

**AMENDMENT TO RULES COMMITTEE PRINT 112-**

**18**

**OFFERED BY MR. BROUN OF GEORGIA**

**[H.R. 5]**

Strike page 1, line 4, and all that follows through page 24, line 2, and insert the following:

1           **TITLE I—STATE HEALTH**  
2           **FLEXIBILITY; REPEAL OF SGR**  
3           **Subtitle A—State Health Flexibility**

4           **SEC. 101. SHORT TITLE.**

5           This subtitle may be cited as the “State Health Flexi-  
6           bility Act of 2012”.

7           **SEC. 102. HEALTH GRANTS TO THE STATES FOR HEALTH**  
8                           **CARE SERVICES TO INDIGENT INDIVIDUALS.**

9           (a) HEALTH CARE BLOCK GRANT TO STATES.—The  
10          Social Security Act is amended by adding at the end the  
11          following new title:

1 **“TITLE XXII—BLOCK GRANTS TO**  
2 **STATES FOR HEALTH CARE**  
3 **SERVICES TO INDIGENT INDI-**  
4 **VIDUALS**

5 **“SEC. 2201. PURPOSE.**

6 “The purpose of this title is to provide Federal finan-  
7 cial assistance to the States, in the form of a single grant,  
8 to allow the States maximum flexibility in providing, and  
9 financing the provision of, health-care-related items and  
10 services to indigent individuals.

11 **“SEC. 2202. GRANTS TO STATES.**

12 “(a) IN GENERAL.—Subject to the requirements of  
13 this title, each State is entitled to receive from the Sec-  
14 retary of the Treasury a grant for each quarter of fiscal  
15 years 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020,  
16 2021, and 2022, in an amount that is equal to 25 percent  
17 of the total amount received by a State under title XIX  
18 and title XXI for fiscal year 2012.

19 “(b) APPROPRIATION.—Out of any money in the  
20 Treasury of the United States not otherwise appropriated,  
21 there are appropriated for fiscal years 2013, 2014, 2015,  
22 2016, 2017, 2018, 2019, 2020, 2021 and 2022 such sums  
23 as are necessary for grants under this section.

24 “(c) REQUIREMENTS RELATING TO INTERGOVERN-  
25 MENTAL FINANCING.—The Secretary of the Treasury

1 shall make the transfer of funds under grants under sub-  
2 section (a) directly to each State in accordance with the  
3 requirements of section 6503 of title 31, United States  
4 Code.

5 “(d) EXPENDITURE OF FUNDS.—

6 “(1) IN GENERAL.—Except as provided in para-  
7 graph (2), amounts received by a State under this  
8 title for any fiscal year shall be expended by the  
9 State in such fiscal year or in the succeeding fiscal  
10 year.

11 “(2) USE OF RAINY DAY FUND PERMITTED.—

12 Of the amounts received by a State under this title,  
13 the State may set aside, in a separate account, such  
14 amounts as the State deems necessary to provide,  
15 without fiscal limitation, health-care-related items  
16 and services for indigent individuals during—

17 “(A) periods of unexpectedly high rates of  
18 unemployment; or

19 “(B) periods related to circumstances that  
20 are not described in subparagraph (A) and that  
21 cause unexpected increases in the need for such  
22 items and services for such individuals.

23 “(3) FUNDS REMAINING AFTER FISCAL YEAR  
24 2022.—If, after 2022, a State has funds in the ac-  
25 count under paragraph (2), the State may only ex-

1       pend such funds if such funds are used in a manner  
2       that is permitted under subsection (e), as such sub-  
3       section is in effect on September 30, 2022.

4       “(e) USE OF FUNDS.—A State may only use the  
5       amounts received under subsection (a) as follows:

6               “(1) GENERAL PURPOSE.—For the purpose  
7       under section 2201, including the provision of  
8       health-care-related items and services as required  
9       under section 2205. Nothing in this title shall be  
10       construed as limiting the flexibility of a State to de-  
11       termine which providers of such items and services  
12       qualify to receive payment from a grant made to the  
13       State under this title.

14               “(2) FUNDING FOR RISK ADJUSTMENT MECHA-  
15       NISMS.—To fund qualified high risk pools, reinsur-  
16       ance pools, or other risk-adjustment mechanisms  
17       used for the purpose of subsidizing the purchase of  
18       private health insurance for the high-risk population.

