118TH CONGRESS  
2D SESSION

H. R. ______

To amend title XIX of the Social Security Act to modify certain limitations on disproportionate share hospital payment adjustments under the Medicaid program.

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IN THE HOUSE OF REPRESENTATIVES

Mr. LALOTA introduced the following bill; which was referred to the
Committee on ________________________________

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A BILL

To amend title XIX of the Social Security Act to modify certain limitations on disproportionate share hospital payment adjustments under the Medicaid program.

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 “Save our Safety-Net
5 Hospitals Act of 2024”.

(Original Signature of Member)
SEC. 2. MODIFYING CERTAIN LIMITATIONS ON DISPROPORTIONATE SHARE HOSPITAL PAYMENT ADJUSTMENTS UNDER THE MEDICAID PROGRAM.

(a) IN GENERAL.—Section 1923(g) of the Social Security Act (42 U.S.C. 1396r–4(g)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking ``(other than a hospital described in paragraph (2)(B))'';

(ii) in clause (i), by inserting ``with respect to such hospital and year'' after ``described in subparagraph (B)''; and

(iii) in clause (ii)—

(I) in subclause (I), by striking ``and'' at the end;

(II) in subclause (II), by striking the period and inserting ``; and''; and

(III) by adding at the end the following new subclause:

``(III) payments made under title XVIII or by an applicable plan (as defined in section 1862(b)(8)(F)) for such services.''; and

(B) in subparagraph (B)—
(i) in the matter preceding clause (i), by striking “in this clause are” and inserting “in this subparagraph are, with respect to a hospital and a year,”; and (ii) by adding at the end the following new clause:

“(iii) Individuals who are eligible for medical assistance under the State plan or under a waiver of such plan and for whom the State plan or waiver is the secondary payor for such services after application of benefits under title XVIII or under an applicable plan (as defined in section 1862(b)(8)(F)), but only if the hospital has in the aggregate incurred costs exceeding payments under such State plan, waiver, title XVIII, or applicable plan for such services furnished to such individuals during such year.”;

(2) by striking paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2), as so redesignated, by striking “Notwithstanding paragraph (2) of this
subsection (as in effect on October 1, 2021), paragraph (2)” and inserting “Paragraph (2)”.

(b) **Effective Date.**—

(1) **In general.**—The amendments made by this section shall apply to payment adjustments made under section 1923 of the Social Security Act (42 U.S.C. 1396r–4) during fiscal years beginning on or after October 1, 2021.

(2) **No required recoupment based on change in cap amounts.**—In the case of a payment adjustment made by a State under section 1923 of the Social Security Act (42 U.S.C. 1396r–4) prior to the date of the enactment of this Act that was, without application of the amendments made by this section, consistent with the methodology of such State for making such adjustments, such adjustment shall be deemed to be consistent with such methodology with the application of such amendments.