

employee or agent of the United States, shall be deemed guilty of a felony, and, upon conviction thereof, shall be punished by a fine not exceeding \$10,000 for each occurrence of a violation, or by imprisonment not exceeding 5 years, or both.

(Aug. 14, 1935, ch. 531, title XI, §1107, as added Aug. 10, 1939, ch. 666, title VIII, §802, 53 Stat. 1398; amended Aug. 28, 1950, ch. 809, title IV, §403(e), (f), 64 Stat. 560; Pub. L. 98-369, div. B, title VI, §2663(e)(2)(A), (3), (j)(2)(D)(iii), (l)(1), July 18, 1984, 98 Stat. 1168, 1170, 1171; Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 103-296, title I, §108(b)(6), title III, §313(b), Aug. 15, 1994, 108 Stat. 1482, 1530.)

#### Editorial Notes

##### REFERENCES IN TEXT

Subchapter E of chapter 9 of the Internal Revenue Code of 1939, referred to in subsec. (a), was comprised of sections 1631 to 1636 of the 1939 Code, and was repealed (subject to certain exceptions) by section 7851(a)(1)(A), (3) of the Internal Revenue Code of 1954, Title 26. The Internal Revenue Code of 1954 was redesignated the Internal Revenue Code of 1986 by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See also section 7852(b) of Title 26 for provision that references in any other law to a provision of the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1986 Code.

For provision deeming a reference in other laws to a provision of the 1939 Code as a reference to the corresponding provisions of the 1986 Code, see section 7852(b) of the 1986 Code. For table of comparisons of the 1939 Code to the 1986 Code, see table preceding section 1 of Title 26, Internal Revenue Code. The Internal Revenue Code of 1986 is classified generally to Title 26.

##### AMENDMENTS

1994—Subsec. (b). Pub. L. 103-296, §313(b), inserted “social security account number,” after “information as to the” and substituted “felony” for “misdemeanor”, “\$10,000 for each occurrence of a violation” for “\$1,000”, and “5 years” for “one year”.

Pub. L. 103-296, §108(b)(6), which directed that subsec. (b) be amended by substituting “the Commissioner of Social Security or the Secretary” for “the Secretary of Health and Human Services”, was executed by making the substitution for “the Secretary” to reflect the probable intent of Congress.

1986—Subsec. (a). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”.

1984—Subsec. (a). Pub. L. 98-369, §2663(e)(2)(A), substituted “of chapter 2, 21, or 23 of the Internal Revenue Code of 1954, or of any provision of subtitle F of such Code which corresponds (within the meaning of section 7852(b) of such Code) to a provision contained in subchapter E of chapter 9 of the Internal Revenue Code of 1939,” for “subchapter E of chapter 1 or subchapter A, C, or E of chapter 9 of the Internal Revenue Code [of 1939]”.

Subsec. (b). Pub. L. 98-369, §2663(l)(1), substituted “Secretary” for “Administrator”.

Pub. L. 98-369, §2663(j)(2)(D)(iii), which directed the substitution of “Health and Human Services” for “Health, Education, and Welfare” could not be executed because “Health, Education, and Welfare” did not appear in text.

Pub. L. 98-369, §2663(e)(3), substituted “divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father,” for “former wife divorced,” in two places.

1950—Subsec. (a). Act Aug. 28, 1950, §403(e), substituted “subchapter E of chapter 1 or subchapter A, C, or E of chapter 9 of the Internal Revenue Code of 1939,” for “the Federal Insurance Contributions Act, or the Federal Unemployment Tax Act.”

Subsec. (b). Act Aug. 28, 1950, §403(f), substituted “Administrator” for “Board” and “wife, husband, widow, widower, former wife divorced, child, or parent” for “wife, parent, or child” wherever appearing.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 108(b)(6) of Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of this title.

Amendment by section 313(b) of Pub. L. 103-296 applicable to violations occurring on or after Aug. 15, 1994, see section 313(c) of Pub. L. 103-296, set out as a note under section 1306 of this title.

##### EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-369, div. B, title VI, §2663(e)(2)(B), July 18, 1984, 98 Stat. 1168, provided that: “The amendment made by subparagraph (A) [amending this section] shall not apply to returns filed or representations made on or before the date of the enactment of this Act [July 18, 1984].”

Amendment by section 2663(e)(3), (j)(2)(D)(iii), (l)(1) of Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

#### § 1308. Additional grants to Puerto Rico, Virgin Islands, Guam, and American Samoa; limitation on total payments

##### (a) Limitation on total payments to each territory

###### (1) In general

Notwithstanding any other provision of this chapter (except for paragraph (2) of this subsection), the total amount certified by the Secretary of Health and Human Services under subchapters I, X, XIV, and XVI, under parts A and E of subchapter IV, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year.

###### (2) Certain payments disregarded

Paragraph (1) of this subsection shall be applied without regard to any payment made under section 603(a)(2), 603(a)(4), 603(a)(5), 606, 613(f), or 674(a)(6) of this title.

##### (b) Entitlement to matching grant

###### (1) In general

Each territory shall be entitled to receive from the Secretary for each fiscal year a grant in an amount equal to 75 percent of the amount (if any) by which—

- (A) the total expenditures of the territory during the fiscal year under the territory programs funded under parts A and E of subchapter IV, including any amount paid to the State under part A of subchapter IV that is transferred in accordance with section 604(d) of this title and expended under the program to which transferred; exceeds
- (B) the sum of—

(i) the amount of the family assistance grant payable to the territory without regard to section 609 of this title; and

(ii) the total amount expended by the territory during fiscal year 1995 pursuant to parts A and F of subchapter IV (as so in effect), other than for child care.

**(2) Appropriation**

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2017 and 2018, such sums as are necessary for grants under this paragraph.

**(c) Definitions**

As used in this section:

**(1) Territory**

The term “territory” means Puerto Rico, the Virgin Islands, Guam, and American Samoa.

**(2) Ceiling amount**

The term “ceiling amount” means, with respect to a territory and a fiscal year, the mandatory ceiling amount with respect to the territory, reduced for the fiscal year in accordance with subsection (e),<sup>1</sup> and reduced by the amount of any penalty imposed on the territory under any provision of law specified in subsection (a) during the fiscal year.

**(3) Family assistance grant**

The term “family assistance grant” has the meaning given such term by section 603(a)(1)(B) of this title.

**(4) Mandatory ceiling amount**

The term “mandatory ceiling amount” means—

- (A) \$107,255,000 with respect to Puerto Rico;
- (B) \$4,686,000 with respect to Guam;
- (C) \$3,554,000 with respect to the Virgin Islands; and
- (D) \$1,000,000 with respect to American Samoa.

**(5) Total amount expended by the territory**

The term “total amount expended by the territory”—

(A) does not include expenditures during the fiscal year from amounts made available by the Federal Government; and

(B) when used with respect to fiscal year 1995, also does not include—

(i) expenditures during fiscal year 1995 under subsection (g) or (i) of section 602 of this title (as in effect on September 30, 1995); or

(ii) any expenditures during fiscal year 1995 for which the territory (but for this section, as in effect on September 30, 1995) would have received reimbursement from the Federal Government.

**(d) Authority to transfer funds to certain programs**

A territory to which an amount is paid under subsection (b) of this section may use the amount in accordance with section 604(d) of this title.

**(e) Repealed. Pub. L. 105-33, title V, § 5512(c), Aug. 5, 1997, 111 Stat. 619**

**(f) Total amount certified under subchapter XIX**

Subject to subsections (g) and (h) and section 1396u-5(e)(1)(B) of this title, the total amount certified by the Secretary under subchapter XIX with respect to a fiscal year for payment to—

(1) Puerto Rico shall not exceed (A) \$116,500,000 for fiscal year 1994 and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase in the medical care component of the consumer price index for all urban consumers (as published by the Bureau of Labor Statistics) for the twelve-month period ending in March preceding the beginning of the fiscal year, rounded to the nearest \$100,000;

(2) the Virgin Islands shall not exceed (A) \$3,837,500 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest \$10,000;

(3) Guam shall not exceed (A) \$3,685,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest \$10,000;

(4) Northern Mariana Islands shall not exceed (A) \$1,110,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest \$10,000; and

(5) American Samoa shall not exceed (A) \$2,140,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest \$10,000.

