

116TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To provide for affordable coverage of COVID–19 vaccines under Medicare, Medicaid, and the Children’s Health Insurance Program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. WYDEN introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To provide for affordable coverage of COVID–19 vaccines under Medicare, Medicaid, and the Children’s Health Insurance Program, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Vaccine And Coverage Certainty Act” or the “VACC  
6 Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

Sec. 1. Short title; table of contents.

## TITLE I—ENSURING COVERAGE OF COVID–19 VACCINES

- Sec. 101. Ensuring affordability of federally-funded COVID–19 vaccines under Medicare.
- Sec. 102. Mandatory coverage of COVID–19 vaccines under Medicaid and CHIP.
- Sec. 103. Inclusion of Federally-funded COVID–19 vaccines under Medicaid drug rebate program; coverage of COVID–19 vaccines under State pediatric vaccine distribution program.
- Sec. 104. Temporary enhanced Federal match for medical assistance for COVID–19 vaccines.

## TITLE II—ENSURING COVERAGE UNDER MEDICAID

- Sec. 201. Increased FMAP for medical assistance to newly eligible individuals.
- Sec. 202. Medicaid coverage for citizens of Freely Associated States.

## TITLE III—ENSURING COVERAGE IN THE MARKETPLACE

- Sec. 301. Disregard of additional unemployment compensation for purposes of premium tax credit and cost-sharing subsidies.

1 **TITLE I—ENSURING COVERAGE**  
 2 **OF COVID–19 VACCINES**

3 **SEC. 101. ENSURING AFFORDABILITY OF FEDERALLY-**  
 4 **FUNDED COVID–19 VACCINES UNDER MEDI-**  
 5 **CARE.**

6 (a) IN GENERAL.—Section 1833 of the Social Secu-  
 7 rity Act (42 U.S.C. 1395l) is amended—

8 (1) in subsection (a)(1)(B), by inserting “sub-  
 9 ject to subsection (dd)(1) (with respect to payment  
 10 for federally-funded COVID–19 vaccines),” after  
 11 “1861(s)(10)(A),”; and

12 (2) by adding at the end the following new sub-  
 13 section:

14 “(dd) ENSURING AFFORDABILITY OF FEDERALLY-  
 15 FUNDED COVID–19 VACCINES.—

1           “(1) INITIAL PAYMENT.—For purposes of sub-  
2           section (a)(1)(B), the amount of charges that are  
3           considered reasonable with respect to an applicable  
4           COVID–19 vaccine during the first year that such  
5           vaccine is administered under this part (referred to  
6           in this subsection as the ‘initial payment year’) shall  
7           not exceed the amount described in paragraph (3).

8           “(2) APPLICABLE COVID–19 VACCINE.—

9           “(A) IN GENERAL.—In this subsection, the  
10          term ‘applicable COVID–19 vaccine’ means a  
11          vaccine—

12                 “(i) approved by the Food and Drug  
13                 Administration under section 351 of the  
14                 Public Health Service Act or authorized  
15                 for emergency use under section 564 of the  
16                 Federal Food, Drug, and Cosmetic Act for  
17                 immunization against COVID–19; and

18                 “(ii) whose manufacturer was pro-  
19                 vided funding for research or development  
20                 of such vaccine or for the manufacture of  
21                 such vaccine under a contract with the  
22                 Federal Government (including the Bio-  
23                 defense Advanced Research and Develop-  
24                 ment Authority of the Department of  
25                 Health and Human Services) or under a

1 Federal grant program using funds made  
2 available under the Coronavirus Aid, Re-  
3 lief, and Economic Security Act (Public  
4 Law 116–136), or subsequently enacted  
5 legislation.

6 “(B) NONAPPLICATION TO VACCINES PUR-  
7 CHASED FOR FEDERAL DISTRIBUTION.—Such  
8 term shall not include any doses of such vaccine  
9 that are purchased under a Federal contract or  
10 grant agreement described in paragraph (2)(B)  
11 for Federal distribution.

12 “(3) AMOUNT DESCRIBED.—The amount de-  
13 scribed in this paragraph, with respect to an applica-  
14 ble COVID–19 vaccine, is the Federal procurement  
15 cost per dose accounting for Federal costs under all  
16 Federal contracts or grant agreements described in  
17 paragraph (2)(B) for the initial supply order with  
18 respect to such vaccine, not including the cost of any  
19 option to buy future doses of such vaccine under  
20 such contracts or agreements.

