

119TH CONGRESS  
1ST SESSION

# H. R. 3257

To ensure affordable health insurance coverage for low-income individuals  
in States that have not expanded Medicaid.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2025

Ms. SEWELL (for herself and Mr. FIGURES) introduced the following bill;  
which was referred to the Committee on Energy and Commerce, and in  
addition to the Committee on Ways and Means, for a period to be subse-  
quently determined by the Speaker, in each case for consideration of such  
provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To ensure affordable health insurance coverage for low-in-  
come individuals in States that have not expanded Med-  
icaid.

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 “Bridge to Medicaid  
5 Act of 2025”.

1 **SEC. 2. ENSURING AFFORDABILITY OF COVERAGE FOR**  
2 **CERTAIN LOW-INCOME POPULATIONS.**

3 (a) REDUCING COST SHARING UNDER QUALIFIED  
4 HEALTH PLANS.—Section 1402 of the Patient Protection  
5 and Affordable Care Act (42 U.S.C. 18071) is amended—

6 (1) in subsection (b)—

7 (A) in paragraph (2), by inserting “(or,  
8 with respect to plan years 2026, 2027, and  
9 2028, whose household income does not exceed  
10 400 percent of the poverty line for a family of  
11 the size involved)” before the period; and

12 (B) in the matter following paragraph (2),  
13 by adding at the end the following new sen-  
14 tence: “In the case of an individual who is de-  
15 termined at any point to have a household in-  
16 come for 2025 that does not exceed 138 percent  
17 of the poverty line for a family of the size in-  
18 volved, such individual shall, for each month  
19 during such year, be treated as having a house-  
20 hold income equal to 100 percent for purposes  
21 of applying this section.”; and

22 (2) in subsection (c)—

23 (A) in paragraph (1)(A), in the matter  
24 preceding clause (i), by inserting “, with respect  
25 to eligible insureds (other than, with respect to  
26 plan years 2026, 2027, and 2028, specified en-

1 rollees (as defined in paragraph (6)(C)),” after  
2 “first be achieved”;

3 (B) in paragraph (2), in the matter pre-  
4 ceding subparagraph (A), by inserting “with re-  
5 spect to eligible insureds (other than, with re-  
6 spect to plan years 2026, 2027, and 2028, spec-  
7 ified enrollees)” after “under the plan”;

8 (C) in paragraph (3)—

9 (i) in subparagraph (A), by striking  
10 “this subsection” and inserting “paragraph  
11 (1) or (2)”; and

12 (ii) in subparagraph (B), by striking  
13 “this section” and inserting “paragraphs  
14 (1) and (2)”; and

15 (D) by adding at the end the following new  
16 paragraph:

17 “(6) SPECIAL RULE FOR SPECIFIED ENROLL-  
18 EES.—

19 “(A) IN GENERAL.—The Secretary shall  
20 establish procedures under which the issuer of  
21 a qualified health plan to which this section ap-  
22 plies shall reduce cost-sharing under the plan  
23 with respect to months occurring during plan  
24 years 2026, 2027, and 2028 for enrollees who  
25 are specified enrollees (as defined in subpara-

1 graph (C)) in a manner sufficient to increase  
2 the plan’s share of the total allowed costs of  
3 benefits provided under the plan to 99 percent  
4 of such costs.

5 “(B) METHODS FOR REDUCING COST  
6 SHARING.—

7 “(i) IN GENERAL.—An issuer of a  
8 qualified health plan making reductions  
9 under this paragraph shall notify the Sec-  
10 retary of such reductions and the Sec-  
11 retary shall, out of funds made available  
12 under clause (ii), make periodic and timely  
13 payments to the issuer equal to 12 percent  
14 of the total allowed costs of benefits pro-  
15 vided under each such plan to specified en-  
16 rollees during plan years 2026, 2027, and  
17 2028.

18 “(ii) APPROPRIATION.—In addition to  
19 amounts otherwise available, there are ap-  
20 propriated, out of any money in the Treas-  
21 ury not otherwise appropriated, such sums  
22 as may be necessary to the Secretary to  
23 make payments under clause (i).