19               “(3) AUTHORITY TO USE PORTION OF FEDERAL  
20       ASSISTANCE FOR OTHER WELFARE-RELATED PRO-  
21       GRAMS.—

22               “(A) IN GENERAL.—Subject to the limit  
23       under subparagraph (B), to carry out a State  
24       program pursuant to any or all of the following  
25       provisions of law:

1 “(i) Part A of title IV of this Act.

2 “(ii) Section 1616 of this Act.

3 “(iii) The Food and Nutrition Act of  
4 2008.

5 “(B) LIMITATION.—A State may not use  
6 more than 30 percent of the amount received  
7 under subsection (a) for a fiscal year to carry  
8 out a State program, or programs, under sub-  
9 paragraph (A).

10 “(C) REQUIREMENTS ON FUNDS.—Any  
11 amounts that are used under subparagraph  
12 (A)—

13 “(i) shall not be subject to any of the  
14 requirements of subsection (d), subsection  
15 (f), section 2204, or section 2205; and

16 “(ii) shall be subject to—

17 “(I) the audit requirements  
18 under section 2203; and

19 “(II) any requirements that  
20 apply to Federal funds provided di-  
21 rectly for such State program.

22 “(f) MAINTENANCE OF CURRENT LAW RESTRIC-  
23 TIONS ON USE OF FEDERAL FUNDS.—

24 “(1) IN GENERAL.—

1           “(A) NO FUNDING FOR ABORTIONS.—  
2           None of the funds appropriated in this title  
3           shall be expended for any abortion.

4           “(B) NO FUNDS FOR COVERAGE OF ABOR-  
5           TION.—None of the funds appropriated in this  
6           title shall be expended for health benefits cov-  
7           erage that includes coverage of abortion.

8           “(C) HEALTH BENEFITS COVERAGE DE-  
9           FINED.—For purposes of this subsection, the  
10          term ‘health benefits coverage’ means the pack-  
11          age of services covered by a managed care pro-  
12          vider or organization pursuant to a contract or  
13          other arrangement.

14          “(2) EXCEPTIONS.—The limitations established  
15          in paragraph (1) shall not apply to an abortion—

16                 “(A) if the pregnancy is the result of an  
17                 act of rape or incest; or

18                 “(B) in the case where a woman suffers  
19                 from a physical disorder, physical injury, or  
20                 physical illness that would, as certified by a  
21                 physician, place the woman in danger of death  
22                 unless an abortion is performed, including a  
23                 life-endangering physical condition caused by or  
24                 arising from the pregnancy itself.

1           “(3) STATE FUNDS USED IN CONJUNCTION  
2           WITH FEDERAL FUNDS.—The limitations established  
3           in paragraph (1) shall apply to any State funds used  
4           in conjunction with Federal funds appropriated  
5           under this title to provide, or finance the provision  
6           of, health-care-related items and services to indigent  
7           individuals pursuant to section 2201 or subsections  
8           (d)(2), (e)(1), or (e)(2) of section 2202.

9           “(4) OPTION TO PURCHASE SEPARATE COV-  
10          ERAGE OR PLAN.—Nothing in this subsection shall  
11          be construed as prohibiting a State from purchasing  
12          separate coverage for abortions for which funding is  
13          prohibited under this subsection, or a health plan  
14          that includes such abortions, so long as such cov-  
15          erage or plan is paid for entirely using funds not  
16          provided by this title.

17          “(5) OPTION TO OFFER COVERAGE OR PLAN.—  
18          Nothing in this subsection shall restrict any health  
19          insurance issuer from offering separate coverage for  
20          abortions for which funding is prohibited under this  
21          subsection, or a health plan that includes such abor-  
22          tions, so long as—

23                  “(A) premiums for such separate coverage  
24                  or plan are paid entirely with funds not pro-  
25                  vided by this title; and

1           “(B) administrative costs and all services  
2 offered through such separate coverage or plan  
3 are paid for using only premiums collected for  
4 such coverage or plan.

5           “(6) CONSCIENCE PROTECTIONS.—

6           “(A) None of the funds appropriated in  
7 this Act may be made available to a Federal  
8 agency or program, or to a State or local gov-  
9 ernment, if such agency, program, or govern-  
10 ment subjects any institutional or individual  
11 health care entity to discrimination on the basis  
12 that the health care entity does not provide, pay  
13 for, provide coverage of, or refer for abortions.

