

AMENDMENT TO RULES COMMITTEE PRINT 117-

17

OFFERED BY MR. BURGESS OF TEXAS

Strike section 30602 and insert the following new section:

1 SEC. 30602. PATIENT AND STATE STABILITY.

2 (a) IN GENERAL.—The Public Health Service Act
3 (42 U.S.C. 201 et seq.) is amended by adding at the end
4 the following new title:

5 **“TITLE XXXIV—PATIENT AND**
6 **STATE STABILITY FUND**

7 **“SEC. 3401. ESTABLISHMENT OF PROGRAM.**

8 “There is hereby established the ‘Patient and State
9 Stability Fund’ to be administered by the Secretary, act-
10 ing through the Administrator of the Centers for Medicare
11 & Medicaid Services (in this title referred to as the ‘Ad-
12 ministrator’), to provide health benefits coverage funding,
13 in accordance with this title, to the 50 States and the Dis-
14 trict of Columbia (each referred to in this section as a
15 ‘State’) during the period, subject to section 3404(c), be-
16 ginning on January 1, 2022, and ending on December 31,
17 2024, for the purposes described in section 3402.

1 **“SEC. 3402. USE OF FUNDS.**

2 “A State may use the funds allocated to the State
3 under this title for any of the following purposes:

4 “(1) Helping, through the provision of financial
5 assistance, high-risk individuals who do not have ac-
6 cess to health insurance coverage offered through an
7 employer enroll in health insurance coverage in the
8 individual market in the State, as such market is de-
9 fined by the State (whether through the establish-
10 ment of a new mechanism or maintenance of an ex-
11 isting mechanism for such purpose).

12 “(2) Providing incentives to appropriate entities
13 to enter into arrangements with the State to help
14 stabilize premiums for health insurance coverage in
15 the individual market, as such markets are defined
16 by the State.

17 “(3) Reducing the cost for providing health in-
18 surance coverage in the individual market and small
19 group market, as such markets are defined by the
20 State, to individuals who have, or are projected to
21 have, a high rate of utilization of health services (as
22 measured by cost) and to individuals who have high
23 costs of health insurance coverage due to the low
24 density population of the State in which they reside.

25 “(4) Promoting participation in the individual
26 market and small group market in the State and in-

1 creasing health insurance options available through
2 such market.

3 “(5) Promoting access to preventive services;
4 dental care services (whether preventive or medically
5 necessary); vision care services (whether preventive
6 or medically necessary); or any combination of such
7 services.

8 “(6) Maternity coverage and newborn care.

9 “(7) Prevention, treatment, or recovery support
10 services for individuals with mental or substance use
11 disorders, focused on either or both of the following:

12 “(A) Direct inpatient or outpatient clinical
13 care for treatment of addiction and mental ill-
14 ness.

15 “(B) Early identification and intervention
16 for children and young adults with serious men-
17 tal illness.

18 “(8) Providing payments, directly or indirectly,
19 to health care providers for the provision of such
20 health care services as are specified by the Adminis-
21 trator.

22 “(9) Providing assistance to reduce out-of-pock-
23 et costs, such as copayments, coinsurance, pre-
24 miums, and deductibles, of individuals enrolled in
25 health insurance coverage in the State.

1 **“SEC. 3403. STATE ELIGIBILITY AND APPROVAL; DEFAULT**
2 **SAFEGUARD.**

3 “(a) ENCOURAGING STATE OPTIONS FOR ALLOCA-
4 TIONS.—

5 “(1) IN GENERAL.—To be eligible for an alloca-
6 tion of funds under this title for a year during the
7 period described in section 3401 for use for one or
8 more purposes described in section 3402, a State
9 shall submit to the Administrator an application at
10 such time (but not later than March 31 of the pre-
11 vious year) and in such form and manner as speci-
12 fied by the Administrator and containing—

13 “(A) a description of how the funds will be
14 used for such purposes; and

15 “(B) such other information as the Admin-
16 istrator may require.

17 “(2) AUTOMATIC APPROVAL.—An application so
18 submitted is approved unless the Administrator noti-
19 fies the State submitting the application, not later
20 than 60 days after the date of the submission of
21 such application, that the application has been de-
22 nied for not being in compliance with any require-
23 ment of this title and of the reason for such denial.

24 “(3) ONE-TIME APPLICATION.—If an applica-
25 tion of a State is approved for a year, with respect
26 to a purpose described in section 3402, such applica-

1 tion shall be treated as approved, with respect to
2 such purpose, for each subsequent year through
3 2024.

4 “(b) DEFAULT FEDERAL SAFEGUARD.—

5 “(1) IN GENERAL.—In the case of a State that
6 does not have in effect an approved application
7 under this section for 2022, 2023, or 2024, the Ad-
8 ministrator, in consultation with the State insurance
9 commissioner, shall use the allocation that would
10 otherwise be provided to the State under this title
11 for such year, in accordance with paragraph (2), for
12 such State.