21 “(4) PAYMENT IN SUBSEQUENT YEARS.—For  
22 provisions relating to payment for an applicable  
23 COVID–19 vaccine in years after the initial payment  
24 year, see section 1842(o)(1)(A)(iv) (relating to pay-

1       ment amount equal to 95 percent of the average  
2       wholesale price).

3               “(5) REBATE IF PRICE INCREASES FASTER  
4       THAN INFLATION.—

5               “(A) IN GENERAL.—Subject to subpara-  
6       graph (B), the Secretary shall establish a proc-  
7       ess under which, with respect to an applicable  
8       COVID–19 vaccine of a manufacturer, effective  
9       beginning with the first year after the initial  
10      payment year, if the amount of payment for the  
11      vaccine under this part increases faster than in-  
12      flation with respect to a rebate period specified  
13      by the Secretary, the manufacturer of such vac-  
14      cine shall, not later than 30 days after receipt  
15      from the Secretary of the rebate amount for  
16      such rebate period, provide a rebate to the Sec-  
17      retary that is equal to the amount specified in  
18      subparagraph (C) for such vaccine and rebate  
19      period.

20              “(B) EXCEPTIONS.—The process estab-  
21      lished under this paragraph shall provide for  
22      the following exceptions with respect to an ap-  
23      plicable COVID–19 vaccine of a manufacturer:

24                      “(i) If the Secretary determines that  
25                      there are exceptional circumstances, such

1 as a substantial increase in development or  
2 manufacturing costs due to circumstances  
3 outside the control of the manufacturer.

4 “(ii) The manufacturer demonstrates,  
5 to the satisfaction of the Secretary, that it  
6 has significantly improved the clinical effi-  
7 cacy or safety of such vaccine relative to  
8 its clinical efficacy or safety when it was  
9 first procured or contracted for by the  
10 Federal Government. For purposes of the  
11 preceding sentence, a manufacturer may  
12 demonstrate the improved clinical efficacy  
13 or safety of a particular COVID–19 vac-  
14 cine according to a process established by  
15 the Advisory Committee on Immunization  
16 Practices at the Centers for Disease Con-  
17 trol in coordination with the Food and  
18 Drug Administration. The results of any  
19 assessment under this clause with respect  
20 to an applicable COVID–19 vaccine shall  
21 be made public.

22 “(C) REBATE AMOUNT.—The amount of a  
23 rebate under this subparagraph, with respect to  
24 an applicable COVID–19 vaccine of a manufac-  
25 turer, is the product of—

1                   “(i) the total number of doses of such  
2 vaccine administered during the rebate pe-  
3 riod; and

4                   “(ii) the amount (if any) by which—

5                         “(I) the amount of payment for  
6 the vaccine under this part during the  
7 rebate period; exceeds

8                         “(II) the inflation-adjusted pay-  
9 ment amount determined under sub-  
10 paragraph (D) of this paragraph for  
11 such vaccine during the rebate period.

12                   “(D) DETERMINATION OF INFLATION-AD-  
13 JUSTED PAYMENT AMOUNT.—The inflation-ad-  
14 justed payment amount determined under this  
15 subparagraph for an applicable COVID–19 vac-  
16 cine for a rebate period is—

17                         “(i) the amount of payment for the  
18 vaccine under this part during the initial  
19 payment year as described in paragraph  
20 (1); increased by

21                         “(ii) the percentage by which the re-  
22 bate period CPI–U (as defined in subpara-  
23 graph (F)) for the rebate period exceeds  
24 the benchmark period CPI–U (as defined  
25 in subparagraph (E)).

1           “(E) BENCHMARK PERIOD CPI-U.—The  
2 term ‘benchmark period CPI-U’ means the con-  
3 sumer price index for all urban consumers  
4 (United States city average) for the first cal-  
5 endar quarter in the initial payment year.

6           “(F) REBATE PERIOD CPI-U.—The term  
7 ‘rebate period CPI-U’ means, with respect to a  
8 rebate period, the consumer price index for all  
9 urban consumers (United States city average)  
10 for the last month of the calendar quarter that  
11 is two calendar quarters prior to the rebate pe-  
12 riod.