14           “(B) In this paragraph, the term ‘health  
15 care entity’ includes an individual physician or  
16 other health care professional, a hospital, a pro-  
17 vider-sponsored organization, a health mainte-  
18 nance organization, a health insurance plan, or  
19 any other kind of health care facility, organiza-  
20 tion, or plan.

21           “(g) NO FUNDING FOR ILLEGAL ALIENS.—Except as  
22 provided under this section and section 2205, no funds  
23 appropriated in this title may be used to provide health-  
24 care-related items and services to an alien who is not law-



1 fully admitted for permanent residence or otherwise per-  
2 manently residing in the United States under color of law.

3 “(h) NONENTITLEMENT.—Nothing in this title shall  
4 be construed as providing an individual with an entitle-  
5 ment to health-care-related items and services under this  
6 title.

7 **“SEC. 2203. ADMINISTRATIVE AND FISCAL ACCOUNT-**  
8 **ABILITY.**

9 “(a) AUDITS.—

10 “(1) CONTRACT WITH APPROVED AUDITING EN-  
11 TITY.—Not later than October 1, 2013, and annu-  
12 ally thereafter, a State shall contract with an ap-  
13 proved auditing entity (as defined under paragraph  
14 (3)(B)) for purposes of conducting an audit under  
15 paragraph (2) (with respect to the fiscal year ending  
16 September 30 of such year).

17 “(2) AUDIT REQUIREMENT.—Under a contract  
18 under paragraph (1), an approved auditing entity  
19 shall conduct an audit of the expenditures or trans-  
20 fers made by a State from amounts received under  
21 a grant under this title, or from State funds de-  
22 scribed in section 2202(f)(3), with respect to the fis-  
23 cal year which such audit covers, to determine the  
24 extent to which such expenditures and transfers  
25 were expended in accordance with this title.

1           “(3) ENTITY CONDUCTING AUDIT.—

2                   “(A) IN GENERAL.—With respect to a  
3 State, the audit under paragraph (2) shall be  
4 conducted by an approved auditing entity in ac-  
5 cordance with generally accepted auditing prin-  
6 ciples.

7                   “(B) APPROVED AUDITING ENTITY.—For  
8 purposes of this section, the term ‘approved au-  
9 diting entity’ means, with respect to a State, an  
10 entity that is—

11                           “(i) approved by the Secretary of the  
12 Treasury;

13                           “(ii) approved by the chief executive  
14 officer of the State; and

15                           “(iii) independent of any Federal,  
16 State, or local agency.

17           “(4) SUBMISSION OF AUDIT.—Not later than  
18 December 31, 2013, and annually thereafter, a State  
19 shall submit the results of the audit under para-  
20 graph (2) (with respect to the fiscal year ending on  
21 September 30 of such year) to the State legislature  
22 and to the Secretary of the Treasury.

23           “(5) ADDITIONAL ACCOUNTING REQUIRE-  
24 MENTS.—The provisions of chapter 75 of title 31,

1 United States Code, shall apply to the audit require-  
2 ments of this section.

3 “(b) REIMBURSEMENT AND PENALTY.—

4 “(1) IN GENERAL.—If, through an audit con-  
5 ducted under subsection (a), an approved auditing  
6 entity finds that any amounts paid to a State under  
7 a grant under this title were not expended in accord-  
8 ance with this title—

9 “(A) the State shall pay to the Treasury of  
10 the United States any such amount, plus 10  
11 percent of such amount as a penalty; or

12 “(B) the Secretary of the Treasury shall  
13 offset such amount plus the 10 percent penalty  
14 against any other amount in any other fiscal  
15 year that the State may be entitled to receive  
16 under a grant under this title.

17 “(2) MISUSE OF STATE FUNDS.—If, through an  
18 audit conducted under subsection (a), an approved  
19 auditing entity finds that a State violated the re-  
20 quirements of section 2202(f)(3), the State shall pay  
21 to the Treasury of the United States 100 percent of  
22 the amount of State funds that were used in viola-  
23 tion of section 2202(f)(3) as a penalty. Insofar as a  
24 State fails to pay any such penalty, the Secretary of  
25 the Treasury shall offset the amount not so paid

1       against the amount of any grant otherwise payable  
2       to the State under this title.

3       “(c) ANNUAL REPORTING REQUIREMENTS.—

4             “(1) IN GENERAL.—Not later than January 31,  
5       2014, and annually thereafter, each State shall sub-  
6       mit to the Secretary of the Treasury and the State  
7       legislature a report on the activities carried out by  
8       the State during the most recently completed fiscal  
9       year with funds received by the State under a grant  
10      under this title for such fiscal year.