24 “(C) SPECIFIED ENROLLEE DEFINED.—

25 For purposes of this section, the term ‘specified

1 enrollee’ means, with respect to a plan year, an  
2 eligible insured who is determined at any point  
3 to have a household income for such plan year  
4 that does not exceed 138 percent of the poverty  
5 line for a family of the size involved. Such in-  
6 sured shall be deemed to be a specified enrollee  
7 for each month in such plan year.”.

8 (b) OPEN ENROLLMENTS APPLICABLE TO CERTAIN  
9 LOWER-INCOME POPULATIONS.—Section 1311(c) of the  
10 Patient Protection and Affordable Care Act (42 U.S.C.  
11 18031(c)) is amended—

12 (1) in paragraph (6)—

13 (A) in subparagraph (C), by striking at the  
14 end “and”;

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

17 (C) by adding at the end the following new  
18 subparagraph:

19 “(E) with respect to a qualified health plan  
20 with respect to which section 1402 applies, for  
21 months occurring during the period beginning  
22 on January 1, 2026, and ending on December  
23 31, 2028, enrollment periods described in sub-  
24 paragraph (A) of paragraph (8) for individuals

1 described in subparagraph (B) of such para-  
2 graph.”; and

3 (2) by adding at the end the following new  
4 paragraph:

5 “(8) SPECIAL ENROLLMENT PERIOD FOR CER-  
6 TAIN LOW-INCOME POPULATIONS.—

7 “(A) IN GENERAL.—The enrollment period  
8 described in this paragraph is, in the case of an  
9 individual described in subparagraph (B), the  
10 continuous period beginning on the first day  
11 that such individual is so described.

12 “(B) INDIVIDUAL DESCRIBED.—For pur-  
13 poses of subparagraph (A), an individual de-  
14 scribed in this subparagraph is an individual—

15 “(i) with a household income that  
16 does not exceed 138 percent of the poverty  
17 line for a family of the size involved; and

18 “(ii) who is not eligible for minimum  
19 essential coverage (as defined in section  
20 5000A(f) of the Internal Revenue Code of  
21 1986), other than for coverage described in  
22 any of subparagraphs (B) through (E) of  
23 paragraph (1) of such section.”.

24 (c) ADDITIONAL BENEFITS FOR CERTAIN LOW-IN-  
25 COME INDIVIDUALS FOR PLAN YEARS 2026 AND 2027.—

1 Section 1301(a) of the Patient Protection and Affordable  
2 Care Act (42 U.S.C. 18021(a)) is amended—

3 (1) in paragraph (1)—

4 (A) in subparagraph (B), by striking  
5 “and” at the end;

6 (B) in subparagraph (C)(iv), by striking  
7 the period and inserting “; and”; and

8 (C) by adding at the end the following new  
9 subparagraph:

10 “(D) provides, with respect to a plan of-  
11 fered in the silver level of coverage to which sec-  
12 tion 1402 applies during plan year 2026 and  
13 2027, for benefits described in paragraph (5) in  
14 the case of an individual who has a household  
15 income that does not exceed 138 percent of the  
16 poverty line for a family of the size involved,  
17 and who is eligible to receive cost-sharing re-  
18 ductions under section 1402.”; and

19 (2) by adding at the end the following new  
20 paragraph:

21 “(5) ADDITIONAL BENEFITS FOR CERTAIN  
22 LOW-INCOME INDIVIDUALS FOR PLAN YEAR 2026 AND  
23 2027.—

24 “(A) IN GENERAL.—

1           “(i) BENEFITS.—For purposes of  
2 paragraph (1)(D), the benefits described in  
3 this paragraph to be provided by a quali-  
4 fied health plan are benefits consisting  
5 of—

6                   “(I) non-emergency medical  
7 transportation services (as described  
8 in section 1902(a)(4) of the Social Se-  
9 curity Act) for which Federal pay-  
10 ments would have been available  
11 under title XIX of the Social Security  
12 Act had such services been furnished  
13 to an individual enrolled under a  
14 State plan (or waiver of such plan)  
15 under such title; and

16                   “(II) services described in sub-  
17 section (a)(4)(C) of section 1905 of  
18 such Act for which Federal payments  
19 would have been so available;

20 which are not otherwise provided under  
21 such plan as part of the essential health  
22 benefits package described in section  
23 1302(a).