**(g) Medicaid payments to territories for fiscal year 1998 and thereafter**

**(1) Fiscal year 1998**

With respect to fiscal year 1998, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under subsection (f) for such fiscal year shall be increased by the following amounts:

- (A) For Puerto Rico, \$30,000,000.
- (B) For the Virgin Islands, \$750,000.
- (C) For Guam, \$750,000.
- (D) For the Northern Mariana Islands, \$500,000.
- (E) For American Samoa, \$500,000.

**(2) Fiscal year 1999 and thereafter**

Notwithstanding subsection (f) and subject to section 18043(a)(2) of this title and paragraphs (3) and (5), with respect to fiscal year 1999 and any fiscal year thereafter, the total amount certified by the Secretary under subchapter XIX for payment to—

- (A) Puerto Rico shall not exceed—

<sup>1</sup> See References in Text note below.

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase in the medical care component of the Consumer Price Index for all urban consumers (as published by the Bureau of Labor Statistics) for the 12-month period ending in March preceding the beginning of the fiscal year, rounded to the nearest \$100,000; and

(ii) for each of fiscal years 2020 through 2021, the amount specified in paragraph (6) for each such fiscal year;

(B) the Virgin Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest \$10,000;

(ii) for fiscal year 2020, \$128,712,500; and

(iii) for fiscal year 2021, \$127,937,500;

(C) Guam shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest \$10,000;

(ii) for fiscal year 2020, \$130,875,000; and

(iii) for fiscal year 2021, \$129,712,500;

(D) the Northern Mariana Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest \$10,000;

(ii) for fiscal year 2020, \$63,100,000; and

(iii) for fiscal year 2021, \$62,325,000; and

(E) American Samoa shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest \$10,000;

(ii) for fiscal year 2020, \$86,325,000; and

(iii) for fiscal year 2021, \$85,550,000.

For each fiscal year after fiscal year 2021, the total amount certified for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under subsection (f) and this subsection for the fiscal year shall be determined as if the preceding subparagraphs were applied to each of fiscal years 2020 through 2021 without regard to clause (ii) of each such subparagraph.

**(3) Fiscal years 2006 and 2007 for certain insular areas**

The amounts otherwise determined under this subsection for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa for fiscal year 2006 and fiscal year 2007 shall be increased by the following amounts:

(A) For Puerto Rico, \$12,000,000 for fiscal year 2006 and \$12,000,000 for fiscal year 2007.

(B) For the Virgin Islands, \$2,500,000 for fiscal year 2006 and \$5,000,000 for fiscal year 2007.

(C) For Guam, \$2,500,000 for fiscal year 2006 and \$5,000,000 for fiscal year 2007.

(D) For the Northern Mariana Islands, \$1,000,000 for fiscal year 2006 and \$2,000,000 for fiscal year 2007.

(E) For American Samoa, \$2,000,000 for fiscal year 2006 and \$4,000,000 for fiscal year 2007.

Such amounts shall not be taken into account in applying paragraph (2) for fiscal year 2007 but shall be taken into account in applying such paragraph for fiscal year 2008 and subsequent fiscal years.

**(4) Exclusion of certain expenditures from payment limits**

**(A) In general**

With respect to fiscal years beginning with fiscal year 2009, if Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa qualify for a payment under subparagraph (A)(i), (B), or (F) of section 1396b(a)(3) of this title for a calendar quarter of such fiscal year, and with respect to fiscal years beginning with fiscal year 2017, if Puerto Rico qualifies for a payment under section 1396b(a)(6) of this title for a calendar quarter (beginning on or after July 1, 2017) of such fiscal year, and with respect to fiscal years beginning with fiscal year 2018, if the Virgin Islands qualifies for a payment under section 1396b(a)(6) of this title for a calendar quarter (beginning on or after January 1, 2018) of such fiscal year, the payment shall not be taken into account in applying subsection (f) (as increased in accordance with paragraphs (1), (2), (3), and (4) of this subsection) to such commonwealth or territory for such fiscal year.

**(B) Additional exemption**

Payments under section 1396b of this title for medical assistance consisting of routine patient costs (as defined in section 1396d(gg)(1) of this title) shall not be taken into account in applying subsection (f).

**(5) Additional increase**

(A) Subject to subparagraphs (B), (C), (D), (E), and (F), the Secretary shall increase the amounts otherwise determined under this subsection for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa (after the application of subsection (f) and the preceding paragraphs of this subsection) for the period beginning July 1, 2011, and ending on September 30, 2019, by such amounts that the total additional payments under subchapter XIX to such territories equals \$6,300,000,000 for such period. The Secretary shall increase such amounts in proportion to the amounts applicable to such territories under this subsection and subsection (f) on March 30, 2010.

(B) The amount of the increase otherwise provided under subparagraph (A) for Puerto Rico shall be further increased by \$295,900,000.

(C) Subject to subparagraphs (D) and (F), for the period beginning January 1, 2018, and ending September 30, 2019—

(i) the amount of the increase otherwise provided under subparagraphs (A) and (B) for Puerto Rico shall be further increased by \$3,600,000,000; and

(ii) the amount of the increase otherwise provided under subparagraph (A) for the Virgin Islands shall be further increased by \$106,931,000.

(D) For the period described in subparagraph (C), the amount of the increase otherwise provided under subparagraph (A)—

(i) for Puerto Rico shall be further increased by \$1,200,000,000 if the Secretary certifies that Puerto Rico has taken reasonable and appropriate steps during such period, in accordance with a timeline established by the Secretary, to—

(I) implement methods, satisfactory to the Secretary, for the collection and reporting of reliable data to the Transformed Medicaid Statistical Information System (T-MSIS) (or a successor system); and

(II) demonstrate progress in establishing a State medicaid fraud control unit described in section 1396b(q) of this title; and

(ii) for the Virgin Islands shall be further increased by \$35,644,000 if the Secretary certifies that the Virgin Islands has taken reasonable and appropriate steps during such period, in accordance with a timeline established by the Secretary, to meet the conditions for certification specified in subclauses (I) and (II) of clause (i).

(E) Subject to subparagraph (F), for the period beginning January 1, 2019, and ending September 30, 2019, the amount of the increase otherwise provided under subparagraph (A) for the Northern Mariana Islands shall be further increased by \$36,000,000.

(F) Notwithstanding any other provision of subchapter XIX—

(i) during the period in which the additional funds provided under subparagraphs (C), (D), and (E) are available for Puerto Rico, the Virgin Islands, and the Northern Mariana Islands, respectively, with respect to payments from such additional funds for amounts expended by Puerto Rico, the Virgin Islands, and the Northern Mariana Islands under such subchapter, the Secretary shall increase the Federal medical assistance percentage or other rate that would otherwise apply to such payments to 100 percent; and

(ii) for the period beginning January 1, 2019, and ending September 30, 2019, with respect to payments to Guam and American Samoa from the additional funds provided under subparagraph (A), the Secretary shall increase the Federal medical assistance percentage or other rate that would otherwise apply to such payments to 100 percent.

(G) Not later than September 30, 2019, Guam and American Samoa shall each submit a plan to the Secretary outlining the steps each such

territory shall take to collect and report reliable data to the Transformed Medicaid Statistical Information System (T-MSIS) (or a successor system).

**(6) Application to Puerto Rico for fiscal years 2020 through 2021**

**(A) In general**

Subject to subparagraph (B), the amount specified in this paragraph is—

(i) for fiscal year 2020, \$2,716,188,000; and

(ii) for fiscal year 2021, \$2,809,063,000.

**(B) Additional increase for Puerto Rico**

**(i) In general**

For each of fiscal years 2020 through 2021, the amount specified in this paragraph for the fiscal year shall be equal to the amount specified for such fiscal year under subparagraph (A) increased by \$200,000,000 if the Secretary certifies that, with respect to such fiscal year, Puerto Rico's State plan under subchapter XIX (or a waiver of such plan) establishes a reimbursement floor, implemented through a directed payment arrangement plan, for physician services that are covered under the Medicare part B fee schedule in the Puerto Rico locality established under section 1395w-4(b) of this title that is not less than 70 percent of the payment that would apply to such services if they were furnished under part B of subchapter XVIII during such fiscal year.