13           “(G) PROVISION OF INFORMATION.—A  
14 manufacturer of an applicable COVID-19 vac-  
15 cine shall provide to the Secretary such infor-  
16 mation, at such time and in such manner as the  
17 Secretary specifies, as is needed to carry out  
18 this paragraph.

19           “(H) REBATE DEPOSITS.—Amounts paid  
20 as rebates under this paragraph shall be depos-  
21 ited into the Federal Supplementary Medical  
22 Insurance Trust Fund established under section  
23 1841.

24           “(I) ENFORCEMENT.—

25           “(i) CIVIL MONEY PENALTY.—



1                   “(I) IN GENERAL.—The Sec-  
2                   retary shall impose a civil money pen-  
3                   alty on a manufacturer that fails to  
4                   comply with the requirements under  
5                   this paragraph with respect to pro-  
6                   viding a rebate for an applicable  
7                   COVID–19 vaccine for a rebate period  
8                   for each such failure in an amount  
9                   equal to the sum of—

10                   “(aa) the rebate amount  
11                   specified pursuant to subpara-  
12                   graph (C) for such vaccine for  
13                   such rebate period; and

14                   “(bb) 25 percent of such  
15                   amount.

16                   “(II) APPLICATION.—The provi-  
17                   sions of section 1128A (other than  
18                   subsections (a) (with respect to  
19                   amounts of penalties or additional as-  
20                   sessments) and (b)) shall apply to a  
21                   civil money penalty under this clause  
22                   in the same manner as such provi-  
23                   sions apply to a penalty or proceeding  
24                   under section 1128A(a).

1                   “(ii) NO PAYMENT FOR MANUFACTUR-  
2                   ERS WHO FAIL TO PAY PENALTY.—If the  
3                   manufacturer of an applicable COVID–19  
4                   vaccine fails to pay a civil money penalty  
5                   under clause (i) with respect to the failure  
6                   to provide a rebate for an applicable  
7                   COVID–19 vaccine for a rebate period by  
8                   a date specified by the Secretary after the  
9                   imposition of such penalty, no payment  
10                  shall be available under this part for such  
11                  vaccine for calendar quarters beginning on  
12                  or after such date until the Secretary de-  
13                  termines the manufacturer has paid the  
14                  penalty due under such clause.

15                  “(J) IMPLEMENTATION.—There shall be  
16                  no administrative or judicial review under sec-  
17                  tion 1869, section 1878, or otherwise, of the de-  
18                  termination of the rebate amount for an appli-  
19                  cable COVID–19 vaccine under subparagraph  
20                  (C), including the determination of—

21                         “(i) the total number of COVID–19  
22                         vaccines administered during the rebate  
23                         period under subparagraph (C)(i); and

24                         “(ii) the inflation-adjusted payment  
25                         amount under subparagraph (D).”.

1 (b) CONFORMING AMENDMENT.—Section  
2 1842(o)(1)(A)(iv) of the Social Security Act (42 U.S.C.  
3 1395u(o)(1)(A)(iv)) is amended by striking “A vaccine”  
4 and inserting “Subject to section 1833(dd)(1) (relating to  
5 payment for an applicable COVID–19 vaccine during ini-  
6 tial payment year), a vaccine”.

7 **SEC. 102. MANDATORY COVERAGE OF COVID–19 VACCINES**  
8 **UNDER MEDICAID AND CHIP.**

9 (a) MEDICAID.—

10 (1) IN GENERAL.—Section 1905(a)(4) of the  
11 Social Security Act (42 U.S.C. 1396d(a)(4)) is  
12 amended—

13 (A) by striking “and (D)” and inserting  
14 “(D)”; and

15 (B) by striking the semicolon at the end  
16 and inserting “; and (E) a COVID–19 vaccine  
17 licensed under section 351 of the Public Health  
18 Service Act, or approved or authorized under  
19 sections 505 or 564 of the Federal Food, Drug,  
20 and Cosmetic Act, and administration of the  
21 vaccine;”.