1           “(ii) CONDITION ON PROVISION OF  
2 BENEFITS.—Benefits described in this  
3 paragraph shall be provided—

4                   “(I) without any restriction on  
5 the choice of a qualified provider from  
6 whom an individual may receive such  
7 benefits; and

8                   “(II) without any imposition of  
9 cost sharing.

10           “(B) PAYMENTS FOR ADDITIONAL BENE-  
11 FITS.—

12                   “(i) IN GENERAL.—An issuer of a  
13 qualified health plan making payments for  
14 services described in subparagraph (A) fur-  
15 nished to individuals described in para-  
16 graph (1)(D) during plan year 2026 or  
17 2027 shall notify the Secretary of such  
18 payments and the Secretary shall, out of  
19 funds made available under clause (ii),  
20 make periodic and timely payments to the  
21 issuer equal to payments for such services  
22 so furnished.

23                   “(ii) APPROPRIATION.—In addition to  
24 amounts otherwise available, there is ap-  
25 propriated, out of any money in the Treas-

1           ury not otherwise appropriated, such sums  
2           as may be necessary to the Secretary to  
3           make payments under clause (i).”.

4           (d) EDUCATION AND OUTREACH ACTIVITIES.—

5           (1) IN GENERAL.—Section 1321(c) of the Pa-  
6           tient Protection and Affordable Care Act (42 U.S.C.  
7           18041(c)) is amended by adding at the end the fol-  
8           lowing new paragraph:

9           “(3) OUTREACH AND EDUCATIONAL ACTIVI-  
10          TIES.—

11           “(A) IN GENERAL.—In the case of an Ex-  
12          change established or operated by the Secretary  
13          within a State pursuant to this subsection, the  
14          Secretary shall carry out outreach and edu-  
15          cational activities for purposes of informing in-  
16          dividuals           described           in           section  
17          1902(a)(10)(A)(i)(VIII) of the Social Security  
18          Act who reside in States that have not ex-  
19          pended amounts under a State plan (or waiver  
20          of such plan) under title XIX of such Act for  
21          all such individuals about qualified health plans  
22          offered through the Exchange, including by in-  
23          forming such individuals of the availability of  
24          coverage under such plans and financial assist-  
25          ance for coverage under such plans. Such out-

1 reach and educational activities shall be pro-  
2 vided in a manner that is culturally and linguis-  
3 tically appropriate to the needs of the popu-  
4 lations being served by the Exchange (including  
5 hard-to-reach populations, such as racial and  
6 sexual minorities, limited English proficient  
7 populations, individuals residing in areas where  
8 the unemployment rates exceeds the national  
9 average unemployment rate, individuals in rural  
10 areas, veterans, and young adults).

11 “(B) LIMITATION ON USE OF FUNDS.—  
12 Funds appropriated under this paragraph shall  
13 not be used to promote any health insurance  
14 coverage other than qualified health plans.

15 “(C) FUNDING.—In addition to amounts  
16 otherwise available, there is appropriated, out of  
17 any money in the Treasury not otherwise ap-  
18 propriated, to remain available until expended,  
19 \$105,000,000 for fiscal year 2026 to carry out  
20 this paragraph, of which—

21 “(i) \$15,000,000 shall be used to  
22 carry out this paragraph in fiscal year  
23 2026; and

1           “(ii) \$30,000,000 shall be used to  
2           carry out this paragraph for each of fiscal  
3           years 2027 through 2028.”.