**(ii) Application to managed care**

In certifying whether Puerto Rico has established a reimbursement floor under a directed payment arrangement plan that satisfies the requirements of clause (i)—

(I) for fiscal year 2020, the Secretary shall apply such requirements to payments for physician services under a managed care contract entered into or renewed after December 20, 2019, and disregard payments for physician services under any managed care contract that was entered into prior to such date; and

(II) for each of fiscal years 2020 through 2021—

(aa) the Secretary shall disregard payments made under sub-capitated arrangements for services such as primary care case management; and

(bb) if the reimbursement floor for physician services applicable under a managed care contract satisfies the requirements of clause (i) for the fiscal year in which the contract is entered into or renewed, such reimbursement floor shall be deemed to satisfy such requirements for the subsequent fiscal year.

**(7) Puerto Rico program integrity requirements**

**(A) In general**

**(i) Program Integrity Lead**

Not later than 6 months after December 20, 2019, the agency responsible for the administration of Puerto Rico's Medicaid

program under subchapter XIX shall designate an officer (other than the director of such agency) to serve as the Program Integrity Lead for such program.

**(ii) PERM requirement**

Not later than 18 months after December 20, 2019, Puerto Rico shall publish a plan, developed by Puerto Rico in coordination with the Administrator of the Centers for Medicare & Medicaid Services and approved by the Administrator, for how Puerto Rico will develop measures to satisfy the payment error rate measurement (PERM) requirements under subpart Q of part 431 of title 42, Code of Federal Regulations (or any successor regulation).

**(iii) Contracting reform**

Not later than 12 months after December 20, 2019, Puerto Rico shall publish a contracting reform plan to combat fraudulent, wasteful, or abusive contracts under Puerto Rico's Medicaid program under subchapter XIX that includes—

(I) metrics for evaluating the success of the plan; and

(II) a schedule for publicly releasing status reports on the plan.

**(iv) MEQC**

Not later than 18 months after December 20, 2019, Puerto Rico shall publish a plan, developed by Puerto Rico in coordination with the Administrator of the Centers for Medicare & Medicaid Services and approved by the Administrator, for how Puerto Rico will comply with the Medicaid eligibility quality control (MEQC) requirements of subpart P of part 431 of title 42, Code of Federal Regulations (or any successor regulation).

**(B) FMAP reduction for failure to meet additional requirements**

**(i) In general**

For each fiscal quarter during the period beginning on January 1, 2020, and ending on September 30, 2021:

(I) For every clause under subparagraph (A) with respect to which Puerto Rico does not fully satisfy the requirements described in the clause (including requirements imposed under the terms of a plan described in the clause) in the fiscal quarter, the Federal medical assistance percentage applicable to Puerto Rico under section 1396d(ff) of this title shall be reduced by the number of percentage points determined for the clause and fiscal quarter under subclause (II).

(II) The number of percentage points determined under this subclause with respect to a clause under subparagraph (A) and a fiscal quarter shall be the number of percentage points (not to exceed 2.5 percentage points) equal to—

(aa) 0.25 percentage points; multiplied by

(bb) the total number of consecutive fiscal quarters for which Puerto Rico has not fully satisfied the requirements described in such clause.

**(ii) Exception for extenuating circumstances or reasonable progress**

For purposes of clause (i), Puerto Rico shall be deemed to have fully satisfied the requirements of a clause under subparagraph (A) (including requirements imposed under the terms of a plan described in the clause) for a fiscal quarter if—

(I) the Secretary approves an application from Puerto Rico describing extenuating circumstances that prevented Puerto Rico from fully satisfying the requirements of the clause; or

(II) in the case of a requirement imposed under the terms of a plan described in a clause under subparagraph (A), Puerto Rico has made objectively reasonable progress towards satisfying such terms and has submitted a timely request for an exception to the imposition of a penalty to the Secretary.

**(8) Program Integrity Lead requirement for the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa**

**(A) Program Integrity Lead requirement**

Not later than October 1, 2020, the agency responsible for the administration of the Medicaid program under subchapter XIX of each territory specified in subparagraph (C) shall designate an officer (other than the director of such agency) to serve as the Program Integrity Lead for such program.

**(B) FMAP reduction**

For each fiscal quarter during fiscal year 2021, if the territory fails to satisfy the requirement of subparagraph (A) for the fiscal quarter, the Federal medical assistance percentage applicable to the territory under section 1396d(ff) of this title for such fiscal quarter shall be reduced by the number of percentage points (not to exceed 5 percentage points) equal to—

(i) 0.25 percentage points; multiplied by

(ii) the total number of fiscal quarters during the fiscal year in which the territory failed to satisfy such requirement.

**(C) Scope**

This paragraph shall apply to the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

**(9) Annual report**

**(A) In general**

Not later than the date that is 30 days after the end of each fiscal year (beginning with fiscal year 2020 and ending with fiscal year 2021), in the case that a specified territory receives a Medicaid cap increase, or an increase in the Federal medical assistance percentage for such territory under section 1396d(ff) of this title, for such fiscal year, such territory shall submit to the Chair and Ranking Member of the Committee on Energy and Commerce of the House of Representatives and the Chair and Ranking Member of the Committee on Finance of the Senate a report, employing the most up-to-date information available, that describes

how such territory has used such Medicaid cap increase, or such increase in the Federal medical assistance percentage, as applicable, to increase access to health care under the State Medicaid plan of such territory under subchapter XIX (or a waiver of such plan). Such report may include—

(i) the extent to which such territory has, with respect to such plan (or waiver)—

- (I) increased payments to health care providers;
- (II) increased covered benefits;
- (III) expanded health care provider networks; or
- (IV) improved in any other manner the carrying out of such plan (or waiver); and

(ii) any other information as determined necessary by such territory.

### (B) Definitions

In this paragraph:

#### (i) Medicaid cap increase

The term “Medicaid cap increase” means, with respect to a specified territory and fiscal year, any increase in the amounts otherwise determined under this subsection for such territory for such fiscal year by reason of the amendments made by section 202 of division N of the Further Consolidated Appropriations Act, 2020.

#### (ii) Specified territory

The term “specified territory” means Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

### (h) Exclusion of medical assistance expenditures for citizens of freely associated states

Expenditures for medical assistance provided to an individual described in section 1641(b)(8) of title 8 shall not be taken into account for purposes of applying payment limits under subsections (f) and (g).

(Aug. 14, 1935, ch. 531, title XI, §1108, as added Aug. 28, 1950, ch. 809, title III, pt. 6, §361(g), 64 Stat. 558; amended Aug. 1, 1956, ch. 836, title III, §351(c), 70 Stat. 855; Pub. L. 85–840, title V, §§507, 508, Aug. 28, 1958, 72 Stat. 1051; Pub. L. 86–778, title VI, §602, Sept. 13, 1960, 74 Stat. 992; Pub. L. 87–31, §6(a)(1), (2), (b), May 8, 1961, 75 Stat. 78; Pub. L. 87–64, title III, §303(d), June 30, 1961, 75 Stat. 143; Pub. L. 87–543, title I, §151, July 25, 1962, 76 Stat. 206; Pub. L. 89–97, title II, §208(a)(2), title IV, §408(a), July 30, 1965, 79 Stat. 355, 422; Pub. L. 90–248, title II, §248(a)(1), Jan. 2, 1968, 81 Stat. 918; Pub. L. 92–603, title II, §§271(a), (b), 272(b), Oct. 30, 1972, 86 Stat. 1451; Pub. L. 93–647, §3(i), Jan. 4, 1975, 88 Stat. 2350; Pub. L. 95–600, title VIII, §802(b), Nov. 6, 1978, 92 Stat. 2945; Pub. L. 96–272, title II, §207(c), title III, §§305(a), (b), June 17, 1980, 94 Stat. 526, 529, 530; Pub. L. 97–35, title XXI, §§2162(b)(1), 2193(c)(1), title XXIII, §2353(f), Aug. 13, 1981, 95 Stat. 806, 827, 872; Pub. L. 97–248, title I, §§136(b), 160(a), Sept. 3, 1982, 96 Stat. 375, 400; Pub. L. 98–369, div. B, title III, §2365(a), July 18, 1984, 98 Stat. 1108; Pub. L. 100–203, title IV, §4111(a), Dec. 22, 1987, 101 Stat.