22 (2) PROHIBITION OF COST SHARING.—

23 (A) IN GENERAL.—Subsections (a)(2) and  
24 (b)(2) of section 1916 of the Social Security  
25 Act (42 U.S.C. 1396o) are each amended—

1 (i) in subparagraph (F), by striking  
2 “or” at the end;

3 (ii) in subparagraph (G), by striking  
4 “; and” and inserting “, or”; and

5 (iii) by adding at the end the fol-  
6 lowing subparagraph:

7 “(H) a COVID–19 vaccine licensed under  
8 section 351 of the Public Health Service Act, or  
9 approved or authorized under sections 505 or  
10 564 of the Federal Food, Drug, and Cosmetic  
11 Act, and the administration of such vaccine;  
12 and”.

13 (B) APPLICATION TO ALTERNATIVE COST  
14 SHARING.—Section 1916A(b)(3)(B) of the So-  
15 cial Security Act (42 U.S.C. 1396o–1(b)(3)(B))  
16 is amended—

17 (i) in clause (xi), by striking “any  
18 visit” and inserting “any service”; and

19 (ii) by adding at the end the following  
20 clause:

21 “(xii) A COVID–19 vaccine licensed  
22 under section 351 of the Public Health  
23 Service Act, or approved or authorized  
24 under sections 505 or 564 of the Federal

1                   Food, Drug, and Cosmetic Act, and the  
2                   administration of such vaccine.”.

3                   (C) CLARIFICATION.—The amendments  
4                   made by this subsection shall apply with respect  
5                   to a State plan of a territory in the same man-  
6                   ner as the amendments apply to a State plan  
7                   of 1 of the 50 States or the District of Colum-  
8                   bia.

9                   (b) CHIP.—

10                   (1) IN GENERAL.—Section 2103(c) of the So-  
11                   cial Security Act (42 U.S.C. 1397cc(e)) is amended  
12                   by adding at the end the following paragraph:

13                   “(11) COVERAGE OF COVID–19 VACCINES.—Re-  
14                   gardless of the type of coverage elected by a State  
15                   under subsection (a), child health assistance pro-  
16                   vided under such coverage for targeted low-income  
17                   children and, in the case of a State that State elects  
18                   to provide pregnancy-related assistance under such  
19                   coverage pursuant to section 2112, such pregnancy-  
20                   related assistance for targeted low-income pregnant  
21                   women (as defined in section 2112(d)) shall include  
22                   coverage of a COVID–19 vaccine licensed under sec-  
23                   tion 351 of the Public Health Service Act, or ap-  
24                   proved or authorized under sections 505 or 564 of

1 the Federal Food, Drug, and Cosmetic Act, and the  
2 administration of such vaccine.”.

3 (2) PROHIBITION OF COST SHARING.—Section  
4 2103(e)(2) of the Social Security Act (42 U.S.C.  
5 1397cc(e)(2)), as amended by section 6004(b)(3) of  
6 the Families First Coronavirus Response Act, is  
7 amended—

8 (A) in the paragraph header, by inserting  
9 “A COVID–19 VACCINE,” before “OR PREG-  
10 NANCY-RELATED ASSISTANCE”; and

11 (B) by striking “visits described in section  
12 1916(a)(2)(G), or” and inserting “services de-  
13 scribed in section 1916(a)(2)(G), vaccines de-  
14 scribed in section 1916(a)(2)(H), or”.

15 **SEC. 103. INCLUSION OF FEDERALLY-FUNDED COVID–19**  
16 **VACCINES UNDER MEDICAID DRUG REBATE**  
17 **PROGRAM; COVERAGE OF COVID–19 VAC-**  
18 **CINES UNDER STATE PEDIATRIC VACCINE**  
19 **DISTRIBUTION PROGRAM.**

20 (a) INCLUSION IN MEDICAID DRUG REBATE PRO-  
21 GRAM.—

22 (1) IN GENERAL.—Section 1927 of the Social  
23 Security Act (42 U.S.C. 1396r–8) is amended—

24 (A) in subsection (b)(1)(A), by inserting  
25 “(or, in the case of an applicable COVID–19

1 vaccine administered after July 1, 2020, an  
2 amount specified in subsection (l))” after  
3 “1990”;

