

AMENDMENT

OFFERED BY MS. SEWELL OF ALABAMA

Add at the appropriate place the following:

1 **SEC. _____. PAYMENTS FOR RURAL AND UNDERSERVED**
2 **HOSPITALS.**

3 Section 1886 of the Social Security Act (42 U.S.C.
4 1395ww) is amended by adding at the end the following
5 new subsection:

6 “(u) PAYMENTS FOR RURAL AND UNDERSERVED
7 HOSPITALS.—

8 “(1) IN GENERAL.—The Secretary shall pay to
9 each qualifying hospital for a fiscal year (beginning
10 with fiscal year 2026) an amount determined appro-
11 priate by the Secretary to reflect the higher costs of
12 care incurred by such hospitals. In determining such
13 amount, the Secretary shall take into account the
14 amount of uncompensated care incurred by such
15 hospital during such fiscal year, the percentage of
16 patient days of the hospital during such fiscal year
17 that consisted of individuals who were (for such
18 days) eligible for medical assistance under title XIX,
19 the percentage of patient days of the hospital during
20 such fiscal year that consisted of individuals who

1 were subsidy eligible individuals (as defined in sec-
2 tion 1860D–14(a)(3)(A)), and the percentage of dis-
3 charges of such hospital during such fiscal year that
4 were paid by a public payor.

5 “(2) QUALIFYING HOSPITAL DEFINED.—The
6 term ‘qualifying hospital’ means a subsection (d)
7 hospital, a critical access hospital, a hospital de-
8 scribed in clause (iii) or (v) of subsection (d)(1)(B),
9 and a hospital that is not located in 1 of the 50
10 States or the District of Columbia.

11 “(3) FUNDING.—The Secretary shall provide
12 for the transfer, from the Federal Hospital Insur-
13 ance Trust Fund established under section 1817 to
14 the Centers for Medicare & Medicaid Services’ Pro-
15 gram Management Account, of \$2,000,000,000 for
16 fiscal year 2026 and each subsequent fiscal year for
17 purposes of making payments under paragraph
18 (1).”.

