the Federal average medical assistance matching percentage (as defined in paragraph (4)) for the State for the fiscal year.

“(4) FEDERAL AVERAGE MEDICAL ASSISTANCE MATCHING PERCENTAGE.—In this subsection, the term ‘Federal average medical assistance matching percentage’ means, for a State for a fiscal year, the ratio (expressed as a percentage) of—

“(A) the amount of the Federal payments that would be made to the State under section 1903(a)(1) for medical assistance expenditures for calendar quarters in the fiscal year if paragraph (1) did not apply; to

“(B) the amount of the medical assistance expenditures for the State and fiscal year.

“(5) PER CAPITA BASE PERIOD.—

“(A) IN GENERAL.—In this section, the term ‘per capita base period’ means, with respect to a State, a period of 8 (or, in the case of a State selecting a period under subparagraph (D), not less than 4) consecutive fiscal quarters selected by the State.

“(B) TIMELINE.—Each State shall submit its selection of a per capita base period to the Secretary not later than January 1, 2018.

“(C) PARAMETERS.—In selecting a per capita base period under this paragraph, a State shall—

“(i) only select a period of 8 (or, in the case of a State selecting a base period under subparagraph (D), not less than 4) consecutive fiscal quarters for which all the data necessary to make determinations required under this section is available, as determined by the Secretary; and

“(ii) shall not select any period of 8 (or, in the case of a State selecting a base period under subparagraph (D), not less than 4) consecutive fiscal quarters that begins with a fiscal quarter earlier than the first quarter of fiscal year 2014 or ends with a fiscal quarter later than the third fiscal quarter of 2017.

“(D) BASE PERIOD FOR LATE-EXPANDING STATES.—

“(i) IN GENERAL.—In the case of a State that did not provide for medical assistance for the 1903A enrollee category described in subsection (e)(2)(D) as of the first day of the fourth fiscal quarter of fiscal year 2015 but which provided for such assistance for such category in a subsequent fiscal quarter that is not later than the fourth quarter of fiscal year 2016, the State may select a per capita base period that is less than 8 consecutive fiscal quarters, but in no case shall the period selected be less than 4 consecutive fiscal quarters.

“(ii) APPLICATION OF OTHER REQUIREMENTS.—Except for the requirement that a per capita base period be a period of 8 consecutive fiscal quarters, all other require-

ments of this paragraph shall apply to a per capita base period selected under this subparagraph.

“(iii) APPLICATION OF BASE PERIOD ADJUSTMENTS.—The adjustments to amounts for per capita base periods required under subsections (b)(5) and (d)(4)(E) shall be applied to amounts for per capita base periods selected under this subparagraph by substituting ‘divided by the ratio that the number of quarters in the base period bears to 4’ for ‘divided by 2’.

“(E) ADJUSTMENT BY THE SECRETARY.—If the Secretary determines that a State took actions after the date of enactment of this section (including making retroactive adjustments to supplemental payment data in a manner that affects a fiscal quarter in the per capita base period) to diminish the quality of the data from the per capita base period used to make determinations under this section, the Secretary may adjust the data as the Secretary deems appropriate.

“(b) ADJUSTED TOTAL MEDICAL ASSISTANCE EXPENDITURES.—Subject to subsection (g), the following shall apply:

“(1) IN GENERAL.—In this section, the term ‘adjusted total medical assistance expenditures’ means, for a State—

“(A) for the State’s per capita base period (as defined in subsection (a)(5)), the product of—

“(i) the amount of the medical assistance expenditures (as defined in paragraph (2) and adjusted under paragraph (5)) for the State and period, reduced by the amount of any excluded expenditures (as defined in paragraph (3) and adjusted under paragraph (5)) for the State and period otherwise included in such medical assistance expenditures; and

“(ii) the 1903A base period population percentage (as defined in paragraph (4)) for the State; or

“(B) for fiscal year 2019 or a subsequent fiscal year, the amount of the medical assistance expenditures (as defined in paragraph (2)) for the State and fiscal year that is attributable to 1903A enrollees, reduced by the amount of any excluded expenditures (as defined in paragraph (3)) for the State and fiscal year otherwise included in such medical assistance expenditures and includes non-DSH supplemental payments (as defined in subsection (d)(4)(A)(ii)) and payments described in subsection (d)(4)(A)(iii) but shall not be construed as including any expenditures attributable to the program under section 1928 (relating to State pediatric vaccine distribution programs). In applying subparagraph (B), non-DSH supplemental payments (as defined in subsection (d)(4)(A)(ii)) and payments described in subsection (d)(4)(A)(iii) shall be treated as fully attributable to 1903A enrollees.

“(2) MEDICAL ASSISTANCE EXPENDITURES.—In this section, the term ‘medical assistance expenditures’ means, for a State and fiscal year or per capita base period, the medical assistance payments as reported by medical service category on the Form CMS-64 quarterly expense report (or successor to such a report form, and including enrollment data and subsequent adjustments to any such report, in this section referred to collectively as a ‘CMS-64 report’) for quarters in the year or base period for which payment is (or may otherwise be) made pursuant to section 1903(a)(1), adjusted, in the case of a per capita base period, under paragraph (5).

“(3) EXCLUDED EXPENDITURES.—In this section, the term ‘excluded expenditures’ means, for a State and fiscal year or per capita base period, expenditures under the State plan (or under a waiver of such plan) that are attributable to any of the following:

“(A) DSH.—Payment adjustments made for disproportionate share hospitals under section 1923.

“(B) MEDICARE COST-SHARING.—Payments made for medicare cost-sharing (as defined in section 1905(p)(3)).

“(C) SAFETY NET PROVIDER PAYMENT ADJUSTMENTS IN NON-EXPANSION STATES.—Payment adjustments under subsection (a) of section 1923A for which payment is permitted under subsection (c) of such section.

“(D) EXPENDITURES FOR PUBLIC HEALTH EMERGENCIES.—Any expenditures that are subject to a public health emergency exclusion under paragraph (6).

“(4) 1903A BASE PERIOD POPULATION PERCENTAGE.—In this subsection, the term ‘1903A base period population percentage’ means, for a State, the Secretary’s calculation of the percentage of the actual medical assistance expenditures, as reported by the State on the CMS-64 reports for calendar quarters in the State’s per capita base period, that are attributable to 1903A enrollees (as defined in subsection (e)(1)).

“(5) ADJUSTMENTS FOR PER CAPITA BASE PERIOD.—In calculating medical assistance expenditures under paragraph (2) and excluded expenditures under paragraph (3) for a State for the State’s per capita base period, the total amount of each type of expenditure for the State and base period shall be divided by 2.

“(6) AUTHORITY TO EXCLUDE STATE EXPENDITURES FROM CAPS DURING PUBLIC HEALTH EMERGENCY.—

“(A) IN GENERAL.—During the period that begins on January 1, 2020, and ends on December 31, 2024, the Secretary may exclude, from a State’s medical assistance expenditures for a fiscal year or portion of a fiscal year that occurs during such period, an amount that shall not exceed the amount determined under subparagraph (B) for the State and year or portion of a year if—

“(i) a public health emergency declared by the Secretary pursuant to section 319 of the Public Health Service Act existed within the State during such year or portion of a year; and

“(ii) the Secretary determines that such an exemption would be appropriate.

“(B) MAXIMUM AMOUNT OF ADJUSTMENT.—The amount excluded for a State and fiscal year or portion of a fiscal year under this paragraph shall not exceed the amount by which—

“(i) the amount of State expenditures for medical assistance for 1903A enrollees in areas of the State which are subject to a declaration described in subparagraph (A)(i) for the fiscal year or portion of a fiscal year; exceeds

“(ii) the amount of such expenditures for such enrollees in such areas during the most recent fiscal year or portion of a fiscal year of equal length to the portion of a fiscal year involved during which no such declaration was in effect.

“(C) AGGREGATE LIMITATION ON EXCLUSIONS AND ADDITIONAL BLOCK GRANT PAYMENTS.—The aggregate amount of expenditures excluded under this paragraph and additional payments made under section 1903B(c)(3)(E) for the period described in subparagraph (A) shall not exceed \$5,000,000,000.

“(D) REVIEW.—If the Secretary exercises the authority under this paragraph with respect to a State for a fiscal year or portion of a fiscal year, the Secretary shall, not later than 6 months after the declaration described in subparagraph (A)(i) ceases to be in effect, conduct an audit of the State’s medical assistance expenditures for 1903A enrollees during the year or portion of a year to ensure that all of the expenditures so excluded were made for the purpose of ensuring that the health care needs of 1903A enrollees in areas affected by a public health emergency are met.

“(c) TARGET TOTAL MEDICAL ASSISTANCE EXPENDITURES.—

“(1) CALCULATION.—In this section, the term ‘target total medical assistance expenditures’ means, for a State for a fiscal year, the sum of the products, for each of the 1903A enrollee categories (as defined in subsection (e)(2)), of—

“(A) the target per capita medical assistance expenditures (as defined in paragraph (2)) for the enrollee category, State, and fiscal year; and

“(B) the number of 1903A enrollees for such enrollee category, State, and fiscal year, as determined under subsection (e)(4).

“(2) TARGET PER CAPITA MEDICAL ASSISTANCE EXPENDITURES.—In this subsection, the term ‘target per capita medical assistance expenditures’ means, for a 1903A enrollee category and State—

“(A) for fiscal year 2020, an amount equal to—

“(i) the provisional FY19 target per capita amount for such enrollee category (as calculated under subsection (d)(5)) for the State; increased by

“(ii) the applicable annual inflation factor (as defined in paragraph (3)) for fiscal year 2020; and

“(B) for each succeeding fiscal year, an amount equal to—

“(i) the target per capita medical assistance expenditures (under subparagraph (A) or this subparagraph) for the 1903A enrollee category and State for the preceding fiscal year; increased by

“(ii) the applicable annual inflation factor for that succeeding fiscal year.