1330–148; Pub. L. 100–485, title II, §202(c)(2), (3), title VI, §§601(b), (c)(2), 602(a), Oct. 13, 1988, 102 Stat. 2378, 2407, 2408; Pub. L. 103–66, title XIII, §13641(a), Aug. 10, 1993, 107 Stat. 646; Pub. L. 104–193, title I, §103(b), Aug. 22, 1996, 110 Stat. 2160; Pub. L. 105–33, title IV, §4726, title V, §§5001(b), 5512, Aug. 5, 1997, 111 Stat. 519, 589, 619; Pub. L. 108–40, §3(b), June 30, 2003, 117 Stat. 836; Pub. L. 108–173, title I, §103(d)(2), Dec. 8, 2003, 117 Stat. 2159; Pub. L. 109–171, title VI, §6055, Feb. 8, 2006, 120 Stat. 96; Pub. L. 111–3, title I, §109, Feb. 4, 2009, 123 Stat. 25; Pub. L. 111–5, div. B, title II, §2101(c), (d)(1), Feb. 17, 2009, 123 Stat. 449; Pub. L. 111–148, title II, §2005(a), (b), title X, §10201(d), Mar. 23, 2010, 124 Stat. 283, 919; Pub. L. 111–152, title I, §1204(b)(1), (2)(A), Mar. 30, 2010, 124 Stat. 1056; Pub. L. 112–96, title IV, §4002(h), Feb. 22, 2012, 126 Stat. 195; Pub. L. 115–31, div. M, title I, §102(a)(5), title II, §202(a), May 5, 2017, 131 Stat. 800, 804; Pub. L. 115–123, div. B, title III, §20301(a), (b), title VII, §50711(f), Feb. 9, 2018, 132 Stat. 118, 119, 244; Pub. L. 116–20, title VIII, §802(a), June 6, 2019, 133 Stat. 891; Pub. L. 116–94, div. N, title I, §202(a), (d), Dec. 20, 2019, 133 Stat. 3103, 3108; Pub. L. 116–127, div. F, §6009, Mar. 18, 2020, 134 Stat. 209; Pub. L. 116–260, div. CC, title II, §§208(d), 210(d), Dec. 27, 2020, 134 Stat. 2985, 2991.)

### APPLICABILITY OF AMENDMENT

*Amendment of section by section 210(d) of Pub. L. 116–260 applicable with respect to items and services furnished on or after Jan. 1, 2022. See 2020 Amendment note below.*

### Editorial Notes

#### REFERENCES IN TEXT

Subsection (e), referred to in subsec. (c)(2), was repealed by Pub. L. 105–33, title V, §5512(c), Aug. 5, 1997, 111 Stat. 619.

Section 202 of division N of the Further Consolidated Appropriations Act, 2020, referred to in subsec. (g)(9)(B)(i), is section 202 of div. N of Pub. L. 116–94, which amended this section and sections 1396a, 1396d, and 1396u–5 of this title, and enacted provisions set out as a note under section 1396a of this title.

#### AMENDMENTS

2020—Subsec. (f). Pub. L. 116–260, §208(d)(1), substituted “subsections (g) and (h) and section 1396u–5(e)(1)(B) of this title” for “subsection (g) and section 1396u–5(e)(1)(B) of this title” in introductory provisions.

Subsec. (g)(2)(B). Pub. L. 116–127, §6009(1)(A), substituted “for fiscal year 2020, \$128,712,500; and” for “for each of fiscal years 2020 through 2021, \$126,000,000;” in cl. (ii) and added cl. (iii).

Subsec. (g)(2)(C). Pub. L. 116–127, §6009(1)(B), substituted “for fiscal year 2020, \$130,875,000; and” for “for each of fiscal years 2020 through 2021, \$127,000,000;” in cl. (ii) and added cl. (iii).

Subsec. (g)(2)(D). Pub. L. 116–127, §6009(1)(C), substituted “for fiscal year 2020, \$63,100,000; and” for “for each of fiscal years 2020 through 2021, \$60,000,000; and” in cl. (ii) and added cl. (iii).

Subsec. (g)(2)(E). Pub. L. 116–127, §6009(1)(D), substituted “for fiscal year 2020, \$86,325,000; and” for “for each of fiscal years 2020 through 2021, \$84,000,000.” in cl. (ii) and added cl. (iii).

Subsec. (g)(4). Pub. L. 116–260, §210(d), designated existing provisions as subpar. (A), inserted heading, and added subpar. (B).

Subsec. (g)(6)(A)(i). Pub. L. 116–127, §6009(2)(A), substituted “\$2,716,188,000” for “\$2,623,188,000”.

Subsec. (g)(6)(A)(ii). Pub. L. 116-127, § 6009(2)(B), substituted "\$2,809,063,000" for "\$2,719,072,000".

Subsec. (h). Pub. L. 116-260, § 208(d)(2), added subsec. (h).

2019—Subsec. (g)(2). Pub. L. 116-94, § 202(a)(1)(G), inserted concluding provisions.

Pub. L. 116-94, § 202(a)(1)(A), substituted "subject to section 18043(a)(2) of this title and paragraphs (3) and (5)" for "subject to and section 18043(a)(2) of this title paragraphs (3) and (5)" in introductory provisions.

Subsec. (g)(2)(A). Pub. L. 116-94, § 202(a)(1)(B), substituted "Puerto Rico shall not exceed—" for "Puerto Rico shall not exceed the sum of", inserted "(i) except as provided in clause (ii), the sum of" before "the amount provided", and added cl. (ii).

Subsec. (g)(2)(B). Pub. L. 116-94, § 202(a)(1)(C), substituted "the Virgin Islands shall not exceed—" for "the Virgin Islands shall not exceed the sum of", inserted "(i) except as provided in clause (ii), the sum of" before "the amount provided", and added cl. (ii).

Subsec. (g)(2)(C). Pub. L. 116-94, § 202(a)(1)(D), substituted "Guam shall not exceed—" for "Guam shall not exceed the sum of", inserted "(i) except as provided in clause (ii), the sum of" before "the amount provided", and added cl. (ii).

Subsec. (g)(2)(D). Pub. L. 116-94, § 202(a)(1)(E), substituted "the Northern Mariana Islands shall not exceed—" for "the Northern Mariana Islands shall not exceed the sum of", inserted "(i) except as provided in clause (ii), the sum of" before "the amount provided", and added cl. (ii).

Subsec. (g)(2)(E). Pub. L. 116-94, § 202(a)(1)(F), substituted "American Samoa shall not exceed—" for "American Samoa shall not exceed the sum of", inserted "(i) except as provided in clause (ii), the sum of" before "the amount provided", and added cl. (ii).

Subsec. (g)(5)(A). Pub. L. 116-20, § 802(a)(1), substituted "(E), and (F)" for "and (E)".

Subsec. (g)(5)(C). Pub. L. 116-20, § 802(a)(2), substituted "and (F)" for "and (E)" in introductory provisions.

Subsec. (g)(5)(E). Pub. L. 116-20, § 802(a)(4), added subpar. (E). Former subpar. (E) redesignated (F).

Subsec. (g)(5)(F). Pub. L. 116-20, § 802(a)(5)(A), (D), (E), substituted "subchapter XIX—" for "subchapter XIX," designated remainder of existing provisions as cl. (i), and added cl. (ii).

Pub. L. 116-20, § 802(a)(3), redesignated subpar. (E) as (F).

Subsec. (g)(5)(F)(i). Pub. L. 116-20, § 802(a)(5)(B), (C), substituted ", (D), and (E)" for "and (D)" and substituted ", the Virgin Islands, and the Northern Mariana Islands" for "and the Virgin Islands" in two places.

