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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To ensure affordable health insurance coverage for low-income individuals in States that have not expanded Medicaid.

IN THE HOUSE OF REPRESENTATIVES

Ms. SEWELL introduced the following bill; which was referred to the Committee on _____

A BILL

To ensure affordable health insurance coverage for low-income individuals in States that have not expanded Medicaid.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bridge to Medicaid Act of 2025''.

SEC. 2. ENSURING AFFORDABILITY OF COVERAGE FOR CERTAIN LOW-INCOME POPULATIONS.

(a) REDUCING COST SHARING UNDER QUALIFIED HEALTH PLANS.—Section 1402 of the Patient Protection and Affordable Care Act (42 U.S.C. 18071) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by inserting ''(or, with respect to plan years 2026, 2027, and 2028, whose household income does not exceed 400 percent of the poverty line for a family of the size involved)'' before the period; and

(B) in the matter following paragraph (2), by adding at the end the following new sentence: ''In the case of an individual who is determined at any point to have a household income for 2025 that does not exceed 138 percent of the poverty line for a family of the size involved, such individual shall, for each month during such year, be treated as having a household income equal to 100 percent for purposes of applying this section.''; and

(2) in subsection (c)—

(A) in paragraph (1)(A), in the matter preceding clause (i), by inserting '', with respect to eligible insureds (other than, with respect to plan years 2026, 2027, and 2028, specified en-

rollees (as defined in paragraph (6)(C))),'' after ''first be achieved'';

(B) in paragraph (2), in the matter preceding subparagraph (A), by inserting ''with respect to eligible insureds (other than, with respect to plan years 2026, 2027, and 2028, specified enrollees)'' after ''under the plan'';

(C) in paragraph (3)—

(i) in subparagraph (A), by striking ''this subsection'' and inserting ''paragraph (1) or (2)''; and

(ii) in subparagraph (B), by striking ''this section'' and inserting ''paragraphs (1) and (2)''; and

(D) by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR SPECIFIED ENROLLEES.—

''(A) IN GENERAL.—The Secretary shall establish procedures under which the issuer of a qualified health plan to which this section applies shall reduce cost-sharing under the plan with respect to months occurring during plan years 2026, 2027, and 2028 for enrollees who are specified enrollees (as defined in subpara-

graph (C)) in a manner sufficient to increase the plan's share of the total allowed costs of benefits provided under the plan to 99 percent of such costs.

''(B) METHODS FOR REDUCING COST SHARING.—

''(i) IN GENERAL.—An issuer of a qualified health plan making reductions under this paragraph shall notify the Secretary of such reductions and the Secretary shall, out of funds made available under clause (ii), make periodic and timely payments to the issuer equal to 12 percent of the total allowed costs of benefits provided under each such plan to specified enrollees during plan years 2026, 2027, and 2028.

''(ii) APPROPRIATION.—In addition to amounts otherwise available, there are appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to the Secretary to make payments under clause (i).

''(C) SPECIFIED ENROLLEE DEFINED.—For purposes of this section, the term 'specified

enrollee' means, with respect to a plan year, an eligible insured who is determined at any point to have a household income for such plan year that does not exceed 138 percent of the poverty line for a family of the size involved. Such insured shall be deemed to be a specified enrollee for each month in such plan year.''.

(b) OPEN ENROLLMENTS APPLICABLE TO CERTAIN LOWER-INCOME POPULATIONS.—Section 1311(c) of the Patient Protection and Affordable Care Act (42 U.S.C. 18031(c)) is amended—

(1) in paragraph (6)—

(A) in subparagraph (C), by striking at the end ''and'';

(B) in subparagraph (D), by striking the period at the end and inserting ''; and''; and

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

''(E) with respect to a qualified health plan with respect to which section 1402 applies, for months occurring during the period beginning on January 1, 2026, and ending on December 31, 2028, enrollment periods described in subparagraph (A) of paragraph (8) for individuals

described in subparagraph (B) of such paragraph.''; and

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

''(8) SPECIAL ENROLLMENT PERIOD FOR CERTAIN LOW-INCOME POPULATIONS.—

''(A) IN GENERAL.—The enrollment period described in this paragraph is, in the case of an individual described in subparagraph (B), the continuous period beginning on the first day that such individual is so described.