11            “(2) CONTENT.—A report under paragraph (1)  
12      shall, with respect to a fiscal year—

13               “(A) contain the results of the audit con-  
14              ducted by an approved auditing entity for a  
15              State for such fiscal year, in accordance with  
16              the requirements of subsection (a) of this sec-  
17              tion;

18               “(B) specify the amount of the grant made  
19              to the State under this title that is used to  
20              carry out a program under section 2202(e)(3);  
21              and

22               “(C) be in such form and contain such  
23              other information as the State determines is  
24              necessary to provide—

1           “(i) an accurate description of the ac-  
2           tivities conducted by the State for the pur-  
3           pose described under section 2201 and any  
4           other use of funds permitted under sub-  
5           sections (d) and (e) of section 2202; and

6           “(ii) a complete record of the pur-  
7           poses for which amounts were expended in  
8           accordance with this title.

9           “(3) CONFORMITY WITH ACCOUNTING PRIN-  
10          CIPALS.—Any financial information in the report  
11          under paragraph (1) shall be prepared and reported  
12          in accordance with generally accepted accounting  
13          principles, including the provisions of chapter 75 of  
14          title 31, United States Code.

15          “(4) PUBLIC AVAILABILITY.—A State shall  
16          make copies of the reports required under this sec-  
17          tion available on a public Web site and shall make  
18          copies available in other formats upon request.

19          “(d) FAILURE TO COMPLY WITH REQUIREMENTS.—  
20          The Secretary of the Treasury shall not make any pay-  
21          ment to a State under a grant authorized by section  
22          2202(a)—

23                 “(1) if an audit for a State is not submitted as  
24                 required under subsection (a), during the period be-

1       tween the date such audit is due and the date on  
2       which such audit is submitted;

3             “(2) if a State fails to submit a report as re-  
4       quired under subsection (c), during the period be-  
5       tween the date such report is due and the date on  
6       which such report is submitted; or

7             “(3) if a State violates a requirement of section  
8       2202(f), during the period beginning on the date the  
9       Secretary becomes aware of such violation and the  
10      date on which such violation is corrected by the  
11      State.

12      “(e) ADMINISTRATIVE SUPERVISION AND OVER-  
13      SIGHT.—

14             “(1) LIMITED ROLE FOR SECRETARY OF TREAS-  
15      URY AND THE ATTORNEY GENERAL.—

16             “(A) TREASURY.—The authority of the  
17      Secretary of the Treasury under this title is  
18      limited to—

19             “(i) promulgating regulations, issuing  
20      rules, or publishing guidance documents to  
21      the extent necessary for purposes of imple-  
22      menting subsection (a)(3)(B), subsection  
23      (b), and subsection (d);

1           “(ii) making quarterly payments to  
2           the States under grants under this title in  
3           accordance with section 2202(a);

4           “(iii) approving entities under sub-  
5           section (a)(3)(B) for purposes of the audits  
6           required under subsection (a);

7           “(iv) withholding payment to a State  
8           of a grant under subsection (d) or offset-  
9           ting a payment of such a grant to a State  
10          under subsection (b); and

11          “(v) exercising the authority relating  
12          to nondiscrimination that is specified in  
13          section 2204(b).

14          “(B) ATTORNEY GENERAL.—The authority  
15          of the Attorney General to supervise the  
16          amounts received by a State under this title is  
17          limited to the authority under section 2204(c).

18          “(2) FEDERAL SUPERVISION.—

19                 “(A) IN GENERAL.—Except as provided  
20                 under paragraph (1), an administrative officer,  
21                 employee, department, or agency of the United  
22                 States (including the Secretary of Health and  
23                 Human Services) may not—

24                 “(i) supervise—

1                   “(I) the amounts received by the  
2                   States under this title; or

3                   “(II) the use of such amounts by  
4                   the States; or

5                   “(ii) promulgate regulations or issue  
6                   rules in accordance with this title.

7                   “(B) LIMITATION ON SECRETARY OF  
8                   HEALTH AND HUMAN SERVICES.—The Sec-  
9                   retary of Health and Human Services shall  
10                  have no authority over any provision of this  
11                  title.