4 (B) in subsection (k)—

5 (i) in paragraph (2)—

6 (I) in subparagraph (B)—

7 (aa) in the matter preceding  
8 clause (i), by inserting “(except  
9 in the case of an applicable  
10 COVID–19 vaccine)” after  
11 “other than a vaccine”;

12 (bb) in clause (iii), by strik-  
13 ing “; and” and inserting a semi-  
14 colon;

15 (II) in subparagraph (C), by  
16 striking the period at the end and in-  
17 serting “; and”; and

18 (III) by adding at the end the  
19 following new subparagraph:

20 “(D) an applicable COVID–19 vaccine.”;

21 and

22 (ii) by adding at the end the following  
23 new paragraph:

1           “(12) APPLICABLE COVID–19 VACCINE.—The  
2 term ‘applicable COVID–19 vaccine’ has the mean-  
3 ing given such term in section 1833(dd)(2).”; and

4           (C) by adding at the end the following new  
5 subsection:

6           “(1) DETERMINATION OF AMOUNT OF REBATE FOR  
7 APPLICABLE COVID–19 VACCINES.—

8           “(1) IN GENERAL.—The amount of the rebate  
9 specified in this subsection for a rebate period with  
10 respect to an applicable COVID–19 vaccine shall be  
11 equal to the product of—

12           “(A) the total number of units of the vac-  
13 cine paid for under the State plan in the rebate  
14 period (as reported by the State); and

15           “(B) the difference between the average  
16 manufacturer price and the inflation-adjusted  
17 Federal procurement price (as defined in para-  
18 graph (2)) for the vaccine.

19           “(2) INFLATION-ADJUSTED FEDERAL PROCURE-  
20 MENT PRICE.—For purposes of this section, the  
21 term ‘inflation-adjusted Federal procurement price’  
22 means, with respect to an applicable COVID–19 vac-  
23 cine and a rebate period—

24           “(A) for rebate periods occurring during  
25 the first 12-month period that such vaccine is



1 provided to State plans under this title, the  
2 amount specified for the vaccine under section  
3 1833(dd)(3); and

4 “(B) for rebate periods occurring after  
5 such 12-month period—

6 “(i) the amount specified for the vac-  
7 cine under section 1833(dd)(3); increased  
8 by

9 “(ii) the percentage by which the con-  
10 sumer price index for all urban consumers  
11 (United States city average) for the month  
12 before the month in which the rebate pe-  
13 riod begins exceeds such index for the  
14 month in which such 12-month period be-  
15 gins.

16 “(3) EXCEPTIONS.—No rebate shall be payable  
17 with respect to an applicable COVID–19 vaccine of  
18 a manufacturer and a rebate period occurring after  
19 the 12-month period described in paragraph (2)(A)  
20 if the Secretary determines that an exception de-  
21 scribed in section 1833(dd)(5)(B) applies with re-  
22 spect to the vaccine for the rebate period.”.

23 (2) PROHIBITION ON PRIOR AUTHORIZATION.—  
24 Section 1927(d)(1)(A) of the Social Security Act (42  
25 U.S.C. 1396r–8(d)(1)(A)) is amended by inserting

1 “other than an applicable COVID–19 vaccine” after  
2 “covered outpatient drug”.

3 (3) NO EXCLUSION OF APPLICABLE COVID–19  
4 VACCINES.—Section 1927(d)(7) of the Social Secu-  
5 rity Act (42 U.S.C. 1396r–8(d)(7)) is amended by  
6 adding at the end the following:

7 “(D) Applicable COVID–19 vaccines.”.

8 (b) ENSURING COVERAGE AND AFFORDABILITY  
9 UNDER STATE PEDIATRIC VACCINE DISTRIBUTION PRO-  
10 GRAM.—Section 1928 of the Social Security Act (42  
11 U.S.C. 1396s) is amended—

12 (1) in subsection (a)(1)—

13 (A) in subparagraph (A), by striking “;  
14 and” and inserting a semicolon;

15 (B) in subparagraph (B), by striking the  
16 period and inserting “; and”; and

17 (C) by adding at the end the following sub-  
18 paragraph:

19 “(C) each vaccine-eligible child (as defined  
20 in subsection (b)) is entitled to receive a  
21 COVID–19 vaccine from a program-registered  
22 provider without charge for—

23 “(i) the cost of such vaccine; or

24 “(ii) the administration of such vac-  
25 cine.”;

