

[DISCUSSION DRAFT]

118TH CONGRESS
2D SESSION

H. R. _____

To amend title XVIII of the Social Security Act to modify Medicare rural hospital flexibility program grants.

IN THE HOUSE OF REPRESENTATIVES

Mrs. MILLER of West Virginia introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title XVIII of the Social Security Act to modify Medicare rural hospital flexibility program grants.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “_____ Act
5 of 2024”.

6 **SEC. 2. MEDICARE RURAL HOSPITAL FLEXIBILITY PRO-**
7 **GRAM GRANTS.**

8 Section 1820(g) of the Social Security Act (42 U.S.C.
9 1395i–4(g)) is amended—

1 (1) in paragraph (1)—

2 (A) in subparagraph (C), by striking
3 “and” at the end;

4 (B) by amending subparagraph (D) to
5 read as follows:

6 “(D) providing support for critical access
7 hospitals, certified rural health clinics, and
8 rural emergency hospitals (as defined in section
9 1861(kkk)(2)) for quality improvement, quality
10 reporting, performance improvements,
11 benchmarking, addressing population health,
12 transforming services, and providing linkages
13 and services for behavioral health and sub-
14 stance use disorders responding to public health
15 emergencies; and”;

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

18 “(E) providing support for critical access
19 hospitals to convert to rural emergency hos-
20 pitals to stabilize hospital emergency services in
21 their communities.”;

22 (2) by redesignating paragraphs (3) through
23 (7) as paragraphs (4) through (8), respectively;

24 (3) after paragraph (2), by inserting the fol-
25 lowing new paragraph:

1 “(3) ACTIVITIES TO SUPPORT CARRYING OUT
2 OTHER GRANTS.—The Secretary may award grants
3 or cooperative agreements to entities that submit to
4 the Secretary applications, at such time and in such
5 form and manner and containing such information
6 as the Secretary specifies, for purposes of supporting
7 recipients in carrying out the activities under this
8 subsection by providing technical assistance, data
9 analysis, and evaluation efforts.”;

10 (4) in paragraph (4), as redesignated—

11 (A) in subparagraph (A)—

12 (i) in the header, by striking “HOS-
13 PITALS” and inserting “STATE OFFICES OF
14 RURAL HEALTH”; and

15 (ii) by striking “grants to hospitals”
16 and inserting “grants to State Offices of
17 Rural Health”;

18 (B) in subparagraph (B)—

19 (i) by redesignating clauses (i) and
20 (ii) as subclauses (I) and (II), respectively;

21 (ii) by striking “means a non-Fed-
22 eral” and inserting the following:

23 “means—

24 “(i) a non-Federal”; and

1 (iii) by striking the period at the end
2 and inserting the following: “; or

3 “(ii) a rural emergency hospital (as
4 defined in section 1861(kkk)).”;

5 (C) by amending subparagraph (C) to read
6 as follows:

7 “(C) APPLICATION.—The State Office of
8 Rural Health shall submit an application to the
9 Secretary on or before such date and in such
10 form and manner as the Secretary specifies.”;

11 (D) by amending subparagraph (D), to
12 read as follows:

13 “(D) AMOUNT OF GRANT.—With respect
14 to funds made available to make grants under
15 this paragraph in a fiscal year, the amount
16 awarded to a State Office of Rural Health shall
17 bear the same ratio to the total amount of such
18 funds so made available as the number of eligi-
19 ble small rural hospitals such Office proposes to
20 assist with such grant bears to the total num-
21 ber of eligible small rural hospitals all such Of-
22 fices receiving a grant under this paragraph for
23 such fiscal year propose to assist with such
24 grants.”;

1 (E) by amending subparagraph (E), to
2 read as follows:

3 “(E) USE OF FUNDS.—State Offices of
4 Rural Health may use the funds received
5 through a grant under this paragraph for the
6 purchase of computer software and hardware on
7 behalf of eligible small rural hospitals, for the
8 education and training of eligible small rural
9 hospital staff on billing, operational, quality im-
10 provement, and related value-focused efforts,
11 and for other delivery system reform programs
12 determined appropriate by the Secretary.”; and

13 (F) in subparagraph (F)—

14 (i) in clause (i), by striking “A hos-
15 pital receiving a grant under this section”
16 and inserting “An entity receiving a grant
17 under this paragraph”; and

18 (ii) in clause (ii), by striking “section”
19 each place such term appears and inserting
20 “paragraph” in each such place;

21 (5) in paragraph (5), as redesignated, by strik-
22 ing “paragraph (1) or (2)” and inserting “para-
23 graph (1), (2), or (4)”;

24 (6) by adding at the end the following new
25 paragraph:

1 “(9) RURAL HEALTH TRANSFORMATION
2 GRANTS.—

3 “(A) GRANTS.—The Secretary may award
4 5-year grants to State Offices of Rural Health
5 and to eligible rural health care providers (as
6 defined in subparagraph (D)) on the transition
7 to new models, including rural emergency hos-
8 pitals, extended stay clinics, freestanding emer-
9 gency departments, rural health clinics, and in-
10 tegration of behavioral, oral health services,
11 telehealth and other transformational models
12 relevant to rural providers as such providers
13 evolve to better meet community needs and the
14 changing health care environment.

15 “(B) APPLICATION.—An eligible rural
16 health care provider, in consultation with the
17 State Office of Rural Health in the State in
18 which the rural health care provider seeking a
19 grant under this paragraph is located, shall
20 submit an application to the Secretary on or be-
21 fore such date and in such form and manner as
22 the Secretary specifies.

23 “(C) ADDITIONAL REQUIREMENTS.—The
24 Secretary may not award a grant under this

1 paragraph to an eligible rural health care pro-
2 vider unless—

3 “(i) local organizations or the State in
4 which the hospital is located provides sup-
5 port (either direct or in kind); and there
6 are letters of support from key State pay-
7 ers such as Medicaid and private insur-
8 ance; and

9 “(ii) the applicant describes in detail
10 how the transition of the health care pro-
11 vider or providers will better meet local
12 needs and be sustainable.

13 “(D) ELIGIBLE RURAL HEALTH CARE PRO-
14 VIDER DEFINED.—For purposes of this para-
15 graph, the term ‘eligible rural health care pro-
16 vider’ includes a critical access hospital, a cer-
17 tified rural health clinic, a rural nursing home,
18 skilled nursing facility, emergency care pro-
19 vider, or other entity identified by the Sec-
20 retary. An eligible rural health care provider
21 may include other entities applying on behalf of
22 a group of rural health care providers such as
23 a State Office of Rural Health, a State or local
24 health care authority, a rural health network,
25 or other entity identified by the Secretary.”.