“(3) APPLICABLE ANNUAL INFLATION FACTOR.—In paragraph (2), the term ‘applicable annual inflation factor’ means—

“(A) for fiscal years before 2025—

“(i) for each of the 1903A enrollee categories described in subparagraphs (C), (D), and (E) of subsection (e)(2), the percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) from September of the previous fiscal year to September of the fiscal year involved; and

“(ii) for each of the 1903A enrollee categories described in subparagraphs (A) and (B) of subsection (e)(2), the percentage increase described in clause (i) plus 1 percentage point; and

“(B) for fiscal years after 2024, for all 1903A enrollee categories, the percentage increase in the consumer price index for all urban consumers (U.S. city average) from September of the previous fiscal year to September of the fiscal year involved.

“(4) ADJUSTMENTS TO STATE EXPENDITURES TARGETS TO PROMOTE PROGRAM EQUITY ACROSS STATES.—

“(A) IN GENERAL.—Beginning with fiscal year 2020, the target per capita medical assistance expenditures for a 1903A enrollee category, State, and fiscal year, as determined under paragraph (2), shall be adjusted (subject to subparagraph (C)(i)) in accordance with this paragraph.

“(B) ADJUSTMENT BASED ON LEVEL OF PER CAPITA SPENDING FOR 1903A ENROLLEE CATEGORIES.—Subject to subparagraph (C), with respect to a State, fiscal year, and 1903A enrollee category, if the State’s per capita categorical medical assistance expenditures (as defined in subparagraph (D)) for the State and category in the preceding fiscal year—

“(i) exceed the mean per capita categorical medical assistance expenditures for the category for all States for such preceding year by not less than 25 percent, the State’s target per capita medical assistance expenditures for such category for the fiscal year involved shall be reduced by a percentage that shall be determined by the Secretary but

which shall not be less than 0.5 percent or greater than 2 percent; or

“(ii) are less than the mean per capita categorical medical assistance expenditures for the category for all States for such preceding year by not less than 25 percent, the State’s target per capita medical assistance expenditures for such category for the fiscal year involved shall be increased by a percentage that shall be determined by the Secretary but which shall not be less than 0.5 percent or greater than 2 percent.

“(C) RULES OF APPLICATION.—

“(i) BUDGET NEUTRALITY REQUIREMENT.—In determining the appropriate percentages by which to adjust States’ target per capita medical assistance expenditures for a category and fiscal year under this paragraph, the Secretary shall make such adjustments in a manner that does not result in a net increase in Federal payments under this section for such fiscal year, and if the Secretary cannot adjust such expenditures in such a manner there shall be no adjustment under this paragraph for such fiscal year.

“(ii) ASSUMPTION REGARDING STATE EXPENDITURES.—For purposes of clause (i), in the case of a State that has its target per capita medical assistance expenditures for a 1903A enrollee category and fiscal year increased under this paragraph, the Secretary shall assume that the categorical medical assistance expenditures (as defined in subparagraph (D)(ii)) for such State, category, and fiscal year will equal such increased target medical assistance expenditures.

“(iii) NONAPPLICATION TO LOW-DENSITY STATES.—This paragraph shall not apply to any State that has a population density of less than 15 individuals per square mile, based on the most recent data available from the Bureau of the Census.

“(iv) DISREGARD OF ADJUSTMENT.—Any adjustment under this paragraph to target medical assistance expenditures for a State, 1903A enrollee category, and fiscal year shall be disregarded when determining the target medical assistance expenditures for such State and category for a succeeding year under paragraph (2).

“(v) APPLICATION FOR FISCAL YEARS 2020 AND 2021.—In fiscal years 2020 and 2021, the Secretary shall apply this paragraph by deeming all categories of 1903A enrollees to be a single category.

“(D) PER CAPITA CATEGORICAL MEDICAL ASSISTANCE EXPENDITURES.—

“(i) IN GENERAL.—In this paragraph, the term ‘per capita categorical medical assistance expenditures’ means, with respect to a State, 1903A enrollee category, and fiscal year, an amount equal to—

“(I) the categorical medical expenditures (as defined in clause (ii)) for the State, category, and year; divided by

“(II) the number of 1903A enrollees for the State, category, and year.

“(ii) CATEGORICAL MEDICAL ASSISTANCE EXPENDITURES.—The term ‘categorical medical assistance expenditures’ means, with respect to a State, 1903A enrollee category, and fiscal year, an amount equal to the total medical assistance expenditures (as defined in paragraph (2)) for the State and fiscal year that are attributable to 1903A enrollees in the category, excluding any excluded expenditures (as defined in paragraph (3)) for the State and fiscal year that are attributable to 1903A enrollees in the category.

“(d) CALCULATION OF FY19 PROVISIONAL TARGET AMOUNT FOR EACH 1903A ENROLLEE CATEGORY.—Subject to subsection (g), the following shall apply:

“(1) CALCULATION OF BASE AMOUNTS FOR PER CAPITA BASE PERIOD.—For each State the Secretary shall calculate (and provide notice to the State not later than April 1, 2018, of the following:

“(A) The amount of the adjusted total medical assistance expenditures (as defined in subsection (b)(1)) for the State for the State’s per capita base period.

“(B) The number of 1903A enrollees for the State in the State’s per capita base period (as determined under subsection (e)(4)).

“(C) The average per capita medical assistance expenditures for the State for the State’s per capita base period equal to—

“(i) the amount calculated under subparagraph (A); divided by

“(ii) the number calculated under subparagraph (B).

“(2) FISCAL YEAR 2019 AVERAGE PER CAPITA AMOUNT BASED ON INFLATING THE PER CAPITA BASE PERIOD AMOUNT TO FISCAL YEAR 2019 BY CPI-MEDICAL.—The Secretary shall calculate a fiscal year 2019 average per capita amount for each State equal to—

“(A) the average per capita medical assistance expenditures for the State for the State’s per capita base period (calculated under paragraph (1)(C)); increased by

“(B) the percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) from the last month of the State’s per capita base period to September of fiscal year 2019.

“(3) AGGREGATE AND AVERAGE EXPENDITURES PER CAPITA FOR FISCAL YEAR 2019.—The Secretary shall calculate for each State the following:

“(A) The amount of the adjusted total medical assistance expenditures (as defined in subsection (b)(1)) for the State for fiscal year 2019.

“(B) The number of 1903A enrollees for the State in fiscal year 2019 (as determined under subsection (e)(4)).

“(4) PER CAPITA EXPENDITURES FOR FISCAL YEAR 2019 FOR EACH 1903A ENROLLEE CATEGORY.—The Secretary shall calculate (and provide notice to each State not later than January 1, 2020, of) the following:

“(A)(i) For each 1903A enrollee category, the amount of the adjusted total medical assistance expenditures (as defined in subsection (b)(1)) for the State for fiscal year 2019 for individuals in the enrollee category, calculated by excluding from medical assistance expenditures those expenditures attributable to expenditures described in clause (iii) or non-DSH supplemental expenditures (as defined in clause (ii)).

“(ii) In this paragraph, the term ‘non-DSH supplemental expenditure’ means a payment to a provider under the State plan (or under a waiver of the plan) that—

“(I) is not made under section 1923;

“(II) is not made with respect to a specific item or service for an individual;

“(III) is in addition to any payments made to the provider under the plan (or waiver) for any such item or service; and

“(IV) complies with the limits for additional payments to providers under the plan (or waiver) imposed pursuant to section 1902(a)(30)(A), including the regulations specifying upper payment limits under the State plan in part 447 of title 42, Code of Federal Regulations (or any successor regulations).

“(iii) An expenditure described in this clause is an expenditure that meets the criteria specified in subclauses (I), (II), and (III) of clause (ii) and is authorized under section 1115 for the purposes of funding a delivery system reform pool, uncompensated care pool, a designated State health program, or any other similar expenditure (as defined by the Secretary).

“(B) For each 1903A enrollee category, the number of 1903A enrollees for the State in fiscal year 2019 in the enrollee category (as determined under subsection (e)(4)).

“(C) For the State’s per capita base period, the State’s non-DSH supplemental and pool payment percentage is equal to the ratio (expressed as a percentage) of—

“(i) the total amount of non-DSH supplemental expenditures (as defined in subparagraph (A)(i) and adjusted under subparagraph (E)) and payments described in subparagraph (A)(iii) (and adjusted under subparagraph (E)) for the State for the period; to

“(ii) the amount described in subsection (b)(1)(A) for the State for the State’s per capita base period.

“(D) For each 1903A enrollee category an average medical assistance expenditures per capita for the State for fiscal year 2019 for the enrollee category equal to—

“(i) the amount calculated under subparagraph (A) for the State, increased by the non-DSH supplemental and pool payment percentage for the State (as calculated under subparagraph (C)); divided by

“(ii) the number calculated under subparagraph (B) for the State for the enrollee category.

“(E) For purposes of subparagraph (C)(i), in calculating the total amount of non-DSH supplemental expenditures and payments described in subparagraph (A)(iii) for a State for the per capita base period, the total amount of such expenditures and the total amount of such payments for the State and base period shall each be divided by 2.

“(5) PROVISIONAL FY19 PER CAPITA TARGET AMOUNT FOR EACH 1903A ENROLLEE CATEGORY.—Subject to subsection (f)(2), the Secretary shall calculate for each State a provisional FY19 per capita target amount for each 1903A enrollee category equal to the average medical assistance expenditures per capita for the State for fiscal year 2019 (as calculated under paragraph (4)(D)) for such enrollee category multiplied by the ratio of—

“(A) the product of—

“(i) the fiscal year 2019 average per capita amount for the State, as calculated under paragraph (2); and

“(ii) the number of 1903A enrollees for the State in fiscal year 2019, as calculated under paragraph (3)(B); to

“(B) the amount of the adjusted total medical assistance expenditures for the State for fiscal year 2019, as calculated under paragraph (3)(A).