1           (2) in subsection (c)(2), by adding at the end  
2           the following subparagraph:

3                   “(D) The provider will provide and admin-  
4                   ister a COVID–19 vaccine to a vaccine-eligible  
5                   child in accordance with the same requirements  
6                   as the requirements that apply under the pre-  
7                   ceding subparagraphs to the provision and ad-  
8                   ministration of a qualified pediatric vaccine to  
9                   such a child.”;

10           (3) in subsection (d)(3), by adding at the end  
11           the following new subparagraph:

12                   “(D) LIMITATION ON PRICE INCREASES  
13                   FOR APPLICABLE COVID–19 VACCINES.—

14                           “(i) IN GENERAL.—Subject to clause  
15                           (ii), with respect to any contract entered  
16                           into under this subsection for an applicable  
17                           COVID–19 vaccine after the first such  
18                           contract entered into with respect to such  
19                           vaccine, no price for the purchase of such  
20                           vaccine for vaccine-eligible children shall be  
21                           agreed to by the Secretary under this sub-  
22                           section if the price per dose of such vaccine  
23                           (including any delivery costs and any appli-  
24                           cable excise tax established under section

1 4131 of the Internal Revenue Code of  
2 1986) exceeds—

3 “(I) the price per dose for the  
4 vaccine in effect under the first con-  
5 tract entered into under this sub-  
6 section for the purchase of such vac-  
7 cine; increased by

8 “(II) the percentage increase in  
9 the consumer price index for all urban  
10 consumers (all items; United States  
11 city average) from the month before  
12 such first contract is entered into to  
13 the month before the month in which  
14 the contract involved is entered into.

15 “(ii) EXCEPTION.—The limitation de-  
16 scribed in clause (i) shall not apply with  
17 respect to an applicable COVID–19 vaccine  
18 and a contract if the Secretary determines  
19 that an exception described in section  
20 1833(dd)(5)(B) applies with respect to the  
21 vaccine for the contract period.”; and

22 (4) in subsection (h), by adding at the end the  
23 following new paragraph:

24 “(10) COVID–19 VACCINE; APPLICABLE  
25 COVID–19 VACCINE.—

1           “(A) COVID–19 VACCINE.—The term  
2           ‘COVID–19 vaccine’ means a COVID–19 vac-  
3           cine licensed under section 351 of the Public  
4           Health Service Act, or approved or authorized  
5           under section 505 or 564 of the Federal Food,  
6           Drug, and Cosmetic Act, provided that such  
7           vaccine is included on the list under subsection  
8           (e).

9           “(B) APPLICABLE COVID–19 VACCINE.—  
10          The term ‘applicable COVID–19 vaccine’ means  
11          a vaccine described in section 1833(dd)(2), pro-  
12          vided that such vaccine is included on the list  
13          under subsection (e).”.

14          (c) EFFECTIVE DATE.—The amendments made by  
15          this section take effect on the date of enactment of this  
16          Act and apply to rebate agreements entered into on or  
17          after such date without regard to whether final regulations  
18          to carry out such amendments have been promulgated as  
19          of such date.

20          **SEC. 104. TEMPORARY ENHANCED FEDERAL MATCH FOR**  
21                                   **MEDICAL ASSISTANCE FOR COVID–19 VAC-**  
22                                   **CINES.**

23          (a) IN GENERAL.—Section 1905 of the Social Secu-  
24          rity Act (42 U.S.C. 1396d) is amended—

1           (1) in subsection (b), by striking “and (ff)” and  
2           inserting “(ff), and (gg)”; and

3           (2) by adding at the end the following new sub-  
4           section:

5           “(gg) TEMPORARY ENHANCED FEDERAL MATCH  
6           FOR COVID-19 VACCINE AND ADMINISTRATION.—

7           “(1) IN GENERAL.—Notwithstanding subsection  
8           (b), with respect to medical assistance for vaccines  
9           and the administration of vaccines described in sub-  
10          section (a)(4)(E) that is furnished during the period  
11          described in paragraph (2), the Federal medical as-  
12          sistance percentage for a State shall be equal to 100  
13          percent.