4           (2) NAVIGATOR PROGRAM.—Section 1311(i) of  
5           the Patient Protection and Affordable Care Act (42  
6           U.S.C. 18031(i)) is amended—

7           (A) in paragraph (1)—

8           (i) by striking “An Exchange” and in-  
9           serting the following:

10           “(A) IN GENERAL.—An Exchange”; and

11           (ii) by adding at the end the fol-  
12           lowing:

13           “(B) GRANTS FOR ELIGIBLE ENTITIES  
14           WITH RESPECT TO CERTAIN STATES.—The Sec-  
15           retary shall establish a program to award  
16           grants to entities described in paragraph (2) to  
17           carry out the duties described in paragraph (3)  
18           in one or more States that do not provide under  
19           the State plan under title XIX of the Social Se-  
20           curity Act (or a waiver of such plan) bench-  
21           mark coverage described in section 1937(b)(1)  
22           of such Act or benchmark equivalent coverage  
23           described in section 1937(b)(2) of such Act to  
24           all individuals described in section  
25           1902(a)(10)(A)(i)(VIII) of such Act.”; and

1 (B) in paragraph (6)—

2 (i) by striking “Grants under” and in-  
3 serting the following: “

4 “(A) STATE EXCHANGES.—Grants under”;

5 and

6 (ii) by adding at the end the following  
7 new subparagraph:

8 “(B) FEDERAL EXCHANGES; GRANTS TO  
9 ELIGIBLE ENTITIES WITH RESPECT TO CERTAIN  
10 STATES.—For purposes of carrying out this  
11 subsection, with respect to an Exchange estab-  
12 lished and operated by the Secretary within a  
13 State pursuant to section 1321(c) and with re-  
14 spect to grants under paragraph (1)(B), the  
15 Secretary shall obligate not less than  
16 \$10,000,000 out of amounts collected through  
17 the user fees on participating health insurance  
18 issuers pursuant to section 156.50 of title 45,  
19 Code of Federal Regulations (or any successor  
20 regulations) for fiscal year 2026, and not less  
21 than \$20,000,000 for each of fiscal years 2027  
22 and 2028. Such amount so obligated for a fiscal  
23 year shall remain available until expended.”.

24 (e) FUNDING.—In addition to amounts otherwise  
25 available, there is appropriated to the Secretary of Health

1 and Human Services for fiscal year 2026, out of any  
2 money in the Treasury not otherwise appropriated,  
3 \$65,000,000, to remain available until expended, for pur-  
4 poses of carrying out the provisions of, and the amend-  
5 ments made by, this section.

6 **SEC. 3. TEMPORARY EXPANSION OF HEALTH INSURANCE**  
7 **PREMIUM TAX CREDITS FOR CERTAIN LOW-**  
8 **INCOME POPULATIONS.**

9 (a) IN GENERAL.—Section 36B of the Internal Rev-  
10 enue Code of 1986 is amended by redesignating subsection  
11 (h) as subsection (i) and by inserting after subsection (g)  
12 the following new subsection:

13 “(h) CERTAIN TEMPORARY RULES BEGINNING IN  
14 2026.—With respect to any taxable year beginning after  
15 December 31, 2025, and before January 1, 2029—

16 “(1) ELIGIBILITY FOR CREDIT NOT LIMITED  
17 BASED ON INCOME.—Subsection (c)(1)(A) shall be  
18 applied without regard to ‘equals or exceeds 100  
19 percent but’.

20 “(2) CREDIT ALLOWED TO CERTAIN LOW-IN-  
21 COME EMPLOYEES OFFERED EMPLOYER-PROVIDED  
22 COVERAGE.—In the case of an individual whose  
23 household income does not exceed 138 percent of the  
24 poverty line for a family of the size involved, clause  
25 (i) of subsection (c)(2)(C) shall be applied (including

1 in the case of any individual described in the last  
2 sentence of such clause) without regard to subclause  
3 (II) thereof.