''(B) INDIVIDUAL DESCRIBED.—For purposes of subparagraph (A), an individual described in this subparagraph is an individual—

''(i) with a household income that does not exceed 138 percent of the poverty line for a family of the size involved; and

''(ii) who is not eligible for minimum essential coverage (as defined in section 5000A(f) of the Internal Revenue Code of 1986), other than for coverage described in any of subparagraphs (B) through (E) of paragraph (1) of such section.''.

(c) ADDITIONAL BENEFITS FOR CERTAIN LOW-INCOME INDIVIDUALS FOR PLAN YEARS 2026 AND 2027.—

Section 1301(a) of the Patient Protection and Affordable Care Act (42 U.S.C. 18021(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C)(iv), by striking the period and inserting ''; and''; and

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

''(D) provides, with respect to a plan offered in the silver level of coverage to which section 1402 applies during plan year 2026 and 2027, for benefits described in paragraph (5) in the case of an individual who has a household income that does not exceed 138 percent of the poverty line for a family of the size involved, and who is eligible to receive cost-sharing reductions under section 1402.''; and

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

''(5) ADDITIONAL BENEFITS FOR CERTAIN LOW-INCOME INDIVIDUALS FOR PLAN YEAR 2026 AND 2027.—

''(A) IN GENERAL.—

"(i) BENEFITS.—For purposes of paragraph (1)(D), the benefits described in this paragraph to be provided by a qualified health plan are benefits consisting of—

"(I) non-emergency medical transportation services (as described in section 1902(a)(4) of the Social Security Act) for which Federal payments would have been available under title XIX of the Social Security Act had such services been furnished to an individual enrolled under a State plan (or waiver of such plan) under such title; and

"(II) services described in subsection (a)(4)(C) of section 1905 of such Act for which Federal payments would have been so available;

which are not otherwise provided under such plan as part of the essential health benefits package described in section 1302(a).

''(ii) CONDITION ON PROVISION OF BENEFITS.—Benefits described in this paragraph shall be provided—

''(I) without any restriction on the choice of a qualified provider from whom an individual may receive such benefits; and

''(II) without any imposition of cost sharing.

''(B) PAYMENTS FOR ADDITIONAL BENEFITS.—

''(i) IN GENERAL.—An issuer of a qualified health plan making payments for services described in subparagraph (A) furnished to individuals described in paragraph (1)(D) during plan year 2026 or 2027 shall notify the Secretary of such payments and the Secretary shall, out of funds made available under clause (ii), make periodic and timely payments to the issuer equal to payments for such services so furnished.

''(ii) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated, out of any money in the Treas-

ury not otherwise appropriated, such sums as may be necessary to the Secretary to make payments under clause (i).''.

(d) EDUCATION AND OUTREACH ACTIVITIES.—

(1) IN GENERAL.—Section 1321(c) of the Patient Protection and Affordable Care Act (42 U.S.C. 18041(c)) is amended by adding at the end the following new paragraph:

''(3) OUTREACH AND EDUCATIONAL ACTIVITIES.—

''(A) IN GENERAL.—In the case of an Exchange established or operated by the Secretary within a State pursuant to this subsection, the Secretary shall carry out outreach and educational activities for purposes of informing individuals described in section 1902(a)(10)(A)(i)(VIII) of the Social Security Act who reside in States that have not expended amounts under a State plan (or waiver of such plan) under title XIX of such Act for all such individuals about qualified health plans offered through the Exchange, including by informing such individuals of the availability of coverage under such plans and financial assistance for coverage under such plans. Such out-

reach and educational activities shall be provided in a manner that is culturally and linguistically appropriate to the needs of the populations being served by the Exchange (including hard-to-reach populations, such as racial and sexual minorities, limited English proficient populations, individuals residing in areas where the unemployment rates exceeds the national average unemployment rate, individuals in rural areas, veterans, and young adults).