“(e) 1903A ENROLLEE; 1903A ENROLLEE CATEGORY.—Subject to subsection (g), for purposes of this section, the following shall apply:

“(1) 1903A ENROLLEE.—The term ‘1903A enrollee’ means, with respect to a State and a month and subject to subsection (i)(1)(B), any Medicaid enrollee (as defined in paragraph (3)) for the month, other than such an enrollee who for such month is in any of the following categories of excluded individuals:

“(A) CHIP.—An individual who is provided, under this title in the manner described in section 2101(a)(2), child health assistance under title XXI.

“(B) IHS.—An individual who receives any medical assistance under this title for services for which payment is made under the third sentence of section 1905(b).

“(C) BREAST AND CERVICAL CANCER SERVICES ELIGIBLE INDIVIDUAL.—An individual who is eligible for medical assistance under this title only on the basis of section 1902(a)(10)(A)(ii)(XVIII).

“(D) PARTIAL-BENEFIT ENROLLEES.—An individual who—

“(i) is an alien who is eligible for medical assistance under this title only on the basis of section 1903(v)(2);

“(ii) is eligible for medical assistance under this title only on the basis of subclause (XII) or (XXI) of section

1902(a)(10)(A)(ii) (or on the basis of a waiver that provides only comparable benefits);

“(iii) is a dual eligible individual (as defined in section 1915(h)(2)(B)) and is eligible for medical assistance under this title (or under a waiver) only for some or all of medicare cost-sharing (as defined in section 1905(p)(3)); or

“(iv) is eligible for medical assistance under this title and for whom the State is providing a payment or subsidy to an employer for coverage of the individual under a group health plan pursuant to section 1906 or section 1906A (or pursuant to a waiver that provides only comparable benefits).

“(E) BLIND AND DISABLED CHILDREN.—An individual who—

“(i) is a child under 19 years of age; and

“(ii) is eligible for medical assistance under this title on the basis of being blind or disabled.

“(2) 1903A ENROLLEE CATEGORY.—The term ‘1903A enrollee category’ means each of the following:

“(A) ELDERLY.—A category of 1903A enrollees who are 65 years of age or older.

“(B) BLIND AND DISABLED.—A category of 1903A enrollees (not described in the previous subparagraph) who—

“(i) are 19 years of age or older; and

“(ii) are eligible for medical assistance under this title on the basis of being blind or disabled.

“(C) CHILDREN.—A category of 1903A enrollees (not described in a previous subparagraph) who are children under 19 years of age.

“(D) EXPANSION ENROLLEES.—A category of 1903A enrollees (not described in a previous subparagraph) who are eligible for medical assistance under this title only on the basis of clause (i)(VIII), (ii)(XX), or (ii)(XXIII) of section 1902(a)(10)(A).

“(E) OTHER NONELDERLY, NONDISABLED, NON-EXPANSION ADULTS.—A category of 1903A enrollees who are not described in any previous subparagraph.

“(3) MEDICAID ENROLLEE.—The term ‘Medicaid enrollee’ means, with respect to a State for a month, an individual who is eligible for medical assistance for items or services under this title and enrolled under the State plan (or a waiver of such plan) under this title for the month.

“(4) DETERMINATION OF NUMBER OF 1903A ENROLLEES.—The number of 1903A enrollees for a State and fiscal year or the State’s per capita base period, and, if applicable, for a 1903A enrollee category, is the average monthly number of Medicaid enrollees for such State and fiscal year or base period (and, if applicable, in such category) that are reported through the CMS-64 report under (and subject to audit under) subsection (h).

“(f) SPECIAL PAYMENT RULES.—

“(1) APPLICATION IN CASE OF RESEARCH AND DEMONSTRATION PROJECTS AND OTHER WAIVERS.—In the case of a State with a waiver of the State plan approved under section 1115, section 1915, or another provision of this title, this section shall apply to medical assistance expenditures and medical assistance payments under the waiver, in the same manner as if such expenditures and payments had been made under a State plan under this title and the limitations on expenditures under this section shall supersede any other payment limitations or provisions (including limitations based on a per capita limitation) otherwise applicable under such a waiver.

“(2) TREATMENT OF STATES EXPANDING COVERAGE AFTER JULY 1, 2016.—In the case of a State that did not provide for medical assistance for the 1903A enrollee category described in subsection (e)(2)(D) as of July 1, 2016, but which subsequently provides for such assistance for such category, the provi-

sional FY19 per capita target amount for such enrollee category under subsection (d)(5) shall be equal to the provisional FY19 per capita target amount for the 1903A enrollee category described in subsection (e)(2)(E).

“(3) IN CASE OF STATE FAILURE TO REPORT NECESSARY DATA.—If a State for any quarter in a fiscal year (beginning with fiscal year 2019) fails to satisfactorily submit data on expenditures and enrollees in accordance with subsection (h)(1), for such fiscal year and any succeeding fiscal year for which such data are not satisfactorily submitted—

“(A) the Secretary shall calculate and apply subsections (a) through (e) with respect to the State as if all 1903A enrollee categories for which such expenditure and enrollee data were not satisfactorily submitted were a single 1903A enrollee category; and

“(B) the growth factor otherwise applied under subsection (c)(2)(B) shall be decreased by 1 percentage point.

“(g) RECALCULATION OF CERTAIN AMOUNTS FOR DATA ERRORS.—The amounts and percentage calculated under paragraphs (1) and (4)(C) of subsection (d) for a State for the State’s per capita base period, and the amounts of the adjusted total medical assistance expenditures calculated under subsection (b) and the number of Medicaid enrollees and 1903A enrollees determined under subsection (e)(4) for a State for the State’s per capita base period, fiscal year 2019, and any subsequent fiscal year, may be adjusted by the Secretary based upon an appeal (filed by the State in such a form, manner, and time, and containing such information relating to data errors that support such appeal, as the Secretary specifies) that the Secretary determines to be valid, except that any adjustment by the Secretary under this subsection for a State may not result in an increase of the target total medical assistance expenditures exceeding 2 percent.

“(h) REQUIRED REPORTING AND AUDITING; TRANSITIONAL INCREASE IN FEDERAL MATCHING PERCENTAGE FOR CERTAIN ADMINISTRATIVE EXPENSES.—

“(1) AUDITING OF CMS-64 DATA.—The Secretary shall conduct for each State an audit of the number of individuals and expenditures reported through the CMS-64 report for the State’s per capita base period, fiscal year 2019, and each subsequent fiscal year, which audit may be conducted on a representative sample (as determined by the Secretary).

“(2) AUDITING OF STATE SPENDING.—The Inspector General of the Department of Health and Human Services shall conduct an audit (which shall be conducted using random sampling, as determined by the Inspector General) of each State’s spending under this section not less than once every 3 years.

“(3) TEMPORARY INCREASE IN FEDERAL MATCHING PERCENTAGE TO SUPPORT IMPROVED DATA REPORTING SYSTEMS FOR FISCAL YEARS 2018 AND 2019.—In the case of any State that selects as its per capita base period the most recent 8 consecutive quarter period for which the data necessary to make the determinations required under this section is available, for amounts expended during calendar quarters beginning on or after October 1, 2017, and before October 1, 2019—

“(A) the Federal matching percentage applied under section 1903(a)(3)(A)(i) shall be increased by 10 percentage points to 100 percent; and

“(B) the Federal matching percentage applied under section 1903(a)(3)(B) shall be increased by 25 percentage points to 100 percent.

“(4) HHS REPORT ON ADOPTION OF T-MSIS DATA.—Not later than January 1, 2025, the Secretary shall submit to Congress a report making recommendations as to whether data from the Transformed Medicaid Statistical

Information System would be preferable to CMS-64 report data for purposes of making the determinations necessary under this section.”

(b) ENSURING ACCESS TO HOME AND COMMUNITY BASED SERVICES.—Section 1915 of the Social Security Act (42 U.S.C. 1396n) is amended by adding at the end the following new subsection:

“(1) INCENTIVE PAYMENTS FOR HOME AND COMMUNITY-BASED SERVICES.—

“(1) IN GENERAL.—The Secretary shall establish a demonstration project (referred to in this subsection as the ‘demonstration project’) under which eligible States may make HCBS payment adjustments for the purpose of continuing to provide and improving the quality of home and community-based services provided under a waiver under subsection (c) or (d) or a State plan amendment under subsection (i).

“(2) SELECTION OF ELIGIBLE STATES.—

“(A) APPLICATION.—A State seeking to participate in the demonstration project shall submit to the Secretary, at such time and in such manner as the Secretary shall require, an application that includes—

“(i) an assurance that any HCBS payment adjustment made by the State under this subsection will comply with the health and welfare and financial accountability safeguards taken by the State under subsection (c)(2)(A); and

“(ii) such other information and assurances as the Secretary shall require.

“(B) SELECTION.—The Secretary shall select States to participate in the demonstration project on a competitive basis except that, in making selections under this paragraph, the Secretary shall give priority to any State that is one of the 15 States in the United States with the lowest population density, as determined by the Secretary based on data from the Bureau of the Census.

“(3) TERM OF DEMONSTRATION PROJECT.—The demonstration project shall be conducted for the 4-year period beginning on January 1, 2020, and ending on December 31, 2023.

“(4) STATE ALLOTMENTS AND INCREASED FMAP FOR PAYMENT ADJUSTMENTS.—

“(A) IN GENERAL.—

“(i) ANNUAL ALLOTMENT.—Subject to clause (ii), for each year of the demonstration project, the Secretary shall allot an amount to each State that is an eligible State for the year.

“(ii) LIMITATION ON FEDERAL SPENDING.—The aggregate amount that may be allotted to eligible States under clause (i) for all years of the demonstration project shall not exceed \$8,000,000,000.

