

1 **SEC. 101. ELIMINATION OF GENERAL MEDICAID FUNDING LIMITATIONS**
2 **(“CAP”) FOR TERRITORIES.**

3 (a) IN GENERAL.—Section 1108 of the Social Security Act ([42 U.S.C. 1308](#)) is amended—

4 (1) in subsection (f), in the matter before paragraph (1), by striking “subsection (g)” and inserting
5 “subsections (g) and (h)”;

6 (2) in subsection (g)(2), in the matter before subparagraph (A), by inserting “and subsection (h)”
7 after “paragraphs (3) and (5)”;

8 (3) by adding at the end the following new subsection:

9 “(h) SUNSET OF MEDICAID FUNDING LIMITATIONS FOR PUERTO RICO, THE VIRGIN
10 ISLANDS OF THE UNITED STATES, GUAM, THE NORTHERN MARIANA ISLANDS,
11 AND AMERICAN SAMOA.—Subsections (f) and (g) shall not apply to Puerto Rico, the
12 Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American
13 Samoa beginning with fiscal year 2017.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 1902(j) of the Social Security Act ([42 U.S.C. 1396a\(j\)](#)) is amended by striking “, the
16 limitation in section 1108(f),”.

17 (2) Section 1903(u) of the Social Security Act ([42 U.S.C. 1396b\(u\)](#)) is amended by striking
18 paragraph (4).

19 (3) Section 1323(c)(1) of the Patient Protection and Affordable Care Act ([42 U.S.C. 18043\(c\)\(1\)](#))
20 is amended by striking “2019” and inserting “2016”.

21 (c) EFFECTIVE DATE.—The amendments made by this section shall apply beginning with fiscal
22 year 2017.

23 **SEC. 102. ELIMINATION OF SPECIFIC FEDERAL MEDICAL ASSISTANCE**
24 **PERCENTAGE (FMAP) LIMITATION FOR TERRITORIES.**

25 Section 1905(b) of the Social Security Act ([42 U.S.C. 1396d\(b\)](#)) is amended, in clause (2), by
26 inserting “for fiscal years before fiscal year 2017” after “American Samoa”.

27 **SEC. 103. APPLICATION OF MEDICAID WAIVER AUTHORITY TO ALL OF THE**
28 **TERRITORIES.**

29 (a) IN GENERAL.—Section 1902(j) of the Social Security Act ([42 U.S.C. 1396a\(j\)](#)) is
30 amended—

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- 1 (1) by striking “American Samoa and the Northern Mariana Islands” and inserting “Puerto Rico,
2 the Virgin Islands of the United States, Guam, the Northern Mariana Islands, and American
3 Samoa”;
- 4 (2) by striking “American Samoa or the Northern Mariana Islands” and inserting “Puerto Rico,
5 the Virgin Islands of the United States, Guam, the Northern Mariana Islands, or American
6 Samoa”;
- 7 (3) by inserting “(1)” after “(j)”;
- 8 (4) by inserting “except as otherwise provided in this subsection,” after “Notwithstanding any
9 other requirement of this title”; and
- 10 (5) by adding at the end the following:
- 11 “(2) The Secretary may not waive under this subsection the requirement of subsection
12 (a)(10)(A)(i)(IX) (relating to coverage of adults formerly under foster care) with respect to
13 any territory.”.
- 14 (b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning October 1,
15 2016.

16 **SEC. 104. APPLICATION OF 100 PERCENT FEDERAL POVERTY LINE (FPL)** 17 **LIMITATION TO TERRITORIES.**

- 18 (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act ([42 U.S.C.](#)
19 [1396a\(a\)\(10\)\(A\)\(i\)\(VIII\)](#)) is amended—
- 20 (1) by inserting “(or, subject to subsection (j), 100 percent in the case of Puerto Rico, the Virgin
21 Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa)”
22 after “133 percent”; and
- 23 (2) in subsection (j), as amended by section 103, by adding at the end the following new
24 paragraph:
- 25 “(3) (A) Notwithstanding any other provision of law, Federal financial participation shall not be
26 available to a territory for medical assistance for an individual whose family income
27 exceeds 100 percent of the official poverty line for a family of the size involved, except in
28 the case of individuals qualifying for medical assistance under subsection (a)(10)(A)(i)(IX)
29 and except as authorized under a waiver under this subsection or section 1115.
- 30 “(B) The Secretary may, under paragraph (1) or section 1115, waive the limitation under
31 subparagraph (A) but only in the case of a territory other than Puerto Rico. In carrying out
32 this subparagraph, the Secretary shall take into account the eligibility levels established
33 under the State plan of the territory involved before the date of the enactment of this
34 paragraph.”.

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1 (b) NOT APPLYING 5 PERCENT DISREGARD.—Subparagraph (I) of section 1902(a)(14) of the
2 Social Security Act ([42 U.S.C. 1396b\(a\)\(14\)](#)) is amended by adding at the end the
3 following:

4 “The previous sentence shall only apply to a State that is one of the 50 States or the District of
5 Columbia.”.

6 (c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to
7 eligibility determinations made with respect to items and services furnished on or after
8 October 1, 2016.

9 **SEC. 105. PERMITTING MEDICAID DSH ALLOTMENTS FOR TERRITORIES.**

10 Section 1923(f) of the Social Security Act ([42 U.S.C. 1396](#)) is amended—

11 (1) in paragraph (6), by adding at the end the following new subparagraph:

12 “(C) TERRITORIES.—

13 “(i) FISCAL YEAR 2017.—For fiscal year 2017, the DSH allotment for Puerto Rico, the Virgin
14 Islands of the United States, Guam, the Northern Mariana Islands, and American Samoa
15 shall bear the same ratio to \$150,000,000 as the ratio of the number of individuals who are
16 low-income or uninsured and residing in such respective territory (as estimated from time
17 to time by the Secretary) bears to the sums of the number of such individuals residing in all
18 of the territories.

19 “(ii) SUBSEQUENT FISCAL YEAR.—For each subsequent fiscal year, the DSH allotment for
20 each such territory is subject to an increase in accordance with paragraph (2).”; and

21 (2) in paragraph (9), by inserting before the period at the end the following: “, and includes,
22 beginning with fiscal year 2017, Puerto Rico, the Virgin Islands of the United States,
23 Guam, the Northern Mariana Islands, and American Samoa”.