Subsec. (g)(5)(G). Pub. L. 116-20, § 802(a)(6), added subpar. (G).

Subsec. (g)(6) to (8). Pub. L. 116-94, § 202(a)(2), added pars. (6) to (8).

Subsec. (g)(9). Pub. L. 116-94, § 202(d), added par. (9).

2018—Subsec. (a)(2). Pub. L. 115-123, § 50711(f), substituted "613(f), or 674(a)(6)" for "or 613(f)".

Subsec. (g)(4). Pub. L. 115-123, § 20301(b), inserted "for a calendar quarter of such fiscal year," after "section 1396b(a)(3) of this title" and substituted "of such fiscal year, and with respect to fiscal years beginning with fiscal year 2018, if the Virgin Islands qualifies for a payment under section 1396b(a)(6) of this title for a calendar quarter (beginning on or after January 1, 2018) of such fiscal year," for "of such fiscal year for a calendar quarter of such fiscal year,".

Subsec. (g)(5)(A). Pub. L. 115-123, § 20301(a)(1), substituted "subparagraphs (B), (C), (D), and (E)" for "subparagraph (B)".

Subsec. (g)(5)(C) to (E). Pub. L. 115-123, § 20301(a)(2), added subpars. (C) to (E).

2017—Subsec. (b)(2). Pub. L. 115-31, § 102(a)(5), substituted "each of fiscal years 2017 and 2018" for "fiscal year 2012".

Subsec. (g)(4). Pub. L. 115-31, § 202(a)(1), inserted "and with respect to fiscal years beginning with fiscal year 2017, if Puerto Rico qualifies for a payment under sec-

tion 1396b(a)(6) of this title for a calendar quarter (beginning on or after July 1, 2017) of such fiscal year" after "1396b(a)(3) of this title".

Subsec. (g)(5). Pub. L. 115-31, § 202(a)(2), designated existing provisions as subpar. (A), substituted "Subject to subparagraph (B), the Secretary" for "The Secretary", and added subpar. (B).

2012—Subsec. (b)(2). Pub. L. 112-96 substituted "fiscal year 2012" for "fiscal years 1997 through 2003".

2010—Subsec. (g)(2). Pub. L. 111-152, § 1204(b)(1)(A), inserted "and section 18043(a)(2) of this title" after "subject to" in introductory provisions.

Pub. L. 111-148, § 2005(a)(1), substituted "paragraphs (3) and (5)" for "paragraph (3)" in introductory provisions.

Subsec. (g)(4). Pub. L. 111-148, § 2005(b), which directed substitution of "to—" for "to" and insertion of subpar. (A) designation before "fiscal years beginning" and "(B) fiscal years beginning with fiscal year 2014, payments made to Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa with respect to amounts expended for medical assistance for newly eligible (as defined in section 1396d(y)(2) of this title) nonpregnant childless adults who are eligible under subclause (VIII) of section 1396a(a)(10)(A)(i) of this title and whose income (as determined under section 1396a(e)(14) of this title) does not exceed (in the case of each such commonwealth and territory respectively) the income eligibility level in effect for that population under subchapter XIX or under a waiver on March 23, 2010, shall not be taken into account in applying subsection (f) (as increased in accordance with paragraphs (1), (2), (3), and (5) of this subsection) to such commonwealth or territory for such fiscal year." at the end, was repealed by Pub. L. 111-152, § 1204(b)(2)(A). See Construction of 2010 Amendment note below.

Pub. L. 111-148, § 2005(a)(2), substituted "(3), and (4)" for "and (3)".

Subsec. (g)(4)(B). Pub. L. 111-148, § 10201(d), which directed amendment of subsec. (g)(4)(B) "as added by section 2005(b)" of Pub. L. 111-148 by substituting "the highest income eligibility level in effect for parents under the commonwealth's or territory's State plan under subchapter XIX or under a waiver of the plan" for "income eligibility level in effect for that population under subchapter XIX or under a waiver", was not executed in light of subsequent repeal of Pub. L. 111-148, § 2005(b), by Pub. L. 111-152, § 1204(b)(2)(A). See 2010 Amendment note above and Construction of 2010 Amendment note below.

Subsec. (g)(5). Pub. L. 111-152, § 1204(b)(1)(B), added par. (5) and struck out former par. (5). Prior to amendment, text read as follows: "The amounts otherwise determined under this subsection for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa for the second, third, and fourth quarters of fiscal year 2011, and for each fiscal year after fiscal year 2011 (after the application of subsection (f) and the preceding paragraphs of this subsection), shall be increased by 30 percent."

Pub. L. 111-148, § 2005(a)(3), added par. (5).

2009—Subsec. (a)(2). Pub. L. 111-5, § 2101(d)(1), struck out "603(c)(3)," after "603(a)(5)". See Effective Date of 2009 Amendment note below.

Pub. L. 111-5, § 2101(c), inserted "603(c)(3)," after "603(a)(5)".

Subsec. (g)(4). Pub. L. 111-3 added par. (4).

2006—Subsec. (g)(2). Pub. L. 109-171, § 6055(1), inserted "and subject to paragraph (3)" after "subsection (f)" in introductory provisions.

Subsec. (g)(3). Pub. L. 109-171, § 6055(2), added par. (3).

2003—Subsec. (b)(2). Pub. L. 108-40 substituted "2003" for "2002".

Subsec. (f). Pub. L. 108-173 inserted "and section 1396u-5(e)(1)(B) of this title" after "Subject to subsection (g)" in introductory provisions.

1997—Subsec. (a). Pub. L. 105-33, § 5512(a), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: "Notwithstanding

any other provision of this chapter, the total amount certified by the Secretary of Health and Human Services under subchapters I, X, XIV, and XVI of this chapter, under parts A and E of subchapter IV of this chapter, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year."

Subsec. (a)(2). Pub. L. 105-33, § 5001(b), inserted "603(a)(5)," after "603(a)(4)."

Subsec. (b)(1)(A). Pub. L. 105-33, § 5512(b), inserted ", including any amount paid to the State under part A of subchapter IV that is transferred in accordance with section 604(d) of this title and expended under the program to which transferred" before semicolon.

Subsec. (e). Pub. L. 105-33, § 5512(c), struck out heading and text of subsec. (e). Text read as follows: "The ceiling amount with respect to a territory shall be reduced for a fiscal year by an amount equal to the amount (if any) by which—

"(1) the total amount expended by the territory under all programs of the territory operated pursuant to the provisions of law specified in subsection (a) of this section (as such provisions were in effect for fiscal year 1995) for fiscal year 1995; exceeds

"(2) the total amount expended by the territory under all programs of the territory that are funded under the provisions of law specified in subsection (a) of this section for the fiscal year that immediately precedes the fiscal year referred to in the matter preceding paragraph (1)."

Subsec. (f). Pub. L. 105-33, § 4726(1), substituted "Subject to subsection (g), the" for "The" in introductory provisions.

Subsec. (g). Pub. L. 105-33, § 4726(2), added subsec. (g). 1996—Pub. L. 104-193, § 103(b)(3), added section catchline and struck out former catchline.

Subsecs. (a), (b). Pub. L. 104-193, § 103(b)(3), added subsecs. (a) and (b) and struck out former subsec. (a) which limited total amount certified under subchapters I, X, XIV, XVI of this chapter and parts A and E of subchapter IV of this chapter for payment to Puerto Rico, the Virgin Islands, and Guam and former subsec. (b) which limited total amount certified for family planning services for Puerto Rico, the Virgin Islands, and Guam.

Subsec. (c). Pub. L. 104-193, § 103(b)(3), added subsec. (c). Former subsec. (c) redesignated (f).

Subsecs. (d), (e). Pub. L. 104-193, § 103(b)(1), (3), added subsecs. (d) and (e) and struck out former subsec. (d) which limited payments to American Samoa and former subsec. (e) which related to allotment of smaller amounts.

Subsec. (f). Pub. L. 104-193, § 103(b)(2), redesignated subsec. (c) as (f).