“(B) FMAP APPLICABLE TO HCBS PAYMENT ADJUSTMENTS.—For each year of the demonstration project, notwithstanding section 1905(b) but subject to the limitations described in subparagraph (C), the Federal medical assistance percentage applicable with respect to expenditures by an eligible State that are attributable to HCBS payment adjustments shall be equal to (and shall in no case exceed) 100 percent.

“(C) INDIVIDUAL PROVIDER AND ALLOTMENT LIMITATIONS.—Payment under section 1903(a) shall not be made to an eligible State for expenditures for a year that are attributable to an HCBS payment adjustment—

“(i) that is paid to a single provider and exceeds a percentage which shall be established by the Secretary of the payment otherwise made to the provider; or

“(ii) to the extent that the aggregate amount of HCBS payment adjustments made by the State in the year exceeds the amount allotted to the State for the year under clause (i).

“(5) REPORTING AND EVALUATION.—

“(A) IN GENERAL.—As a condition of receiving the increased Federal medical assistance percentage described in paragraph (4)(B), each eligible State shall collect and report information, as determined necessary by the Secretary, for the purposes of providing Federal oversight and evaluating the State’s compliance with the health and welfare and financial accountability safeguards taken by the State under subsection (c)(2)(A).

“(B) FORMS.—Expenditures by eligible States on HCBS payment adjustments shall be separately reported on the CMS-64 Form and in T-MSIS.

“(6) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE STATE.—The term ‘eligible State’ means a State that—

“(i) is one of the 50 States or the District of Columbia;

“(ii) has in effect—

“(I) a waiver under subsection (c) or (d); or

“(II) a State plan amendment under subsection (i);

“(iii) submits an application under paragraph (2)(A); and

“(iv) is selected by the Secretary to participate in the demonstration project.

“(B) HCBS PAYMENT ADJUSTMENT.—The term ‘HCBS payment adjustment’ means a payment adjustment made by an eligible State to the amount of payment otherwise provided under a waiver under subsection (c) or (d) or a State plan amendment under subsection (i) for a home and community-based service which is provided to a 1903A enrollee (as defined in section 1903A(e)(1)) who is in the enrollee category described in subparagraph (A) or (B) of section 1903A(e)(2).”

#### SEC. 128. FLEXIBLE BLOCK GRANT OPTION FOR STATES.

Title XIX of the Social Security Act, as previously amended, is further amended by inserting after section 1903A the following new section:

##### “SEC. 1903B. MEDICAID FLEXIBILITY PROGRAM.

“(a) IN GENERAL.—Beginning with fiscal year 2020, any State (as defined in subsection (e)) that has an application approved by the Secretary under subsection (b) may conduct a Medicaid Flexibility Program to provide targeted health assistance to program enrollees.

“(b) STATE APPLICATION.—

“(1) IN GENERAL.—To be eligible to conduct a Medicaid Flexibility Program, a State shall submit an application to the Secretary that meets the requirements of this subsection.

“(2) CONTENTS OF APPLICATION.—An application under this subsection shall include the following:

“(A) A description of the proposed Medicaid Flexibility Program and how the State will satisfy the requirements described in subsection (d).

“(B) The proposed conditions for eligibility of program enrollees.

“(C) The applicable program enrollee category (as defined in subsection (e)(1)).

“(D) A description of the types, amount, duration, and scope of services which will be offered as targeted health assistance under the program, including a description of the proposed package of services which will be provided to program enrollees to whom the State would otherwise be required to make medical assistance available under section 1902(a)(10)(A)(i).

“(E) A description of how the State will notify individuals currently enrolled in the State plan for medical assistance under this title of the transition to such program.

“(F) Statements certifying that the State agrees to—

“(i) submit regular enrollment data with respect to the program to the Centers for Medicare & Medicaid Services at such time

and in such manner as the Secretary may require;

“(ii) submit timely and accurate data to the Transformed Medicaid Statistical Information System (T-MSIS);

“(iii) report annually to the Secretary on adult health quality measures implemented under the program and information on the quality of health care furnished to program enrollees under the program as part of the annual report required under section 1139B(d)(1);

“(iv) submit such additional data and information not described in any of the preceding clauses of this subparagraph but which the Secretary determines is necessary for monitoring, evaluation, or program integrity purposes, including—

“(I) survey data, such as the data from Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys;

“(II) birth certificate data; and

“(III) clinical patient data for quality measurements which may not be present in a claim, such as laboratory data, body mass index, and blood pressure; and

“(v) on an annual basis, conduct a report evaluating the program and make such report available to the public.

“(G) An information technology systems plan demonstrating that the State has the capability to support the technological administration of the program and comply with reporting requirements under this section.

“(H) A statement of the goals of the proposed program, which shall include—

“(i) goals related to quality, access, rate of growth targets, consumer satisfaction, and outcomes;

“(ii) a plan for monitoring and evaluating the program to determine whether such goals are being met; and

“(iii) a proposed process for the State, in consultation with the Centers for Medicare & Medicaid Services, to take remedial action to make progress on unmet goals.

“(I) Such other information as the Secretary may require.

“(3) STATE NOTICE AND COMMENT PERIOD.—

“(A) IN GENERAL.—Before submitting an application under this subsection, a State shall make the application publicly available for a 30 day notice and comment period.

“(B) NOTICE AND COMMENT PROCESS.—During the notice and comment period described in subparagraph (A), the State shall provide opportunities for a meaningful level of public input, which shall include public hearings on the proposed Medicaid Flexibility Program.

“(4) FEDERAL NOTICE AND COMMENT PERIOD.—The Secretary shall not approve of any application to conduct a Medicaid Flexibility Program without making such application publicly available for a 30 day notice and comment period.

“(5) TIMELINE FOR SUBMISSION.—

“(A) IN GENERAL.—A State may submit an application under this subsection to conduct a Medicaid Flexibility Program that would begin in the next fiscal year at any time, subject to subparagraph (B).

“(B) DEADLINES.—Each year beginning with 2019, the Secretary shall specify a deadline for submitting an application under this subsection to conduct a Medicaid Flexibility Program that would begin in the next fiscal year, but such deadline shall not be earlier than 60 days after the date that the Secretary publishes the amounts of State block grants as required under subsection (c)(4).

“(c) FINANCING.—

“(1) IN GENERAL.—For each fiscal year during which a State is conducting a Medicaid Flexibility Program, the State shall receive, instead of amounts otherwise payable to the State under this title for medical assistance

for program enrollees, the amount specified in paragraph (3)(A).

“(2) AMOUNT OF BLOCK GRANT FUNDS.—

“(A) IN GENERAL.—The block grant amount under this paragraph for a State and year shall be equal to the sum of the amounts determined under subparagraph (B) for each 1903A enrollee category within the applicable program enrollee category for the State and year.

“(B) ENROLLEE CATEGORY AMOUNTS.—

“(i) FOR INITIAL YEAR.—Subject to subparagraph (C), for the first fiscal year in which a 1903A enrollee category is included in the applicable program enrollee category for a Medicaid Flexibility Program conducted by the State, the amount determined under this subparagraph for the State, year, and category shall be equal to the Federal average medical assistance matching percentage (as defined in section 1903A(a)(4)) for the State and year multiplied by the product of—

“(I) the target per capita medical assistance expenditures (as defined in section 1903A(c)(2)) for the State, year, and category; and

“(II) the number of 1903A enrollees in such category for the State for the second fiscal year preceding such first fiscal year, increased by the percentage increase in State population from such second preceding fiscal year to such first fiscal year, based on the best available estimates of the Bureau of the Census.

“(ii) FOR ANY SUBSEQUENT YEAR.—For any fiscal year that is not the first fiscal year in which a 1903A enrollee category is included in the applicable program enrollee category for a Medicaid Flexibility Program conducted by the State, the block grant amount under this paragraph for the State, year, and category shall be equal to the amount determined for the State and category for the most recent previous fiscal year in which the State conducted a Medicaid Flexibility Program that included such category, except that such amount shall be increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) from April of the second fiscal year preceding the fiscal year involved to April of the fiscal year preceding the fiscal year involved.

“(C) CAP ON TOTAL POPULATION OF 1903A ENROLLEES FOR PURPOSES OF BLOCK GRANT CALCULATION.—

“(i) IN GENERAL.—In calculating the amount of a block grant for the first year in which a 1903A enrollee category is included in the applicable program enrollee category for a Medicaid Flexibility Program conducted by the State under subparagraph (B)(i), the total number of 1903A enrollees in such 1903A enrollee category for the State and year shall not exceed the adjusted number of base period enrollees for the State (as defined in clause (ii)).

“(ii) ADJUSTED NUMBER OF BASE PERIOD ENROLLEES.—The term ‘adjusted number of base period enrollees’ means, with respect to a State and 1903A enrollee category, the number of 1903A enrollees in the enrollee category for the State for the State’s per capita base period (as determined under section 1903A(e)(4)), increased by the percentage increase, if any, in the total State population from the last April in the State’s per capita base period to April of the fiscal year preceding the fiscal year involved (determined using the best available data from the Bureau of the Census) plus 3 percentage points.

“(3) FEDERAL PAYMENT AND STATE MAINTENANCE OF EFFORT.—

“(A) FEDERAL PAYMENT.—Subject to subparagraphs (D) and (E), the Secretary shall pay to each State conducting a Medicaid Flexibility Program under this section for a

fiscal year, from its block grant amount under paragraph (2) for such year, an amount for each quarter of such year equal to the Federal average medical assistance percentage (as defined in section 1903A(a)(4)) of the total amount expended under the program during such quarter as targeted health assistance, and the State is responsible for the balance of the funds to carry out such program.