12                  “(f) RESERVATION OF STATE POWERS.—Nothing in  
13                  this section shall be construed to limit the power of a  
14                  State, including the power of a State to pursue civil and  
15                  criminal penalties under State law against any individual  
16                  or entity that misuses, or engages in fraud or abuse re-  
17                  lated to, the funds provided to a State under this title.

18                  **“SEC. 2204. NONDISCRIMINATION PROVISIONS.**

19                  “(a) NO DISCRIMINATION AGAINST INDIVIDUALS.—  
20                  No individual shall be excluded from participation in, de-  
21                  nied the benefits of, or subjected to discrimination under,  
22                  any program or activity funded in whole or in part with  
23                  amounts paid to a State under this title on the basis of  
24                  such individual’s—



1           “(1) disability under section 504 of the Reha-  
2           bilitation Act of 1973 (29 U.S.C. 794);

3           “(2) sex under title IX of the Education  
4           Amendments of 1972 (20 U.S.C. 1681 et seq.); or

5           “(3) race, color, or national origin under title  
6           VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d  
7           et seq.).

8           “(b) COMPLIANCE.—

9           “(1) If the Secretary of the Treasury deter-  
10          mines that a State or an entity that has received  
11          funds from amounts paid to a State under a grant  
12          under this title has failed to comply with a provision  
13          of law referred to in subsection (a), the Secretary of  
14          the Treasury shall notify the chief executive officer  
15          of the State of such failure to comply and shall re-  
16          quest that such chief executive officer secure such  
17          compliance.

18          “(2) If, not later than 60 days after receiving  
19          notification under paragraph (1), the chief executive  
20          officer of a State fails or refuses to secure compli-  
21          ance with the provision of law referred to in such  
22          notification, the Secretary of the Treasury may—

23                 “(A) refer the matter to the Attorney Gen-  
24                 eral with a recommendation that an appropriate  
25                 civil action be instituted; or

1           “(B) exercise the powers and functions  
2           provided under section 505 of the Rehabilita-  
3           tion Act of 1973 (29 U.S.C. 794a), title IX of  
4           the Education Amendments of 1972 (20 U.S.C.  
5           1681 et seq.), or title VI of the Civil Rights Act  
6           of 1964 (42 U.S.C. 2000d et seq.) (as applica-  
7           ble).

8           “(c) CIVIL ACTIONS.—If a matter is referred to the  
9           Attorney General under subsection (b)(2)(A), or the At-  
10          torney General has reason to believe that a State or entity  
11          has failed to comply with a provision of law referred to  
12          in subsection (a), the Attorney General may bring a civil  
13          action in an appropriate district court of the United States  
14          for such relief as may be appropriate, including injunctive  
15          relief.

16          **“SEC. 2205. EMERGENCY ASSISTANCE.**

17          “(a) IN GENERAL.—A State that receives a grant  
18          under this title for a fiscal year shall provide payment for  
19          health-care-related items and services provided to a cit-  
20          izen, legal resident, or an alien who is not lawfully admit-  
21          ted for permanent residence or otherwise permanently re-  
22          siding in the United States under color of law, consistent  
23          with the requirements of section 1867, if—

24                  “(1) such health-care-related items and services  
25                  are—

1           “(A) necessary for the treatment of an  
2           emergency medical condition; and

3           “(B) health-care-related items and services  
4           that such State would provide payment for  
5           under this title, if provided to an indigent indi-  
6           vidual;

7           “(2) the individual meets all necessary eligi-  
8           bility requirements for health-care-related items and  
9           services under the State program funded under this  
10          title, except for any requirement related to immigra-  
11          tion status; and

12          “(3) such items and services are not related to  
13          an organ transplant procedure.

14          “(b) EMERGENCY MEDICAL CONDITION.—For pur-  
15          poses of this section, the term ‘emergency medical condi-  
16          tion’ means a medical condition (including emergency  
17          labor and delivery) manifesting itself by acute symptoms  
18          of sufficient severity (including severe pain) such that the  
19          absence of immediate medical attention could reasonably  
20          be expected to result in—

21                 “(1) placing the patient’s health in serious jeop-  
22                 ardy;

23                 “(2) serious impairment to bodily functions; or

24                 “(3) serious dysfunction of any bodily organ or  
25                 part.

1 **“SEC. 2206. DEFINITIONS.**

2 “For purposes of this title:

3 “(1) HEALTH-CARE-RELATED ITEMS AND SERV-  
4 ICES.—The term ‘health-care-related items and serv-  
5 ices’ shall be defined by a State with respect to use  
6 of such term for purposes of the application of this  
7 title to the State.