13 “(2) REQUIRED USE FOR MARKET STABILIZA-
14 TION PAYMENTS TO ISSUERS.—Subject to section
15 3404(a), an allocation for a State made pursuant to
16 paragraph (1) for a year shall be used to carry out
17 the purpose described in section 3402(2) in such
18 State by providing payments to appropriate entities
19 described in such section with respect to claims that
20 exceed \$50,000 (or, with respect to allocations made
21 under this title for 2023 or a subsequent year dur-
22 ing the period specified in section 3401, such dollar
23 amount specified by the Administrator), but do not
24 exceed \$350,000 (or, with respect to allocations
25 made under this title for 2023 or a subsequent year

1 during such period, such dollar amount specified by
2 the Administrator), in an amount equal to 75 per-
3 cent (or, with respect to allocations made under this
4 title for 2023 or a subsequent year during such pe-
5 riod, such percentage specified by the Administrator)
6 of the amount of such claims.

7 **“SEC. 3404. ALLOCATIONS.**

8 “(a) APPROPRIATION.—For the purpose of providing
9 allocations for States (including pursuant to section
10 3403(b)) under this title there is appropriated, out of any
11 money in the Treasury not otherwise appropriated,
12 \$2,500,000,000 for each of years 2022 through 2024.

13 “(b) ALLOCATIONS.—

14 “(1) PAYMENT.—From amounts appropriated
15 under subsection (a) for a year (beginning with
16 2022 and ending with 2024), the Administrator
17 shall, with respect to a State and not later than
18 January 1 of such year, allocate for such State (in-
19 cluding pursuant to section 3403(b)) the amount de-
20 termined for such State and year under paragraph
21 (2).

22 “(2) ALLOCATION AMOUNT DETERMINA-
23 TIONS.—For purposes of paragraph (1), the amount
24 determined under this paragraph for a year for a
25 State is an amount determined in accordance with

1 an allocation methodology specified by the Adminis-
2 trator.

3 “(c) ANNUAL DISTRIBUTION OF PREVIOUS YEAR’S
4 REMAINING FUNDS.—In carrying out subsection (b), the
5 Administrator shall, with respect to a year (beginning with
6 2023 and ending with 2025), not later than March 31 of
7 such year—

8 “(1) determine the amount of funds, if any,
9 from the amounts appropriated under subsection (a)
10 for the previous year but not allocated for such pre-
11 vious year; and

12 “(2) if the Administrator determines that any
13 funds were not so allocated for such previous year,
14 allocate such remaining funds, in accordance with
15 the allocation methodology specified pursuant to
16 subsection (b)(2)—

17 “(A) to States that have submitted an ap-
18 plication approved under section 3403(a) for
19 such previous year for any purpose for which
20 such an application was approved; and

21 “(B) for States for which allocations were
22 made pursuant to section 3403(b) for such pre-
23 vious year, to be used by the Administrator for
24 such States, to carry out the purpose described
25 in section 3402(2) in such State by providing

1 payments to appropriate entities described in
2 such section 3402(2) with respect to claims that
3 exceed \$1,000,000,
4 with, respect to a year before 2025, any remaining
5 funds being made available for allocations to States
6 for the subsequent year.

7 “(d) AVAILABILITY.—Amounts appropriated under
8 subsection (a) for a year and allocated to States in accord-
9 ance with this section shall remain available for expendi-
10 ture through December 31, 2025.

11 “(e) LIMITATION.—Amounts appropriated under
12 subsection (a) for a year (beginning with 2022 and ending
13 with 2024) are subject to the requirements and limitations
14 under sections 506 and 507 of division H of Public Law
15 115–31 in the same manner and to the same extent as
16 if such amounts for such year were appropriated under
17 such division.”.

18 (b) ALIGNING QUALIFIED HEALTH PLAN GRACE PE-
19 RIOD REQUIREMENTS WITH STATE LAW GRACE PERIOD
20 REQUIREMENTS.—Section 1412(c)(2) of the Patient Pro-
21 tection and Affordable Care Act (42 U.S.C. 18082(c)(2))
22 is amended—

23 (1) in subparagraph (B)(iv)(II), by striking “a
24 3-month grace period” and inserting “a grace period
25 specified in subparagraph (C)”; and

1 (2) by adding at the end the following new sub-
2 paragraph:

3 “(C) GRACE PERIOD SPECIFIED.—For pur-
4 poses of subparagraph (B)(iv)(II), the grace pe-
5 riod specified in this subparagraph is—

6 “(i) for plan years beginning before
7 January 1, 2022, a 3-month grace period;
8 and

9 “(ii) for plan years beginning during
10 2022 or a subsequent year, such grace pe-
11 riod for non-payment of premiums before
12 discontinuing coverage as is applicable
13 under the State law of the State in which
14 the Exchange operates to health insurance
15 coverage offered in the individual market
16 (or, in the case such a State law is not in
17 place for the State involved, a 1-month
18 grace period).”.