“(B) STATE MAINTENANCE OF EFFORT EXPENDITURES.—For each year during which a State is conducting a Medicaid Flexibility Program, the State shall make expenditures for targeted health assistance under the program in an amount equal to the product of—

“(i) the block grant amount determined for the State and year under paragraph (2); and

“(ii) the enhanced FMAP described in the first sentence of section 2105(b) for the State and year.

“(C) REDUCTION IN BLOCK GRANT AMOUNT FOR STATES FAILING TO MEET MOE REQUIREMENT.—

“(i) IN GENERAL.—In the case of a State conducting a Medicaid Flexibility Program that makes expenditures for targeted health assistance under the program for a fiscal year in an amount that is less than the required amount for the fiscal year under subparagraph (B), the amount of the block grant determined for the State under paragraph (2) for the succeeding fiscal year shall be reduced by the amount by which such expenditures are less than such required amount.

“(ii) DISREGARD OF REDUCTION.—For purposes of determining the amount of a State block grant under paragraph (2), any reduction made under this subparagraph to a State’s block grant amount in a previous fiscal year shall be disregarded.

“(iii) APPLICATION TO STATES THAT TERMINATE PROGRAM.—In the case of a State described in clause (i) that terminates the State Medicaid Flexibility Program under subsection (d)(2)(B) and such termination is effective with the end of the fiscal year in which the State fails to make the required amount of expenditures under subparagraph (B), the reduction amount determined for the State and succeeding fiscal year under clause (i) shall be treated as an overpayment under this title.

“(D) REDUCTION FOR NONCOMPLIANCE.—If the Secretary determines that a State conducting a Medicaid Flexibility Program is not complying with the requirements of this section, the Secretary may withhold payments, reduce payments, or recover previous payments to the State under this section as the Secretary deems appropriate.

“(E) ADDITIONAL FEDERAL PAYMENTS DURING PUBLIC HEALTH EMERGENCY.—

“(i) IN GENERAL.—In the case of a State and fiscal year or portion of a fiscal year for which the Secretary has excluded expenditures under section 1903A(b)(6), if the State has uncompensated targeted health assistance expenditures for the year or portion of a year, the Secretary may make an additional payment to such State equal to the Federal average medical assistance percentage (as defined in section 1903A(a)(4)) for the year or portion of a year of the amount of such uncompensated targeted health assistance expenditures, except that the amount of such payment shall not exceed the amount determined for the State and year or portion of a year under clause (ii).

“(ii) MAXIMUM AMOUNT OF ADDITIONAL PAYMENT.—The amount determined for a State and fiscal year or portion of a fiscal year under this subparagraph shall not exceed the Federal average medical assistance percentage (as defined in section 1903A(a)(4)) for such year or portion of a year of the amount by which—

“(I) the amount of State expenditures for targeted health assistance for program enrollees in areas of the State which are subject to a declaration described in section 1903A(b)(6)(A)(i) for the year or portion of a year; exceeds

“(II) the amount of such expenditures for such enrollees in such areas during the most recent fiscal year involved (or portion of a fiscal year of equal length to the portion of a fiscal year involved) during which no such declaration was in effect.

“(iii) UNCOMPENSATED TARGETED HEALTH ASSISTANCE.—In this subparagraph, the term ‘uncompensated targeted health assistance expenditures’ means, with respect to a State and fiscal year or portion of a fiscal year, an amount equal to the amount (if any) by which—

“(I) the total amount expended by the State under the program for targeted health assistance for the year or portion of a year; exceeds

“(II) the amount equal to the amount of the block grant (reduced, in the case of a portion of a year, to the same proportion of the full block grant amount that the portion of the year bears to the whole year) divided by the Federal average medical assistance percentage for the year or portion of a year.

“(iv) REVIEW.—If the Secretary makes a payment to a State for a fiscal year or portion of a fiscal year, the Secretary shall, not later than 6 months after the declaration described in section 1903A(b)(6)(A)(i) ceases to be in effect, conduct an audit of the State’s targeted health assistance expenditures for program enrollees during the year or portion of a year to ensure that all of the expenditures for which the additional payment was made were made for the purpose of ensuring that the health care needs of program enrollees in areas affected by a public health emergency are met.

“(4) DETERMINATION AND PUBLICATION OF BLOCK GRANT AMOUNT.—Beginning in 2019 and each year thereafter, the Secretary shall determine for each State, regardless of whether the State is conducting a Medicaid Flexibility Program or has submitted an application to conduct such a program, the amount of the block grant for the State under paragraph (2) which would apply for the upcoming fiscal year if the State were to conduct such a program in such fiscal year, and shall publish such determinations not later than June 1 of each year.

“(d) PROGRAM REQUIREMENTS.—

“(1) IN GENERAL.—No payment shall be made under this section to a State conducting a Medicaid Flexibility Program unless such program meets the requirements of this subsection.

“(2) TERM OF PROGRAM.—

“(A) IN GENERAL.—A State Medicaid Flexibility Program approved under subsection (b)—

“(i) shall be conducted for not less than 1 program period;

“(ii) at the option of the State, may be continued for succeeding program periods without resubmitting an application under subsection (b), provided that—

“(I) the State provides notice to the Secretary of its decision to continue the program; and

“(II) no significant changes are made to the program; and

“(iii) shall be subject to termination only by the State, which may terminate the program by making an election under subparagraph (B).

“(B) ELECTION TO TERMINATE PROGRAM.—

“(i) IN GENERAL.—Subject to clause (ii), a State conducting a Medicaid Flexibility Program may elect to terminate the program effective with the first day after the end of the



program period in which the State makes the election.

“(ii) TRANSITION PLAN REQUIREMENT.—A State may not elect to terminate a Medicaid Flexibility Program unless the State has in place an appropriate transition plan approved by the Secretary.

“(iii) EFFECT OF TERMINATION.—If a State elects to terminate a Medicaid Flexibility Program, the per capita cap limitations under section 1903A shall apply effective with the day described in clause (i), and such limitations shall be applied as if the State had never conducted a Medicaid Flexibility Program.

“(3) PROVISION OF TARGETED HEALTH ASSISTANCE.—

“(A) IN GENERAL.—A State Medicaid Flexibility Program shall provide targeted health assistance to program enrollees and such assistance shall be instead of medical assistance which would otherwise be provided to the enrollees under this title.

“(B) CONDITIONS FOR ELIGIBILITY.—

“(i) IN GENERAL.—A State conducting a Medicaid Flexibility Program shall establish conditions for eligibility of program enrollees, which shall be instead of other conditions for eligibility under this title, except that the program must provide for eligibility for program enrollees to whom the State would otherwise be required to make medical assistance available under section 1902(a)(10)(A)(i).

“(ii) MAGI.—Any determination of income necessary to establish the eligibility of a program enrollee for purposes of a State Medicaid Flexibility Program shall be made using modified adjusted gross income in accordance with section 1902(e)(14).

“(4) BENEFITS AND SERVICES.—

“(A) REQUIRED SERVICES.—In the case of program enrollees to whom the State would otherwise be required to make medical assistance available under section 1902(a)(10)(A)(i), a State conducting a Medicaid Flexibility Program shall provide as targeted health assistance the following types of services:

“(i) Inpatient and outpatient hospital services.

“(ii) Laboratory and X-ray services.

“(iii) Nursing facility services for individuals aged 21 and older.

“(iv) Physician services.

“(v) Home health care services (including home nursing services, medical supplies, equipment, and appliances).

“(vi) Rural health clinic services (as defined in section 1905(1)(1)).

“(vii) Federally-qualified health center services (as defined in section 1905(1)(2)).

“(viii) Family planning services and supplies.

“(ix) Nurse midwife services.

“(x) Certified pediatric and family nurse practitioner services.

“(xi) Freestanding birth center services (as defined in section 1905(1)(3)).

“(xii) Emergency medical transportation.

“(xiii) Non-cosmetic dental services.

“(xiv) Pregnancy-related services, including postpartum services for the 12-week period beginning on the last day of a pregnancy.

“(B) OPTIONAL BENEFITS.—A State may, at its option, provide services in addition to the services described in subparagraph (A) as targeted health assistance under a Medicaid Flexibility Program.

“(C) BENEFIT PACKAGES.—

“(i) IN GENERAL.—The targeted health assistance provided by a State to any group of program enrollees under a Medicaid Flexibility Program shall have an aggregate actuarial value that is equal to at least 95 percent of the aggregate actuarial value of the benchmark coverage described in subsection

(b)(1) of section 1937 or benchmark-equivalent coverage described in subsection (b)(2) of such section, as such subsections were in effect prior to the enactment of the Patient Protection and Affordable Care Act.

“(ii) AMOUNT, DURATION, AND SCOPE OF BENEFITS.—Subject to clause (i), the State shall determine the amount, duration, and scope with respect to services provided as targeted health assistance under a Medicaid Flexibility Program, including with respect to services that are required to be provided to certain program enrollees under subparagraph (A) except as otherwise provided under such subparagraph.

“(iii) MENTAL HEALTH AND SUBSTANCE USE DISORDER COVERAGE AND PARITY.—The targeted health assistance provided by a State to program enrollees under a Medicaid Flexibility Program shall include mental health services and substance use disorder services and the financial requirements and treatment limitations applicable to such services under the program shall comply with the requirements of section 2726 of the Public Health Service Act in the same manner as such requirements apply to a group health plan.

“(iv) PRESCRIPTION DRUGS.—If the targeted health assistance provided by a State to program enrollees under a Medicaid Flexibility Program includes assistance for covered outpatient drugs, such drugs shall be subject to a rebate agreement that complies with the requirements of section 1927, and any requirements applicable to medical assistance for covered outpatient drugs under a State plan (including the requirement that the State provide information to a manufacturer) shall apply in the same manner to targeted health assistance for covered outpatient drugs under a Medicaid Flexibility Program.