1993—Subsec. (c)(1) to (5). Pub. L. 103-66 amended pars. (1) to (5) generally. Prior to amendment, pars. (1) to (5) read as follows:

"(1) Puerto Rico shall not exceed (A) \$73,400,000 for fiscal year 1988, (B) \$76,200,000 for fiscal year 1989, and (C) \$79,000,000 for fiscal year 1990 (and each succeeding fiscal year);

"(2) the Virgin Islands shall not exceed (A) \$2,430,000 for fiscal year 1988, (B) \$2,515,000 for fiscal year 1989, and (C) \$2,600,000 for fiscal year 1990 (and each succeeding fiscal year);

"(3) Guam shall not exceed (A) \$2,320,000 for fiscal year 1988, (B) \$2,410,000 for fiscal year 1989, and (C) \$2,500,000 for fiscal year 1990 (and each succeeding fiscal year);

"(4) the Northern Mariana Islands shall not exceed (A) \$636,700 for fiscal year 1988, (B) \$693,350 for fiscal year 1989, and (C) \$750,000 for fiscal year 1990 (and each succeeding fiscal year); and

"(5) American Samoa shall not exceed (A) \$1,330,000 for fiscal year 1988, (B) \$1,390,000 for fiscal year 1989, and (C) \$1,450,000 for fiscal year 1990 (and each succeeding fiscal year)."

1988—Pub. L. 100-485, § 601(c)(2), amended section catchline generally.

Subsec. (a). Pub. L. 100-485, § 202(c)(2), inserted "or, in the case of part A of subchapter IV of this chapter, section 603(k) of this title" before "applies" in introductory provisions.

Subsec. (a)(1)(F), (G). Pub. L. 100-485, § 602(a)(1), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: "\$72,000,000 with respect to the fiscal year 1979 and each fiscal year thereafter;"

Subsec. (a)(2)(F), (G). Pub. L. 100-485, § 602(a)(2), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: "\$2,400,000 with respect to the fiscal year 1979 and each fiscal year thereafter;"

Subsec. (a)(3)(F), (G). Pub. L. 100-485, § 602(a)(3), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: "\$3,300,000 with respect to the fiscal year 1979 and each fiscal year thereafter."

Subsec. (b). Pub. L. 100-485, § 202(c)(3), struck out "and services provided under section 602(a)(19) of this title" after "family planning services" in introductory provisions.

Subsecs. (d), (e). Pub. L. 100-485, § 601(b), added subsec. (d) and redesignated former subsec. (d) as (e).

1987—Subsec. (c). Pub. L. 100-203 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "The total amount certified by the Secretary under subchapter XIX of this chapter with respect to a fiscal year for payment to—

"(1) Puerto Rico shall not exceed \$63,400,000;

"(2) the Virgin Islands shall not exceed \$2,100,000;

"(3) Guam shall not exceed \$2,000,000;

"(4) the Northern Mariana Islands shall not exceed \$550,000; and

"(5) American Samoa shall not exceed \$1,150,000."

1984—Subsec. (c). Pub. L. 98-369 substituted "\$63,400,000" for "\$45,000,000" in par. (1), "\$2,100,000" for "\$1,500,000" in par. (2), "\$2,000,000" for "\$1,400,000" in par. (3), "\$550,000" for "\$350,000" in par. (4), and "\$1,150,000" for "\$750,000" in par. (5).

1982—Subsec. (a). Pub. L. 97-248, § 160(a), inserted provisions following par. (3)(F) that each jurisdiction specified in this subsection may use in its program under subchapter XX of this chapter any sums available to it under this subsection which are not needed to carry out the programs specified in this subsection.

Subsec. (c)(5). Pub. L. 97-248, § 136(b), added par. (5).

1981—Subsec. (a). Pub. L. 97-35, § 2353(f), substituted in provision preceding par. (1) "The total amount certified by the Secretary of Health and Human Services" for "Except as provided in section 1397a(a)(2)(C) of this title, the total amount certified by the Secretary of Health, Education, and Welfare".

Subsec. (c). Pub. L. 97-35, § 2162(b)(1), in par. (1) increased the amount from not to exceed \$2,000,000 to not to exceed \$45,000,000, in par. (2) increased the amount from not to exceed \$65,000 to not to exceed \$1,500,000, in par. (3) increased the amount from not to exceed \$90,000 to not to exceed \$1,400,000, and added par. (4).

Subsec. (d). Pub. L. 97-35, § 2193(c)(1), substituted "section 621 of this title" for "sections 702(a) and 712(a) of this title, and the provisions of sections 621, 703(1), and 704(1) of this title as amended by the Social Security Amendments of 1967".

1980—Subsec. (a). Pub. L. 96-272 substituted "section 1397a(a)(2)(C) of this title" for "section 1397a(a)(2)(D) of this title" and "under parts A and E" for "under part A" in provisions preceding par. (1), substituted "with respect to each of the fiscal years 1972 through 1978" for "with respect to the fiscal year 1972 and each fiscal year thereafter other than the fiscal year 1979" in pars. (1)(E), (2)(E), and (3)(E), and substituted "with respect to the fiscal year 1979 and each fiscal year thereafter" for "with respect to the fiscal year 1979" in pars. (1)(F), (2)(F), and (3)(F).

1978—Subsec. (a)(1)(E). Pub. L. 95-600, § 802(b)(1)(B), inserted "other than the fiscal year 1979, or".

Subsec. (a)(1)(F). Pub. L. 95-600, § 802(b)(1)(C), added subpar. (F).

Subsec. (a)(2)(E). Pub. L. 95-600, § 802(b)(2)(B), substituted "other than the fiscal year 1979, or" for "; and".



Subsec. (a)(2)(F). Pub. L. 95-600, §802(b)(2)(C), added subpar. (F).

Subsec. (a)(3)(E). Pub. L. 95-600, §802(b)(3)(B), inserted “other than the fiscal year 1979, or”.

Subsec. (a)(3)(F). Pub. L. 95-600, §802(b)(3)(C), added subpar. (F).

1975—Subsec. (a). Pub. L. 93-647 substituted “Except as provided in section 1397a(a)(2)(D) of this title, the total amount” for “The total amount”.

1972—Subsec. (c)(1). Pub. L. 92-603, §271(a), substituted “\$30,000,000” for “\$20,000,000”.

Subsec. (c)(2). Pub. L. 92-603, §271(b), substituted “\$1,000,000” for “\$650,000”.

Subsec. (d). Pub. L. 92-603, §272(b), inserted “, American Samoa, and the Trust Territory of the Pacific Islands” after “allot such smaller amounts to Guam”.

1968—Pub. L. 90-248 amended section generally and, among other changes, raised the present \$9.8 million limit for Federal financial participation in the public assistance programs of Puerto Rico to \$12.5 million for fiscal 1968 with further increases in succeeding fiscal years to a maximum of \$24 million for fiscal 1972 and each fiscal year thereafter, increased the dollar maximums for the Virgin Islands from \$330,000 to \$800,000 for fiscal 1972 and thereafter and for Guam from \$450,000 to \$1.1 million for fiscal 1972 and thereafter, authorized payments for family planning services and services referred to in section 602(a)(19) of this title, with respect to any fiscal year, of not more than \$2 million for Puerto Rico, \$65,000 for the Virgin Islands, and \$90,000 for Guam, imposed a maximum on Federal payments for the medical assistance program under subchapter XIX of this chapter, with respect to any fiscal year, of \$20 million for Puerto Rico, \$650,000 for the Virgin Islands, and \$900,000 for Guam, and provided that notwithstanding sections 702(a) and 712(a) of this title and sections 621, 703(1), and 704(1) of this title, as amended by the Social Security Amendments of 1967, and until Congress otherwise provides, the Secretary shall, in lieu of the initial allotments specified in such sections, allot smaller amounts to Guam as he deems appropriate.