''(B) LIMITATION ON USE OF FUNDS.—Funds appropriated under this paragraph shall not be used to promote any health insurance coverage other than qualified health plans.

''(C) FUNDING.—In addition to amounts otherwise available, there is appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until expended, $105,000,000 for fiscal year 2026 to carry out this paragraph, of which—

''(i) $15,000,000 shall be used to carry out this paragraph in fiscal year 2026; and

''(ii) $30,000,000 shall be used to carry out this paragraph for each of fiscal years 2027 through 2028.''.

(2) NAVIGATOR PROGRAM.—Section 1311(i) of the Patient Protection and Affordable Care Act (42 U.S.C. 18031(i)) is amended—

(A) in paragraph (1)—

(i) by striking ''An Exchange'' and inserting the following:

''(A) IN GENERAL.—An Exchange''; and

(ii) by adding at the end the following:

''(B) GRANTS FOR ELIGIBLE ENTITIES WITH RESPECT TO CERTAIN STATES.—The Secretary shall establish a program to award grants to entities described in paragraph (2) to carry out the duties described in paragraph (3) in one or more States that do not provide under the State plan under title XIX of the Social Security Act (or a waiver of such plan) benchmark coverage described in section 1937(b)(1) of such Act or benchmark equivalent coverage described in section 1937(b)(2) of such Act to all individuals described in section 1902(a)(10)(A)(i)(VIII) of such Act.''; and

(B) in paragraph (6)—

(i) by striking ''Grants under'' and inserting the following: ''

''(A) STATE EXCHANGES.—Grants under''; and

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

''(B) FEDERAL EXCHANGES; GRANTS TO ELIGIBLE ENTITIES WITH RESPECT TO CERTAIN STATES.—For purposes of carrying out this subsection, with respect to an Exchange established and operated by the Secretary within a State pursuant to section 1321(c) and with respect to grants under paragraph (1)(B), the Secretary shall obligate not less than $10,000,000 out of amounts collected through the user fees on participating health insurance issuers pursuant to section 156.50 of title 45, Code of Federal Regulations (or any successor regulations) for fiscal year 2026, and not less than $20,000,000 for each of fiscal years 2027 and 2028. Such amount so obligated for a fiscal year shall remain available until expended.''.

(e) FUNDING.—In addition to amounts otherwise available, there is appropriated to the Secretary of Health

and Human Services for fiscal year 2026, out of any money in the Treasury not otherwise appropriated, $65,000,000, to remain available until expended, for purposes of carrying out the provisions of, and the amendments made by, this section.

SEC. 3. TEMPORARY EXPANSION OF HEALTH INSURANCE PREMIUM TAX CREDITS FOR CERTAIN LOW-INCOME POPULATIONS.

(a) IN GENERAL.—Section 36B of the Internal Revenue Code of 1986 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

''(h) CERTAIN TEMPORARY RULES BEGINNING IN 2026.—With respect to any taxable year beginning after December 31, 2025, and before January 1, 2029—

''(1) ELIGIBILITY FOR CREDIT NOT LIMITED BASED ON INCOME.—Subsection (c)(1)(A) shall be applied without regard to 'equals or exceeds 100 percent but'.

''(2) CREDIT ALLOWED TO CERTAIN LOW-INCOME EMPLOYEES OFFERED EMPLOYER-PROVIDED COVERAGE.—In the case of an individual whose household income does not exceed 138 percent of the poverty line for a family of the size involved, clause (i) of subsection (c)(2)(C) shall be applied (including

in the case of any individual described in the last sentence of such clause) without regard to subclause (II) thereof.