“(D) COST SHARING.—A State conducting a Medicaid Flexibility Program may impose premiums, deductibles, cost-sharing, or other similar charges, except that the total annual aggregate amount of all such charges imposed with respect to all program enrollees in a family shall not exceed 5 percent of the family's income for the year involved.

“(5) ADMINISTRATION OF PROGRAM.—Each State conducting a Medicaid Flexibility Program shall do the following:

“(A) SINGLE AGENCY.—Designate a single State agency responsible for administering the program.

“(B) ENROLLMENT SIMPLIFICATION AND COORDINATION WITH STATE HEALTH INSURANCE EXCHANGES.—Provide for simplified enrollment processes (such as online enrollment and reenrollment and electronic verification) and coordination with State health insurance exchanges.

“(C) BENEFICIARY PROTECTIONS.—Establish a fair process (which the State shall describe in the application required under subsection (b)) for individuals to appeal adverse eligibility determinations with respect to the program.

“(6) APPLICATION OF REST OF TITLE XIX.—

“(A) IN GENERAL.—To the extent that a provision of this section is inconsistent with another provision of this title, the provision of this section shall apply.

“(B) APPLICATION OF SECTION 1903A.—With respect to a State that is conducting a Medicaid Flexibility Program, section 1903A shall be applied as if program enrollees were not 1903A enrollees for each program period during which the State conducts the program.

“(C) WAIVERS AND STATE PLAN AMENDMENTS.—

“(i) IN GENERAL.—In the case of a State conducting a Medicaid Flexibility Program that has in effect a waiver or State plan amendment, such waiver or amendment shall

not apply with respect to the program, targeted health assistance provided under the program, or program enrollees.

“(ii) REPLICATION OF WAIVER OR AMENDMENT.—In designing a Medicaid Flexibility Program, a State may mirror provisions of a waiver or State plan amendment described in clause (i) in the program to the extent that such provisions are otherwise consistent with the requirements of this section.

“(iii) EFFECT OF TERMINATION.—In the case of a State described in clause (i) that terminates its program under subsection (d)(2)(B), any waiver or amendment which was limited pursuant to subparagraph (A) shall cease to be so limited effective with the effective date of such termination.

“(D) NONAPPLICATION OF PROVISIONS.—With respect to the design and implementation of Medicaid Flexibility Programs conducted under this section, paragraphs (1), (10)(B), (17), and (23) of section 1902(a), as well as any other provision of this title (except for this section and as otherwise provided by this section) that the Secretary deems appropriate, shall not apply.

“(e) DEFINITIONS.—For purposes of this section:

“(1) APPLICABLE PROGRAM ENROLLEE CATEGORY.—The term ‘applicable program enrollee category’ means, with respect to a State Medicaid Flexibility Program for a program period, any of the following as specified by the State for the period in its application under subsection (b):

“(A) 2 ENROLLEE CATEGORIES.—Both of the 1903A enrollee categories described in subparagraphs (D) and (E) of section 1903A(e)(2).

“(B) EXPANSION ENROLLEES.—The 1903A enrollee category described in subparagraph (D) of section 1903A(e)(2).

“(C) NONELDERLY, NONDISABLED, NONEXPANSION ADULTS.—The 1903A enrollee category described in subparagraph (E) of section 1903A(e)(2).

“(2) MEDICAID FLEXIBILITY PROGRAM.—The term ‘Medicaid Flexibility Program’ means a State program for providing targeted health assistance to program enrollees funded by a block grant under this section.

“(3) PROGRAM ENROLLEE.—

“(A) IN GENERAL.—The term ‘program enrollee’ means, with respect to a State that is conducting a Medicaid Flexibility Program for a program period, an individual who is a 1903A enrollee (as defined in section 1903A(e)(1)) who is in the applicable program enrollee category specified by the State for the period.

“(B) RULE OF CONSTRUCTION.—For purposes of section 1903A(e)(3), eligibility and enrollment of an individual under a Medicaid Flexibility Program shall be deemed to be eligibility and enrollment under a State plan (or waiver of such plan) under this title.

“(4) PROGRAM PERIOD.—The term ‘program period’ means, with respect to a State Medicaid Flexibility Program, a period of 5 consecutive fiscal years that begins with either—

“(A) the first fiscal year in which the State conducts the program; or

“(B) the next fiscal year in which the State conducts such a program that begins after the end of a previous program period.

“(5) STATE.—The term ‘State’ means one of the 50 States or the District of Columbia.

“(6) TARGETED HEALTH ASSISTANCE.—The term ‘targeted health assistance’ means assistance for health-care-related items and medical services for program enrollees.”

#### SEC. 129. MEDICAID AND CHIP QUALITY PERFORMANCE BONUS PAYMENTS.

Section 1903 of the Social Security Act (42 U.S.C. 1396b), as previously amended, is further amended by adding at the end the following new subsection:

“(bb) QUALITY PERFORMANCE BONUS PAYMENTS.—

“(1) INCREASED FEDERAL SHARE.—With respect to each of fiscal years 2023 through 2026, in the case of one of the 50 States or the District of Columbia (each referred to in this subsection as a ‘State’) that—

“(A) equals or exceeds the qualifying amount (as established by the Secretary) of lower than expected aggregate medical assistance expenditures (as defined in paragraph (4)) for that fiscal year; and

“(B) submits to the Secretary, in accordance with such manner and format as specified by the Secretary and for the performance period (as defined by the Secretary) for such fiscal year—

“(i) information on the applicable quality measures identified under paragraph (3) with respect to each category of Medicaid eligible individuals under the State plan or a waiver of such plan; and

“(ii) a plan for spending a portion of additional funds resulting from application of this subsection on quality improvement within the State plan under this title or under a waiver of such plan,

the Federal matching percentage otherwise applied under subsection (a)(7) for such fiscal year shall be increased by such percentage (as determined by the Secretary) so that the aggregate amount of the resulting increase pursuant to this subsection for the State and fiscal year does not exceed the State allotment established under paragraph (2) for the State and fiscal year.

“(2) ALLOTMENT DETERMINATION.—The Secretary shall establish a formula for computing State allotments under this paragraph for each fiscal year described in paragraph (1) such that—

“(A) such an allotment to a State is determined based on the performance, including improvement, of such State under this title and title XXI with respect to the quality measures submitted under paragraph (3) by such State for the performance period (as defined by the Secretary) for such fiscal year; and

“(B) the total of the allotments under this paragraph for all States for the period of the fiscal years described in paragraph (1) is equal to \$3,000,000,000.

“(3) QUALITY MEASURES REQUIRED FOR BONUS PAYMENTS.—For purposes of this subsection, the Secretary shall, pursuant to rulemaking and after consultation with State agencies administering State plans under this title, identify and publish (and update as necessary) peer-reviewed quality measures (which shall include health care and long-term care outcome measures and may include the quality measures that are overseen or developed by the National Committee for Quality Assurance or the Agency for Healthcare Research and Quality or that are identified under section 1139A or 1139B) that are quantifiable, objective measures that take into account the clinically appropriate measures of quality for different types of patient populations receiving benefits or services under this title or title XXI.

“(4) LOWER THAN EXPECTED AGGREGATE MEDICAL ASSISTANCE EXPENDITURES.—In this subsection, the term ‘lower than expected aggregate medical assistance expenditures’ means, with respect to a State the amount (if any) by which—

“(A) the amount of the adjusted total medical assistance expenditures for the State and fiscal year determined in section 1903A(b)(1) without regard to the 1903A enrollee category described in section 1903A(e)(2)(E); is less than

“(B) the amount of the target total medical assistance expenditures for the State and fiscal year determined in section

1903A(c) without regard to the 1903A enrollee category described in section 1903A(e)(2)(E).”

**SEC. 130. OPTIONAL ASSISTANCE FOR CERTAIN INPATIENT PSYCHIATRIC SERVICES.**

(a) STATE OPTION.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (a)—

(A) in paragraph (16)—

(i) by striking “and, (B)” and inserting “(B)”; and

(ii) by inserting before the semicolon at the end the following: “, and (C) subject to subsection (h)(4), qualified inpatient psychiatric hospital services (as defined in subsection (h)(3)) for individuals who are over 21 years of age and under 65 years of age”; and

(B) in the subdivision (B) that follows paragraph (29), by inserting “(other than services described in subparagraph (C) of paragraph (16) for individuals described in such subparagraph)” after “patient in an institution for mental diseases”; and

(2) in subsection (h), by adding at the end the following new paragraphs:

“(3) For purposes of subsection (a)(16)(C), the term ‘qualified inpatient psychiatric hospital services’ means, with respect to individuals described in such subsection, services described in subparagraph (B) of paragraph (1) that are not otherwise covered under subsection (a)(16)(A) and are furnished—

“(A) in an institution (or distinct part thereof) which is a psychiatric hospital (as defined in section 1861(f)); and

“(B) with respect to such an individual, for a period not to exceed 30 consecutive days in any month and not to exceed 90 days in any calendar year.

“(4) As a condition for a State including qualified inpatient psychiatric hospital services as medical assistance under subsection (a)(16)(C), the State must (during the period in which it furnishes medical assistance under this title for services and individuals described in such subsection)—

“(A) maintain at least the number of licensed beds at psychiatric hospitals owned, operated, or contracted for by the State that were being maintained as of the date of the enactment of this paragraph or, if higher, as of the date the State applies to the Secretary to include medical assistance under such subsection; and

“(B) maintain on an annual basis a level of funding expended by the State (and political subdivisions thereof) other than under this title from non-Federal funds for inpatient services in an institution described in paragraph (3)(A), and for active psychiatric care and treatment provided on an outpatient basis, that is not less than the level of such funding for such services and care as of the date of the enactment of this paragraph or, if higher, as of the date the State applies to the Secretary to include medical assistance under such subsection.”