8 “(2) HIGH-RISK POPULATION.—The term ‘high-  
9 risk population’ means individuals who are described  
10 in one of the following subparagraphs:

11 “(A) Individuals who, by reason of the ex-  
12 istence or history of a medical condition, are  
13 able to acquire health coverage only at rates  
14 which are at least 150 percent of the standard  
15 risk rates for such coverage.

16 “(B) Individuals who are provided health  
17 coverage by a qualified high risk pool.

18 “(3) INDIGENT INDIVIDUAL.—The term ‘indi-  
19 gent individual’ shall be defined by a State with re-  
20 spect to use of such term for purposes of the appli-  
21 cation of this title to the State.

22 “(4) QUALIFIED HIGH RISK POOL.—The term  
23 ‘qualified high risk pool’ has the meaning given such  
24 term in section 2745(g)(1)(A) of the Public Health  
25 Service Act.

1           “(5) RISK-ADJUSTMENT MECHANISM DE-  
2           FINED.—For purposes of this section, the term  
3           ‘risk-adjustment mechanism’ means any risk-spread-  
4           ing mechanism to subsidize the purchase of private  
5           health insurance for the high-risk population, includ-  
6           ing a qualified high risk pool.”.

7           (b) REPORT ON REDUCTION OF FEDERAL ADMINIS-  
8           TRATIVE EXPENDITURES.—Beginning not later than Oc-  
9           tober 31, 2013, and annually thereafter until October 31,  
10          2022, the Secretary of Health and Human Services, in  
11          consultation with the Secretary of the Treasury, shall sub-  
12          mit a report to the Committee on Energy and Commerce  
13          in the House of Representatives and the Finance Com-  
14          mittee in the Senate containing a description of the total  
15          reduction in Federal expenditures required to administer  
16          and provide oversight for the programs to provide health-  
17          care-related items and services to indigent individuals  
18          under this Act, compared to the expenditures required to  
19          administer and provide oversight for the programs under  
20          titles XIX and XXI of the Social Security Act, as in effect  
21          on September 30, 2012.

22          (c) STATE DEFINED.—Section 1101(a)(1) of the So-  
23          cial Security Act (42 U.S.C. 1301(a)(1)) is amended—

24                  (1) in the first sentence, by striking “and XXI”  
25                  and inserting “XXI, and XXII”; and

1           (2) in the fourth sentence, by striking “and  
2           XXI” and inserting “, XXI, and XXII”.

3   **SEC. 103. REPEAL OF PPACA, HCERA, AND THE FEDERAL**  
4                           **REQUIREMENTS OF MEDICAID AND CHIP.**

5           (a) PPACA.—The Patient Protection and Affordable  
6   Care Act (Public Law 111–148) is repealed, and the provi-  
7   sions of law amended or repealed by such Act are restored  
8   or revived as if such Act had not been enacted.

9           (b) HCERA.—Title I and subtitle B of title II of the  
10   Health Care and Education Reconciliation Act of 2010  
11   (Public Law 111–152) are repealed, and the provisions of  
12   law amended or repealed by such title or subtitle, respec-  
13   tively, are restored or revived as if such title and subtitle  
14   had not been enacted.

15          (c) MEDICAID AND CHIP.—Titles XIX and XXI of  
16   the Social Security Act are repealed.

17   **SEC. 104. SEVERABILITY.**

18          If any provision of this subtitle, or the application  
19   of such provision to any person or circumstance, is found  
20   to be unconstitutional, the remainder of this subtitle, or  
21   the application of that provision to other persons or cir-  
22   cumstances, shall not be affected.

1 **SEC. 105. EFFECTIVE DATE.**

2 This subtitle and the amendments made by this sub-  
3 title shall take effect with respect to items and services  
4 furnished on or after October 1, 2012.

5 **Subtitle B—Repeal of SGR**

6 **SEC. 111. REPEAL OF SUSTAINABLE GROWTH RATE.**

7 Notwithstanding any other provision of law, sub-  
8 section (f) of section 1848 of the Social Security Act (42  
9 U.S.C. 1395w-4) shall not apply to any payment rate for  
10 services furnished on or after January 1, 2013, and the  
11 payment rates established under such section for services  
12 furnished on December 31, 2012, shall remain the pay-  
13 ment rates under such section for services furnished after  
14 such date and before January 1, 2015.