''(3) CREDIT ALLOWED TO CERTAIN LOW-INCOME EMPLOYEES OFFERED QUALIFIED SMALL EMPLOYER HEALTH REIMBURSEMENT ARRANGEMENTS.—A qualified small employer health reimbursement arrangement shall not be treated as constituting affordable coverage for an employee (or any spouse or dependent of such employee) for any months of a taxable year if the employee's household income for such taxable year does not exceed 138 percent of the poverty line for a family of the size involved.

''(4) LIMITATIONS ON RECAPTURE.—

''(A) IN GENERAL.—In the case of a taxpayer whose household income is less than 200 percent of the poverty line for the size of the family involved for the taxable year, the amount of the increase under subsection (f)(2)(A) shall in no event exceed $300 (one-half of such amount in the case of a taxpayer whose tax is determined under section 1(c) for the taxable year).

''(B) LIMITATION ON INCREASE FOR CERTAIN NON-FILERS.—In the case of any taxpayer who would not be required to file a return of tax for the taxable year but for any requirement to reconcile advance credit payments under subsection (f), if an Exchange established under title I of the Patient Protection and Affordable Care Act has determined that—

''(i) such taxpayer is eligible for advance payments under section 1412 of such Act for any portion of such taxable year, and

''(ii) such taxpayer's household income for such taxable year is projected not to exceed 138 percent of the poverty line for a family of the size involved,

subsection (f)(2)(A) shall not apply to such taxpayer for such taxable year and such taxpayer shall not be required to file such return of tax.

''(C) INFORMATION PROVIDED BY EXCHANGE.—The information required to be provided by an Exchange to the Secretary and to the taxpayer under subsection (f)(3) shall include such information as is necessary to determine whether such Exchange has made the de-

terminations described in clauses (i) and (ii) of subparagraph (B) with respect to such taxpayer.''.

(b) EMPLOYER SHARED RESPONSIBILITY PROVISION NOT APPLICABLE WITH RESPECT TO CERTAIN LOW-INCOME TAXPAYERS RECEIVING PREMIUM ASSISTANCE.—Section 4980H(c)(3) of the Internal Revenue Code of 1986 is amended to read as follows:

''(3) APPLICABLE PREMIUM TAX CREDIT AND COST-SHARING REDUCTION.—

''(A) IN GENERAL.—The term 'applicable premium tax credit and cost-sharing reduction' means—

''(i) any premium tax credit allowed under section 36B,

''(ii) any cost-sharing reduction under section 1402 of the Patient Protection and Affordable Care Act, and

''(iii) any advance payment of such credit or reduction under section 1412 of such Act.

''(B) EXCEPTION WITH RESPECT TO CERTAIN LOW-INCOME TAXPAYERS.—Such term shall not include any premium tax credit, cost-sharing reduction, or advance payment other-

wise described in subparagraph (A) if such credit, reduction, or payment is allowed or paid for a taxable year of an employee (beginning after December 31, 2025, and before January 1, 2029) with respect to which—

''(i) an Exchange established under title I of the Patient Protection and Affordable Care Act has determined that such employee's household income for such taxable year is projected to not exceed 138 percent of the poverty line for a family of the size involved, or

''(ii) such employee's household income for such taxable year does not exceed 138 percent of the poverty line for a family of the size involved.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.

SEC. 4. FURTHER INCREASE IN FMAP FOR MEDICAL ASSISTANCE FOR NEWLY ELIGIBLE MANDATORY INDIVIDUALS.

Section 1905(y)(1) of the Social Security Act (42 U.S.C. 1396d(y)(1)) is amended—

(1) in subparagraph (D), by striking at the end ''and'';

(2) in subparagraph (E), by striking ''2020 and each year thereafter.'' and inserting ''2020, 2021, 2022, 2023, 2024, and 2025;''; and

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

''(F) 93 percent for calendar quarters in 2026, 2027, and 2028; and

''(G) 90 percent for calendar quarters in 2029 and each year thereafter.''.