(b) SPECIAL MATCHING RATE.—Section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) is amended by adding at the end the following: “Notwithstanding the previous provisions of this subsection, the Federal medical assistance percentage shall be 50 percent with respect to medical assistance for services and individuals described in subsection (a)(16)(C).”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified inpatient psychiatric hospital services furnished on or after October 1, 2018.

**SEC. 131. ENHANCED FMAP FOR MEDICAL ASSISTANCE TO ELIGIBLE INDIANS.**

Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended, in the third sentence, by inserting “and with respect to

amounts expended by a State as medical assistance for services provided by any other provider under the State plan to an individual who is a member of an Indian tribe who is eligible for assistance under the State plan” before the period.

**SEC. 132. SMALL BUSINESS HEALTH PLANS.**

(a) TAX TREATMENT OF SMALL BUSINESS HEALTH PLANS.—A small business health plan (as defined in section 801(a) of the Employee Retirement Income Security Act of 1974) shall be treated—

(1) as a group health plan (as defined in section 2791 of the Public Health Service Act (42 U.S.C. 300gg–91)) for purposes of applying title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) and title XXII of such Act (42 U.S.C. 300bb–1);

(2) as a group health plan (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for purposes of applying sections 4980B and 5000 and chapter 100 of the Internal Revenue Code of 1986; and

(3) as a group health plan (as defined in section 733(a)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(a)(1))) for purposes of applying parts 6 and 7 of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1161 et seq.).

(b) RULES.—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021 et seq.) is amended by adding at the end the following new part:

**“PART 8—RULES GOVERNING SMALL BUSINESS RISK SHARING POOLS**

**“SEC. 801. SMALL BUSINESS HEALTH PLANS.**

“(a) IN GENERAL.—For purposes of this part, the term ‘small business health plan’ means a fully insured group health plan, offered by a health insurance issuer in the large group market, whose sponsor is described in subsection (b).

“(b) SPONSOR.—The sponsor of a group health plan is described in this subsection if such sponsor—

“(1) is a qualified sponsor and receives certification by the Secretary;

“(2) is organized and maintained in good faith, with a constitution or bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis;

“(3) is established as a permanent entity;

“(4) is established for a purpose other than providing health benefits to its members, such as an organization established as a bona fide trade association, franchise, or section 7705 organization; and

“(5) does not condition membership on the basis of a minimum group size.

**“SEC. 802. FILING FEE AND CERTIFICATION OF SMALL BUSINESS HEALTH PLANS.**

“(a) FILING FEE.—A small business health plan shall pay to the Secretary at the time of filing an application for certification under subsection (b) a filing fee in the amount of \$5,000, which shall be available to the Secretary for the sole purpose of administering the certification procedures applicable with respect to small business health plans.

“(b) CERTIFICATION.—

“(1) IN GENERAL.—Not later than 6 months after the date of enactment of this part, the Secretary shall prescribe by interim final rule a procedure under which the Secretary—

“(A) will certify a qualified sponsor of a small business health plan, upon receipt of an application that includes the information described in paragraph (2);

“(B) may provide for continued certification of small business health plans under this part;

“(C) shall provide for the revocation of a certification if the applicable authority finds that the small business health plan involved

fails to comply with the requirements of this part;

“(D) shall conduct oversight of certified plan sponsors, including periodic review, and consistent with section 504, applying the requirements of sections 518, 519, and 520; and

“(E) will consult with a State with respect to a small business health plan domiciled in such State regarding the Secretary’s authority under this part and other enforcement authority under sections 502 and 504.

“(2) INFORMATION TO BE INCLUDED IN APPLICATION FOR CERTIFICATION.—An application for certification under this part meets the requirements of this section only if it includes, in a manner and form which shall be prescribed by the applicable authority by regulation, at least the following information:

“(A) Identifying information.

“(B) States in which the plan intends to do business.

“(C) Bonding requirements.

“(D) Plan documents.

“(E) Agreements with service providers.

“(3) REQUIREMENTS FOR CERTIFIED PLAN SPONSORS.—Not later than 6 months after the date of enactment of this part, the Secretary shall prescribe by interim final rule requirements for certified plan sponsors that include requirements regarding—

“(A) structure and requirements for boards of trustees or plan administrators;

“(B) notification of material changes; and

“(C) notification for voluntary termination.

“(c) FILING NOTICE OF CERTIFICATION WITH STATES.—A certification granted under this part to a small business health plan shall not be effective unless written notice of such certification is filed by the plan sponsor with the applicable State authority of each State in which the small business health plan operates.

“(d) EXPEDITED AND DEEMED CERTIFICATION.—

“(1) IN GENERAL.—If the Secretary fails to act on a complete application for certification under this section within 90 days of receipt of such complete application, the applying small business health plan sponsor shall be deemed certified until such time as the Secretary may deny for cause the application for certification.

“(2) PENALTY.—The Secretary may assess a penalty against the board of trustees, plan administrator, and plan sponsor (jointly and severally) of a small business health plan sponsor that is deemed certified under paragraph (1) of up to \$500,000 in the event the Secretary determines that the application for certification of such small business health plan sponsor was willfully or with gross negligence incomplete or inaccurate.

**“SEC. 803. PARTICIPATION AND COVERAGE REQUIREMENTS.**

“(a) COVERED EMPLOYERS AND INDIVIDUALS.—The requirements of this subsection are met with respect to a small business health plan if, under the terms of the plan—

“(1) each participating employer must be—

“(A) a member of the sponsor;

“(B) the sponsor; or

“(C) an affiliated member of the sponsor, except that, in the case of a sponsor which is a professional association or other individual-based association, if at least one of the officers, directors, or employees of an employer, or at least one of the individuals who are partners in an employer and who actively participates in the business, is a member or such an affiliated member of the sponsor, participating employers may also include such employer; and

“(2) all individuals commencing coverage under the plan after certification under this part must be—

“(A) active or retired owners (including self-employed individuals with or without employees), officers, directors, or employees of, or partners in, participating employers; or

“(B) the dependents of individuals described in subparagraph (A).

“(b) PARTICIPATING EMPLOYERS.—In applying requirements relating to coverage renewal, a participating employer shall not be deemed to be a plan sponsor.

“(c) PROHIBITION OF DISCRIMINATION AGAINST EMPLOYERS AND EMPLOYEES ELIGIBLE TO PARTICIPATE.—The requirements of this subsection are met with respect to a small business health plan if—

“(1) under the terms of the plan, no participating employer may provide health insurance coverage in the individual market for any employee not covered under the plan, if such exclusion of the employee from coverage under the plan is based on a health status-related factor with respect to the employee and such employee would, but for such exclusion on such basis, be eligible for coverage under the plan; and

“(2) information regarding all coverage options available under the plan is made readily available to any employer eligible to participate.

**“SEC. 804. DEFINITIONS; RENEWAL.**

“For purposes of this part:

“(1) AFFILIATED MEMBER.—The term ‘affiliated member’ means, in connection with a sponsor—

“(A) a person who is otherwise eligible to be a member of the sponsor but who elects an affiliated status with the sponsor, or

“(B) in the case of a sponsor with members which consist of associations, a person who is a member or employee of any such association and elects an affiliated status with the sponsor.

“(2) APPLICABLE STATE AUTHORITY.—The term ‘applicable State authority’ means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of title XXVII of the Public Health Service Act for the State involved with respect to such issuer.

“(3) FRANCHISOR; FRANCHISEE.—The terms ‘franchisor’ and ‘franchisee’ have the meanings given such terms for purposes of sections 436.2(a) through 436.2(c) of title 16, Code of Federal Regulations (including any such amendments to such regulation after the date of enactment of this part) and, for purposes of this part, franchisor or franchisee employers participating in such a group health plan shall not be treated as the employer, co-employer, or joint employer of the employees of another participating franchisor or franchisee employer for any purpose.

“(4) HEALTH PLAN TERMS.—The terms ‘group health plan’, ‘health insurance coverage’, and ‘health insurance issuer’ have the meanings given such terms in section 733.

“(5) INDIVIDUAL MARKET.—

“(A) IN GENERAL.—The term ‘individual market’ means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

“(B) TREATMENT OF VERY SMALL GROUPS.—

“(i) IN GENERAL.—Subject to clause (ii), such term includes coverage offered in connection with a group health plan that has fewer than 2 participants as current employees or participants described in section 732(d)(3) on the first day of the plan year.

“(ii) STATE EXCEPTION.—Clause (i) shall not apply in the case of health insurance coverage offered in a State if such State regulates the coverage described in such clause in the same manner and to the same extent as

coverage in the small group market (as defined in section 2791(e)(5) of the Public Health Service Act) is regulated by such State.

“(6) PARTICIPATING EMPLOYER.—The term ‘participating employer’ means, in connection with a small business health plan, any employer, if any individual who is an employee of such employer, a partner in such employer, or a self-employed individual who is such employer with or without employees (or any dependent, as defined under the terms of the plan, of such individual) is or was covered under such plan in connection with the status of such individual as such an employee, partner, or self-employed individual in relation to the plan.

“(7) SECTION 7705 ORGANIZATION.—The term ‘section 7705 organization’ means an organization providing services for a customer pursuant to a contract meeting the conditions of subparagraphs (A), (B), (C), (D), and (E) (but not (F)) of section 7705(e)(2) of the Internal Revenue Code of 1986, including an entity that is part of a section 7705 organization control group. For purposes of this part, any reference to ‘member’ shall include a customer of a section 7705 organization except with respect to references to a ‘member’ or ‘members’ in paragraph (1).”.

(c) PREEMPTION RULES.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended by adding at the end the following:

“(f) The provisions of this title shall supersede any and all State laws insofar as they may now or hereafter preclude a health insurance issuer from offering health insurance coverage in connection with a small business health plan which is certified under part 8.”.

(d) PLAN SPONSOR.—Section 3(16)(B) of such Act (29 U.S.C. 102(16)(B)) is amended by adding at the end the following new sentence: “Such term also includes a person serving as the sponsor of a small business health plan under part 8.”.

