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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To provide that certain limits on State-directed payments under the Medicaid program not apply to certain maternity, labor, and delivery services.

IN THE HOUSE OF REPRESENTATIVES

Ms. DAVIDS of Kansas introduced the following bill; which was referred to the Committee on _____

A BILL

To provide that certain limits on State-directed payments under the Medicaid program not apply to certain maternity, labor, and delivery services.

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 “Maternity Care for
5 Rural Communities Act of 2026”.

1 **SEC. 2. PROVIDING THAT CERTAIN LIMITS ON STATE-DI-**
2 **RECTED PAYMENTS UNDER THE MEDICAID**
3 **PROGRAM NOT APPLY TO CERTAIN MATER-**
4 **NITY, LABOR, AND DELIVERY SERVICES.**

5 Section 71116(b) of an Act to provide for reconcili-
6 ation pursuant to title II of H. Con. Res. 14 (Public Law
7 119–21) is amended—

8 (1) in the header, by striking
9 “GRANDFATHERING” and inserting “TREATMENT
10 OF”;

11 (2) by striking “In the case of” and inserting
12 the following:

13 “(1) GRANDFATHERING.—In the case of”; and

14 (3) by adding at the end the following new
15 paragraph:

16 “(2) EXEMPTION FOR PAYMENTS FOR CERTAIN
17 MATERNITY, LABOR, AND DELIVERY SERVICES.—In
18 the case of a payment described in section
19 438.6(c)(2)(iii) of title 42, Code of Federal Regula-
20 tions (or a successor regulation) made for maternity,
21 labor, or delivery services furnished during a rating
22 period beginning on or after July 4, 2025, by a spec-
23 ified entity, no limit on such payment shall apply.

24 “(3) DEFINITIONS.—In this subsection:

25 “(A) QUALIFYING BIRTHS.—The term
26 ‘qualifying birth’ means, with respect to a birth

1 at a hospital, any birth with respect to which
2 the individual giving birth—

3 “(i) received maternity, labor, or de-
4 livery services for which payment for such
5 services was made in whole or in part
6 under—

7 “(I) a State plan under title XIX
8 of the Social Security Act (or waiver
9 of such plan);

10 “(II) a State child health plan
11 under title XXI of such Act (or a
12 waiver of such plan); or

13 “(III) title XVIII of such Act;

14 “(ii) received maternity, labor, or de-
15 livery services provided by the Indian
16 Health Service or a Native Hawaiian
17 health care system (as defined in section
18 12 of the Native Hawaiian Health Care
19 Improvement Act); or

20 “(iii) did not have minimum essential
21 coverage (as defined in section 5000A(f) of
22 the Internal Revenue Code of 1986) and
23 for which the hospital incurred uncompen-
24 sated care costs (other than charity care
25 costs).

1 “(B) SPECIFIED ENTITY.—The term ‘spec-
2 ified entity’ means any of the following entities:

3 “(i) A rural hospital.

4 “(ii) a hospital operated by the Indian
5 Health Service or by an Indian Tribe
6 under the Indian Self-Determination and
7 Education Assistance Act.

8 “(iii) A hospital for which, with re-
9 spect to the most recent 12-month period
10 for which data is available, at least 50 per-
11 cent of all births at such hospital were
12 qualifying births.”.