1965—Pub. L. 89-97 substituted “and 722(a)” for “722(a) and 727(a)” and struck out “(or, in the case of section 727(a) of this title” after “in lieu of the initial”, and removed the litigation requiring that, with respect to any fiscal year, \$625,000 of the \$9,800,000 certified for payments to Puerto Rico, \$18,750 of the \$330,000 certified for payments to the Virgin Islands, and \$25,000 of the \$450,000 certified for payments to Guam, be used only for payments with respect to section 303(a)(2)(B) or 1383(a)(2)(B) of this title.

1962—Pub. L. 87-543 substituted “\$9,800,000”, “\$330,000”, “\$450,000”, and “initial (or, in the case of section 727(a) of this title, the minimum) allotment” for “\$9,500,000”, “\$320,000”, “\$430,000”, and “\$60,000, \$60,000 \$60,000, respectively,” and inserted references to subchapter “XVI (other than section 1383(a)(3) thereof)” of this chapter, section 1383(a)(2) in three places and section 727(a) after section 722(a).

1961—Pub. L. 87-64, substituted “\$9,500,000”, “\$320,000”, and “\$430,000” for “\$9,425,000”, “\$318,750”, and “\$425,000”, respectively. See Repeals note below.

Pub. L. 87-31 increased the grant to Puerto Rico for fiscal year ending June 30, 1961, from \$9,000,000 to \$9,075,000 and for fiscal year ending June 30, 1962, to \$9,425,000; the grants to Virgin Islands and Guam from \$315,000 and \$420,000 to \$318,750 and \$425,000, respectively; and payments under section 303(a)(2)(B) of this title to Puerto Rico, Virgin Islands and Guam from \$500,000, \$15,000 and \$20,000 to \$625,000, \$18,750 and \$25,000, respectively. See also Limitation on Payments note below.

1960—Pub. L. 86-778 substituted “\$9,000,000, of which \$500,000 may be used only for payments certified with respect to section 303(a)(2)(B) of this title” for “\$8,500,000”, “\$315,000, of which \$15,000 may be used only for payments certified in respect to section 303(a)(2)(B) of this title” for “\$300,000”, “\$420,000, of which \$20,000 may be used only for payments certified in respect to

section 303(a)(2)(B) of this title” for “\$400,000”, and “subchapters I (other than section 303(a)(3) thereof)” for “subchapters I”.

1958—Pub. L. 85-840, §§507, 508, amended section. Section 507(a) substituted “\$8,500,000” for “\$5,312,500” and “\$300,000” for “\$200,000”, and limited the total amount certified for payment to Guam with respect to any fiscal year to not more than \$400,000. Section 507(b) amended catchline to include Guam. Section 508 inserted provisions requiring the Secretary, in lieu of the allotments specified in sections 702(a)(2), 712(a)(2) and 722(a) of this title, to allot such smaller amounts as he may deem appropriate to Guam, notwithstanding provisions of such sections and until such time as the Congress may by appropriation or other law otherwise provide.

1956—Act Aug. 1, 1956, substituted “\$5,312,500” for “\$4,250,000”, and “\$200,000” for “\$160,000”.

## Statutory Notes and Related Subsidiaries

### EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by section 208(d) of Pub. L. 116-260 applicable to benefits for items and services furnished on or after Dec. 27, 2020, see section 208(e) of Pub. L. 116-260, set out as a note under section 1612 of Title 8, Aliens and Nationality.

Pub. L. 116-260, div. CC, title II, §210(e), Dec. 27, 2020, 134 Stat. 2991, provided that:

“(1) IN GENERAL.—The amendments made by this section [amending this section and sections 1396a, 1396d, and 1396u-7 of this title] shall apply with respect to items and services furnished on or after January 1, 2022.

“(2) EXCEPTION FOR STATE LEGISLATION.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or waiver of such plan, that the Secretary of Health and Human Services determines requires State legislation in order for the respective plan to meet any requirement imposed by amendments made by this section [amending this section and sections 1396a, 1396d, and 1396u-7 of this title], the respective plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet such an additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Dec. 27, 2020]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be considered to be a separate regular session of the State legislature.”

### EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 50711(f) of Pub. L. 115-123 effective Oct. 1, 2018, subject to transition rules for required State legislation or tribal action, see section 50734 of Pub. L. 115-123, set out as a note under section 622 of this title.

### EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111-5, div. B, title II, §2101(d)(1), Feb. 17, 2009, 123 Stat. 449, provided that the amendment by section 2101(d)(1) of Pub. L. 111-5 is effective Oct. 1, 2010.

Amendment by Pub. L. 111-3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111-3, set out as an Effective Date note under section 1396 of this title.

### EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-40 effective July 1, 2003, see section 8 of Pub. L. 108-40, set out as a note under section 603 of this title.

### EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective Oct. 1, 1996, see section 116(a)(3) of Pub. L. 104-193, set out as a note under section 601 of this title.

## EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103-66, title XIII, §13641(b), Aug. 10, 1993, 107 Stat. 647, provided that: "The amendment made by subsection (a) [amending this section] shall apply beginning with fiscal year 1994."

## EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 202(c)(2), (3) of Pub. L. 100-485 effective Oct. 1, 1990, with provision for earlier effective dates in case of States making certain changes in their State plans and formally notifying the Secretary of Health and Human Services of their desire to become subject to the amendments by title II of Pub. L. 100-485, at such earlier effective dates, see section 204 of Pub. L. 100-485, set out as a note under section 671 of this title.

Amendment by section 601(b), (c)(2) of Pub. L. 100-485 effective Oct. 1, 1988, see section 601(d) of Pub. L. 100-485, set out as an Effective and Termination Dates of 1988 Amendment note under section 1301 of this title.

Pub. L. 100-485, title VI, §602(b), Oct. 13, 1988, 102 Stat. 2408, provided that: "The amendments made by subsection (a) [amending this section] shall become effective on October 1, 1988."

## EFFECTIVE DATE OF 1987 AMENDMENT

Pub. L. 100-203, title IV, §4111(b), Dec. 22, 1987, 101 Stat. 1330-148, provided that: "The amendment made by subsection (a) [amending this section] shall apply to payments for fiscal years beginning with fiscal year 1988."

## EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98-369, div. B, title III, §2365(b), July 18, 1984, 98 Stat. 1108, provided that: "The amendment made by subsection (a) [amending this section] shall be effective for fiscal years beginning on or after October 1, 1983."

## EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by section 136(b) of Pub. L. 97-248 effective Oct. 1, 1982, see section 136(e) of Pub. L. 97-248, set out as a note under section 1301 of this title.

Amendment by section 160(a) of Pub. L. 97-248 effective Oct. 1, 1981, see section 160(e) of Pub. L. 97-248, set out as a note under section 1301 of this title.

## EFFECTIVE DATE OF 1981 AMENDMENT

Pub. L. 97-35, title XXI, §2162(b)(2), Aug. 13, 1981, 95 Stat. 806, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to fiscal years beginning with fiscal year 1982."

For effective date, savings, and transitional provisions relating to amendment by section 2193(c)(1) of Pub. L. 97-35, see section 2194 of Pub. L. 97-35, set out as a note under section 701 of this title.

Amendment by section 2353(f) of Pub. L. 97-35 effective Oct. 1, 1981, except as otherwise explicitly provided, see section 2354 of Pub. L. 97-35, set out as an Effective Date note under section 1397 of this title.

## EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 93-647 effective with respect to payments under sections 603 and 803 of this title for quarters commencing after Sept. 30, 1975, see section 7(b) of Pub. L. 93-647, set out as a note under section 303 of this title.

## EFFECTIVE DATE OF 1972 AMENDMENT

Pub. L. 92-603, title II, §271(c), Oct. 30, 1972, 86 Stat. 1451, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall apply with respect to fiscal years beginning after June 30, 1971."

Amendment by section 272(b) of Pub. L. 92-603 applicable with respect to fiscal years beginning after June 30, 1971, see section 272(c) of Pub. L. 92-603, set out as a note under section 1301 of this title.

## EFFECTIVE DATE OF 1968 AMENDMENT

Pub. L. 90-248, title II, §248(a)(2), Jan. 2, 1968, 81 Stat. 919, provided that: "The amendment made by para-

graph (1) [amending this section] shall apply with respect to fiscal years beginning after June 30, 1967."

## EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by section 208(a)(2) Pub. L. 89-97 effective Jan. 1, 1966, see Pub. L. 89-97, title II, §208(d), July 30, 1965, 79 Stat. 356.

Pub. L. 89-97, title IV, §408(b), July 30, 1965, 79 Stat. 422, provided that: "The amendments made by subsection (a) [amending this section] shall be effective in the case of Puerto Rico, the Virgin Islands, or Guam with respect to fiscal years beginning on or after the date on which its plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] is approved."

## EFFECTIVE DATE OF 1962 AMENDMENT

Pub. L. 87-543, title I, §151, July 25, 1962, 76 Stat. 206, provided that the amendment made by that section is effective for fiscal years ending after June 30, 1962.

## EFFECTIVE AND TERMINATION DATES OF 1961 AMENDMENT

Section 132(d) of Pub. L. 87-543 repealed section 303(d) of Pub. L. 87-64, which had provided that the amendment by section 303(d) of Pub. L. 87-64 shall be effective only for fiscal year ending June 30, 1962, and section 6 of Pub. L. 87-31, which had provided that the amendment by section 6(b) of Pub. L. 87-31 shall be effective for fiscal years ending after June 30, 1961. Such repeal applicable in the case of fiscal years beginning after June 30, 1962, see section 202(b) of Pub. L. 87-543, set out as an Effective Date of 1962 Amendment note under section 906 of this title.

## EFFECTIVE DATE OF 1960 AMENDMENT

Amendment by Pub. L. 86-778 effective with respect to fiscal years ending after 1960, see section 604 of Pub. L. 86-778, set out as a note under section 301 of this title.

## EFFECTIVE DATE OF 1958 AMENDMENT

For effective date of amendments made by sections 507 and 508 of Pub. L. 85-840, see section 512 of Pub. L. 85-840, set out as a note under section 303 of this title.

## EFFECTIVE DATE OF 1956 AMENDMENT

Act Aug. 1, 1956, ch. 836, title III, §351(d), 70 Stat. 855, provided that: "The amendments made by this section [amending this section and sections 603 and 606 of this title] shall be effective with respect to the fiscal year ending June 30, 1957, and all succeeding fiscal years."

## REPEALS: EFFECTIVE DATE

Section 132(d) of Pub. L. 87-543 repealed section 6 of Pub. L. 87-31, May 8, 1961, 75 Stat. 78, and section 303(d) of Pub. L. 87-64, title III, June 30, 1961, 75 Stat. 143, formerly cited as a credit to this section. Such repeal applicable in the case of fiscal years beginning after June 30, 1962, see section 202(b) of Pub. L. 87-543, set out as an Effective Date of 1962 Amendment note under section 906 of this title.

## LIMITATION ON PAYMENTS: EFFECTIVE DATE

Section 132(d) of Pub. L. 87-543 repealed section 6(a) of Pub. L. 87-31, May 8, 1961, 75 Stat. 78, which had limited payments to Puerto Rico not to exceed \$9,075,000 for fiscal year ending June 30, 1961, \$9,425,000 for fiscal year ending June 30, 1962; and \$9,125,000 for fiscal years ending after June 30, 1962. Such repeal applicable in the case of fiscal years beginning after June 30, 1962, see section 202(b) of Pub. L. 87-543, set out as an Effective Date of 1962 Amendment note under section 906 of this title.

## CONSTRUCTION OF 2010 AMENDMENT

Pub. L. 111-152, title I, §1204(b)(2)(A), Mar. 30, 2010, 124 Stat. 1056, repealed section 2005(b) of Pub. L. 111-148 and the amendments made by that subsection [amending

this section] and provided that section 1108(g)(4) of the Social Security Act [42 U.S.C. 1308(g)(4)] shall be applied as if such amendments had never been enacted.

#### Executive Documents

##### TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

#### § 1309. Amounts disregarded not to be taken into account in determining eligibility of other individuals

Any amount which is disregarded (or set aside for future needs) in determining the eligibility of and amount of the aid or assistance for any individual under a State plan approved under subchapter I, X, XIV, XVI, or XIX,<sup>1</sup> shall not be taken into consideration in determining the eligibility of and amount of aid or assistance for any other individual under a State plan approved under any other of such subchapters.

(Aug. 14, 1935, ch. 531, title XI, §1109, as added July 18, 1952, ch. 945, §7, 66 Stat. 778; amended Pub. L. 87-543, title I, §141(c), July 25, 1962, 76 Stat. 205; Pub. L. 89-97, title I, §121(c)(2), July 30, 1965, 79 Stat. 352; Pub. L. 90-248, title II, §241(c)(2), Jan. 2, 1968, 81 Stat. 917; Pub. L. 104-193, title I, §108(g)(1), Aug. 22, 1996, 110 Stat. 2168.)

#### Editorial Notes

##### AMENDMENTS

1996—Pub. L. 104-193 struck out “or part A of subchapter IV,” after “subchapter I, X, XIV, XVI, or XIX.”

1968—Pub. L. 90-248 struck out “IV,” after “I,” and inserted “,” or part A of subchapter IV,” after “XIX.”

1965—Pub. L. 89-97 substituted requirement that amounts disregarded be not taken into account in determining eligibility of other individuals, for former provisions which had provided that: “Notwithstanding the provisions of sections 302(a)(10)(A), 602(a)(7), 1202(a)(8), 1352(a)(8), and 1382(a)(14) of this title, a State plan approved under subchapter I, IV, X, XIV, or XVI of this chapter may until June 30, 1954, and thereafter shall provide that where earned income has been disregarded in determining the need of an individual receiving aid to the blind under a State plan approved under subchapter X of this chapter, the earned income so disregarded (but not in excess of the amount specified in section 1202(a)(8) of this title) shall not be taken into consideration in determining the need of any other individual for assistance under a State plan approved under subchapter I, IV, X, XIV, or XVI of this chapter”.

1962—Pub. L. 87-543 substituted reference to section 302(a)(10)(A) for 302(a)(7) and inserted references to section 1382(a)(14) and subchapter XVI.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions

<sup>1</sup> So in original. The comma probably should not appear.

relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of this title.

#### § 1310. Cooperative research or demonstration projects

##### (a) In general

(1) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1957, \$5,000,000 and for each fiscal year thereafter such sums as the Congress may determine for (A) making grants to States and public and other organizations and agencies for paying part of the cost of research or demonstration projects such as those relating to the prevention and reduction of dependency, or which will aid in effecting coordination of planning between private and public welfare agencies or which will help improve the administration and effectiveness of programs carried on or assisted under this chapter and programs related thereto, and (B) making contracts or jointly financed cooperative arrangements with States and public and other organizations and agencies for the conduct of research or demonstration projects relating to such matters.

(2) No contract or jointly financed cooperative arrangement shall be entered into, and no grant shall be made, under paragraph (1), until the Secretary (or the Commissioner, with respect to any jointly financed cooperative agreement or grant concerning subchapters II or XVI) obtains the advice and recommendations of specialists who are competent to evaluate the proposed projects as to soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research or demonstrations, and their relationship to other similar research or demonstrations already completed or in process.

(3) Grants and payments under contracts or cooperative arrangements under paragraph (1) may be made either in advance or by way of reimbursement, as may be determined by the Secretary (or the Commissioner, with respect to any jointly financed cooperative agreement or grant concerning subchapter II or XVI); and shall be made in such installments and on such conditions as the Secretary (or the Commissioner, as applicable) finds necessary to carry out the purposes of this subsection.

##### (b) Limitations and costs

(1) The Commissioner is authorized to waive any of the requirements, conditions, or limitations of subchapter XVI (or to waive them only for specified purposes, or to impose additional requirements, conditions, or limitations) to such extent and for such period as the Commissioner finds necessary to carry out one or more experimental, pilot, or demonstration projects which, in the Commissioner's judgment, are likely to assist in promoting the objectives or facilitate the administration of such subchapter. Any costs for benefits under or administration of any such project (including planning for the project and the review and evaluation of the project and its results), in excess of those that would have been incurred without regard to the project, shall be met by the Commissioner from