(e) SAVINGS CLAUSE.—Section 731(c) of such Act is amended by inserting “or part 8” after “this part”.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the enactment of this Act. The Secretary of Labor shall first issue all regulations necessary to carry out the amendments made by this section within 6 months after the date of the enactment of this Act.

**TITLE II**

**SEC. 201. THE PREVENTION AND PUBLIC HEALTH FUND.**

Subsection (b) of section 4002 of the Patient Protection and Affordable Care Act (42 U.S.C. 300u-11) is amended—

(1) in paragraph (3), by striking “each of fiscal years 2018 and 2019” and inserting “fiscal year 2018”; and

(2) by striking paragraphs (4) through (8).

**SEC. 202. COMMUNITY HEALTH CENTER PROGRAM.**

Effective as if included in the enactment of the Medicare Access and CHIP Reauthorization Act of 2015 (Public Law 114-10, 129 Stat. 87), paragraph (1) of section 221(a) of such Act is amended by inserting “, and an additional \$422,000,000 for fiscal year 2017” after “2017”.

**SEC. 203. CHANGE IN PERMISSIBLE AGE VARIATION IN HEALTH INSURANCE PREMIUM RATES.**

Section 2701(a)(1)(A)(iii) of the Public Health Service Act (42 U.S.C. 300gg(a)(1)(A)(iii)) is amended by inserting after “(consistent with section 2707(c))” the following: “or, for plan years beginning on or after January 1, 2019, 5 to 1 for adults (consistent with section 2707(c)) or such other

ratio for adults (consistent with section 2707(c)) as the State may determine”.

**SEC. 204. WAIVERS FOR STATE INNOVATION.**

(a) IN GENERAL.—Section 1332 of the Patient Protection and Affordable Care Act (42 U.S.C. 18052) is amended—

- (1) in subsection (a)—
- (A) in paragraph (1)—
- (i) in subparagraph (B)—
- (I) by amending clause (i) to read as follows:

“(i) a description of how the State plan meeting the requirements of a waiver under this section would, with respect to health insurance coverage within the State—

“(I) take the place of the requirements described in paragraph (2) that are waived; and

“(II) provide for alternative means of, and requirements for, increasing access to comprehensive coverage, reducing average premiums, providing consumers the freedom to purchase the health insurance of their choice, and increasing enrollment in private health insurance; and”; and

(II) in clause (ii), by striking “that is budget neutral for the Federal Government” and inserting “, demonstrating that the State plan does not increase the Federal deficit”; and

(ii) in subparagraph (C), by striking “the law” and inserting “a law or has in effect a certification”;

(B) in paragraph (3)—

(i) in the first sentence, by inserting “or would qualify for a reduction in” after “would not qualify for”;

(ii) by adding after the second sentence the following: “A State may request that all of, or any portion of, such aggregate amount of such credits or reductions be paid to the State as described in the first sentence.”;

(iii) in the paragraph heading, by striking “PASS THROUGH OF FUNDING” and inserting “FUNDING”;

(iv) by striking “With respect” and inserting the following:

“(A) PASS THROUGH OF FUNDING.—With respect”; and

(v) by adding at the end the following:

“(B) ADDITIONAL FUNDING.—There is authorized to be appropriated, and is appropriated, to the Secretary of Health and Human Services, out of monies in the Treasury not otherwise obligated, \$2,000,000,000 for fiscal year 2017, to remain available until the end of fiscal year 2019, to provide grants to States for purposes of submitting an application for a waiver granted under this section and implementing the State plan under such waiver.

“(C) AUTHORITY TO USE MARKET-BASED HEALTH CARE GRANT ALLOTMENT.—If the State has an application for an allotment under section 2105(i) of the Social Security Act for the plan year, the State may use the funds available under the State’s allotment for the plan year to carry out the State plan under this section, so long as such use is consistent with the requirements of paragraphs (1) and (7) of section 2105(i) of such Act (other than paragraph (1)(B) of such section). Any funds used to carry out a State plan under this subparagraph shall not be considered in determining whether the State plan increases the Federal deficit.”; and

(C) in paragraph (4), by adding at the end the following:

“(D) EXPEDITED PROCESS.—The Secretary shall establish an expedited application and approval process that may be used if the Secretary determines that such expedited process is necessary to respond to an urgent or emergency situation with respect to health insurance coverage within a State.”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A)—

(I) by striking “may” and inserting “shall”; and

(II) by striking “only if” and inserting “unless”; and

(ii) by striking “plan—” and all that follows through the period at the end of subparagraph (D) and inserting “application is missing a required element under subsection (a)(1) or that the State plan will increase the Federal deficit, not taking into account any amounts received through a grant under subsection (a)(3)(B).”;

(B) in paragraph (2)—

(i) in the paragraph heading, by inserting “OR CERTIFY” after “LAW”;

(ii) in subparagraph (A), by inserting before the period “, and a certification described in this paragraph is a document, signed by the Governor, and the State insurance commissioner, of the State, that provides authority for State actions under a waiver under this section, including the implementation of the State plan under subsection (a)(1)(B).”;

(iii) in subparagraph (B)—

(I) in the subparagraph heading, by striking “OF OPT OUT”; and

(II) by striking “ may repeal a law” and all that follows through the period at the end and inserting the following: “may terminate the authority provided under the waiver with respect to the State by—

“(i) repealing a law described in subparagraph (A); or

“(ii) terminating a certification described in subparagraph (A), through a certification for such termination signed by the Governor, and the State insurance commissioner, of the State.”;

(3) in subsection (d)(2)(B), by striking “and the reasons therefore” and inserting “and the reasons therefore, and provide the data on which such determination was made”; and

(4) in subsection (e), by striking “No waiver” and all that follows through the period at the end and inserting the following: “A waiver under this section—

“(1) shall be in effect for a period of 8 years unless the State requests a shorter duration;

“(2) may be renewed for unlimited additional 8-year periods upon application by the State; and

“(3) may not be cancelled by the Secretary before the expiration of the 8-year period (including any renewal period under paragraph (2)).”.

(b) APPLICABILITY.—Section 1332 of the Patient Protection and Affordable Care Act (42 U.S.C. 18052) shall apply as follows:

(1) In the case of a State for which a waiver under such section was granted prior to the date of enactment of this Act, such section 1332, as in effect on the day before the date of enactment of this Act shall apply to the waiver and State plan.

(2) In the case of a State that submitted an application for a waiver under such section prior to the date of enactment of this Act, and which application the Secretary of Health and Human Services has not approved prior to such date, the State may elect to have such section 1332, as in effect on the day before the date of enactment of this Act, or such section 1332, as amended by subsection (a), apply to such application and State plan.

(3) In the case of a State that submits an application for a waiver under such section on or after the date of enactment of this Act, such section 1332, as amended by subsection (a), shall apply to such application and State plan.

**SEC. 205. ALLOWING ALL INDIVIDUALS PURCHASING HEALTH INSURANCE IN THE INDIVIDUAL MARKET THE OPTION TO PURCHASE A LOWER PREMIUM CATASTROPHIC PLAN.**

(a) IN GENERAL.—Section 1302(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(e)) is amended by adding at the end the following:

“(4) CONSUMER FREEDOM.—For plan years beginning on or after January 1, 2019, paragraph (1)(A) shall not apply with respect to any plan offered in the State.”.

(b) RISK POOLS.—Section 1312(c) of the Patient Protection and Affordable Care Act (42 U.S.C. 18032(c)) is amended—

(1) in paragraph (1), by inserting “and including, with respect to plan years beginning on or after January 1, 2019, enrollees in catastrophic plans described in section 1302(e)” after “Exchange”; and

(2) in paragraph (2), by inserting “and including, with respect to plan years beginning on or after January 1, 2019, enrollees in catastrophic plans described in section 1302(e)” after “Exchange”.

**SEC. 206. APPLICATION OF ENFORCEMENT PENALTIES.**

(a) IN GENERAL.—Section 2723 of the Public Health Service Act (42 U.S.C. 300gg–22) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting “and of section 1303 of the Patient Protection and Affordable Care Act” after “this part”; and

(B) in paragraph (2), by inserting “or in such section 1303” after “this part”; and

(2) in subsection (b)—

(A) in paragraphs (1) and (2)(A), by inserting “or section 1303 of the Patient Protection and Affordable Care Act” after “this part” each place such term appears;

(B) in paragraph (2)(C)(ii), by inserting “and section 1303 of the Patient Protection and Affordable Care Act” after “this part”.

(b) EFFECT OF WAIVER.—A State waiver pursuant to section 1332 of the Patient Protection and Affordable Care Act (42 U.S.C. 18052) shall not affect the authority of the Secretary to impose penalties under section 2723 of the Public Health Service Act (42 U.S.C. 300gg–22).

**SEC. 207. FUNDING FOR COST-SHARING PAYMENTS.**

There is appropriated to the Secretary of Health and Human Services, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for payments for cost-sharing reductions authorized by the Patient Protection and Affordable Care Act (including adjustments to any prior obligations for such payments) for the period beginning on the date of enactment of this Act and ending on December 31, 2019. Notwithstanding any other provision of this Act, payments and other actions for adjustments to any obligations incurred for plan years 2018 and 2019 may be made through December 31, 2020.

**SEC. 208. REPEAL OF COST-SHARING SUBSIDY PROGRAM.**

(a) IN GENERAL.—Section 1402 of the Patient Protection and Affordable Care Act is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to cost-sharing reductions (and payments to issuers for such reductions) for plan years beginning after December 31, 2019.

**PRIVILEGES OF THE FLOOR**

Mr. SCHUMER. Mr. President, I ask unanimous consent that Bruce King, Charlie Ellsworth, Veronica Duron, and Matthew Fuentes of my staff be given all-access passes to the floor during the consideration of H.R. 1628.