14          “(2) PERIOD DESCRIBED.—The period de-  
15          scribed in this paragraph is the period that—

16                  “(A) begins with the date of enactment of  
17                  this subsection; and

18                  “(B) ends with the date that is 1 year  
19                  after the last day of the emergency period de-  
20                  fined in paragraph (1)(B) of section 1135(g).”.

21          (b) EXCLUSION FROM TERRITORIAL CAPS.—Section  
22          1108 of the Social Security Act (42 U.S.C. 1308) is  
23          amended—

24                  (1) in subsection (f), in the matter preceding  
25                  paragraph (1), by striking “subsection (g) and sec-

1           tion 1935(e)(1)(B)” and inserting “subsections (g)  
2           and (h) and section 1935(e)(1)(B)”;

3                   (2) by adding at the end the following:

4           “(h) EXCLUSION FROM CAPS OF AMOUNTS ATTRIB-  
5 UTABLE TO CERTAIN INCREASED FMAP.—Any payment  
6 made to a territory for a fiscal year in which the Federal  
7 medical assistance percentage for the territory is deter-  
8 mined under section 1905(gg) shall not be taken into ac-  
9 count for purposes of applying payment limits under sub-  
10 sections (f) and (g) to the extent that such payment ex-  
11 ceeds the amount of the payment that would have been  
12 made to the territory for the year if the Federal medical  
13 assistance percentage for the territory had been deter-  
14 mined without regard to such section.”.

15       **TITLE II—ENSURING COVERAGE**  
16                   **UNDER MEDICAID**

17       **SEC. 201. INCREASED FMAP FOR MEDICAL ASSISTANCE TO**  
18                   **NEWLY ELIGIBLE INDIVIDUALS.**

19           (a) IN GENERAL.—Section 1905 of the Social Secu-  
20 rity Act (42 U.S.C. 1396d) is amended—

21                   (1) in subsection (y)(1)—

22                           (A) in subparagraph (A), by striking  
23                   “2014, 2015, and 2016” and inserting “each of  
24                   the first 3 consecutive 12-month periods in

1 which the State provides medical assistance to  
2 newly eligible individuals”;

3 (B) in subparagraph (B), by striking  
4 “2017” and inserting “the fourth consecutive  
5 12-month period in which the State provides  
6 medical assistance to newly eligible individuals”;

7 (C) in subparagraph (C), by striking  
8 “2018” and inserting “the fifth consecutive 12-  
9 month period in which the State provides med-  
10 ical assistance to newly eligible individuals”;

11 (D) in subparagraph (D), by striking  
12 “2019” and inserting “the sixth consecutive 12-  
13 month period in which the State provides med-  
14 ical assistance to newly eligible individuals”;  
15 and

16 (E) in subparagraph (E), by striking  
17 “2020 and each year thereafter” and inserting  
18 “the seventh consecutive 12-month period in  
19 which the State provides medical assistance to  
20 newly eligible individuals and each such period  
21 thereafter”; and

22 (2) in subsection (z)(2)(B)(i)(II), by inserting  
23 “(as in effect on the day before the enactment of the  
24 Vaccine And Coverage Certainty Act)” after “sub-  
25 section (y)(1)”.



1 (b) RETROACTIVE APPLICATION.—The amendments  
2 made by subsection (a)(1) shall take effect as if included  
3 in the enactment of Public Law 111–148 and shall apply  
4 to amounts expended by any State for medical assistance  
5 for newly eligible individuals described in subclause (VIII)  
6 of section 1902(a)(10)(A)(i) of the Social Security Act  
7 under a State Medicaid plan (or a waiver of such plan)  
8 during the period before the date of enactment of this Act.

9 **SEC. 202. MEDICAID COVERAGE FOR CITIZENS OF FREELY**  
10 **ASSOCIATED STATES.**

11 (a) IN GENERAL.—Section 402(b)(2) of the Personal  
12 Responsibility and Work Opportunity Reconciliation Act  
13 of 1996 (8 U.S.C. 1612(b)(2)) is amended by adding at  
14 the end the following new subparagraph:

15 “(G) MEDICAID EXCEPTION FOR CITIZENS  
16 OF FREELY ASSOCIATED STATES.—With respect  
17 to eligibility for benefits for the designated Fed-  
18 eral program defined in paragraph (3)(C) (re-  
19 lating to the Medicaid program), section 401(a)  
20 and paragraph (1) shall not apply to any indi-  
21 vidual who lawfully resides in 1 of the 50 States  
22 or the District of Columbia in accordance with  
23 the Compacts of Free Association between the  
24 Government of the United States and the Gov-  
25 ernments of the Federated States of Micro-

1           nesia, the Republic of the Marshall Islands, and  
2           the Republic of Palau and shall not apply, at  
3           the option of the Governor of Puerto Rico, the  
4           Virgin Islands, Guam, the Northern Mariana  
5           Islands, or American Samoa as communicated  
6           to the Secretary of Health and Human Services  
7           in writing, to any individual who lawfully re-  
8           sides in the respective territory in accordance  
9           with such Compacts.”.

10           (b) EXCEPTION TO 5-YEAR LIMITED ELIGIBILITY.—  
11 Section 403(d) of such Act (8 U.S.C. 1613(d)) is amend-  
12 ed—

13           (1) in paragraph (1), by striking “or” at the  
14 end;

15           (2) in paragraph (2), by striking the period at  
16 the end and inserting “; or”; and

17           (3) by adding at the end the following new  
18 paragraph:

19           “(3) an individual described in section  
20 402(b)(2)(G), but only with respect to the des-  
21 ignated Federal program defined in section  
22 402(b)(3)(C).”.

23           (c) DEFINITION OF QUALIFIED ALIEN.—Section  
24 431(b) of such Act (8 U.S.C. 1641(b)) is amended—

1           (1) in paragraph (6), by striking “; or” at the  
2           end and inserting a comma;

3           (2) in paragraph (7), by striking the period at  
4           the end and inserting “, or”; and

5           (3) by adding at the end the following new  
6           paragraph:

7           “(8) an individual who lawfully resides in the  
8           United States in accordance with a Compact of Free  
9           Association referred to in section 402(b)(2)(G), but  
10          only with respect to the designated Federal program  
11          defined in section 402(b)(3)(C) (relating to the Med-  
12          icaid program).”.

13          (d) APPLICATION TO STATE PLANS.—Section  
14          1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C.  
15          1396a(a)(10)(A)(i)) is amended by inserting after sub-  
16          clause (IX) the following:

17                                   “(X) who are described in section  
18                                   402(b)(2)(G) of the Personal Respon-  
19                                   sibility and Work Opportunity Rec-  
20                                   onciliation Act of 1996 and eligible  
21                                   for benefits under this title by reason  
22                                   of application of such section;”.

23          (e) CONFORMING AMENDMENTS.—Section 1108 of  
24          the Social Security Act (42 U.S.C. 1308), as amended by  
25          section 104, is amended—

1           (1) in subsection (f), in the matter preceding  
 2           paragraph (1), by striking “subsections (g) and (h)”  
 3           and inserting “subsections (g), (h), and (i)”; and

4           (2) by adding at the end the following:

5           “(i) EXCLUSION OF MEDICAL ASSISTANCE EXPENDI-  
 6           TURES FOR CITIZENS OF FREELY ASSOCIATED STATES.—  
 7           Expenditures for medical assistance provided to an indi-  
 8           vidual described in section 431(b)(8) of the Personal Re-  
 9           sponsibility and Work Opportunity Reconciliation Act of  
 10          1996 (8 U.S.C. 1641(b)(8)) shall not be taken into ac-  
 11          count for purposes of applying payment limits under sub-  
 12          sections (f) and (g).”.

13          (f) EFFECTIVE DATE.—The amendments made by  
 14          this section shall apply to benefits for items and services  
 15          furnished on or after the date of the enactment of this  
 16          Act.

17       **TITLE        III—ENSURING        COV-**  
 18       **ERAGE        IN        THE        MARKET-**  
 19       **PLACE**

20       **SEC. 301. DISREGARD OF ADDITIONAL UNEMPLOYMENT**  
 21                       **COMPENSATION FOR PURPOSES OF PRE-**  
 22                       **MIUM TAX CREDIT AND COST-SHARING SUB-**  
 23                       **SIDIES.**

24          (a) IN GENERAL.—Section 36B(d)(2)(B) of the In-  
 25          ternal Revenue Code of 1986 is amended—



1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2019.