4 “(3) CREDIT ALLOWED TO CERTAIN LOW-IN-  
5 COME EMPLOYEES OFFERED QUALIFIED SMALL EM-  
6 PLOYER HEALTH REIMBURSEMENT ARRANGE-  
7 MENTS.—A qualified small employer health reim-  
8 bursement arrangement shall not be treated as con-  
9 stituting affordable coverage for an employee (or any  
10 spouse or dependent of such employee) for any  
11 months of a taxable year if the employee’s household  
12 income for such taxable year does not exceed 138  
13 percent of the poverty line for a family of the size  
14 involved.

15 “(4) LIMITATIONS ON RECAPTURE.—

16 “(A) IN GENERAL.—In the case of a tax-  
17 payer whose household income is less than 200  
18 percent of the poverty line for the size of the  
19 family involved for the taxable year, the amount  
20 of the increase under subsection (f)(2)(A) shall  
21 in no event exceed \$300 (one-half of such  
22 amount in the case of a taxpayer whose tax is  
23 determined under section 1(c) for the taxable  
24 year).

1           “(B) LIMITATION ON INCREASE FOR CER-  
2 TAIN NON-FILERS.—In the case of any taxpayer  
3 who would not be required to file a return of  
4 tax for the taxable year but for any require-  
5 ment to reconcile advance credit payments  
6 under subsection (f), if an Exchange established  
7 under title I of the Patient Protection and Af-  
8 fordable Care Act has determined that—

9           “(i) such taxpayer is eligible for ad-  
10 vance payments under section 1412 of  
11 such Act for any portion of such taxable  
12 year, and

13           “(ii) such taxpayer’s household in-  
14 come for such taxable year is projected not  
15 to exceed 138 percent of the poverty line  
16 for a family of the size involved,

17 subsection (f)(2)(A) shall not apply to such tax-  
18 payer for such taxable year and such taxpayer  
19 shall not be required to file such return of tax.

20           “(C) INFORMATION PROVIDED BY EX-  
21 CHANGE.—The information required to be pro-  
22 vided by an Exchange to the Secretary and to  
23 the taxpayer under subsection (f)(3) shall in-  
24 clude such information as is necessary to deter-  
25 mine whether such Exchange has made the de-

1 terminations described in clauses (i) and (ii) of  
2 subparagraph (B) with respect to such tax-  
3 payer.”.

4 (b) EMPLOYER SHARED RESPONSIBILITY PROVISION  
5 NOT APPLICABLE WITH RESPECT TO CERTAIN LOW-IN-  
6 COME TAXPAYERS RECEIVING PREMIUM ASSISTANCE.—  
7 Section 4980H(c)(3) of the Internal Revenue Code of  
8 1986 is amended to read as follows:

9 “(3) APPLICABLE PREMIUM TAX CREDIT AND  
10 COST-SHARING REDUCTION.—

11 “(A) IN GENERAL.—The term ‘applicable  
12 premium tax credit and cost-sharing reduction’  
13 means—

14 “(i) any premium tax credit allowed  
15 under section 36B,

16 “(ii) any cost-sharing reduction under  
17 section 1402 of the Patient Protection and  
18 Affordable Care Act, and

19 “(iii) any advance payment of such  
20 credit or reduction under section 1412 of  
21 such Act.

22 “(B) EXCEPTION WITH RESPECT TO CER-  
23 TAIN LOW-INCOME TAXPAYERS.—Such term  
24 shall not include any premium tax credit, cost-  
25 sharing reduction, or advance payment other-

1 wise described in subparagraph (A) if such  
2 credit, reduction, or payment is allowed or paid  
3 for a taxable year of an employee (beginning  
4 after December 31, 2025, and before January  
5 1, 2029) with respect to which—

6 “(i) an Exchange established under  
7 title I of the Patient Protection and Af-  
8 fordable Care Act has determined that  
9 such employee’s household income for such  
10 taxable year is projected to not exceed 138  
11 percent of the poverty line for a family of  
12 the size involved, or

13 “(ii) such employee’s household in-  
14 come for such taxable year does not exceed  
15 138 percent of the poverty line for a family  
16 of the size involved.”.

17 (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to taxable years beginning after  
19 December 31, 2025.

20 **SEC. 4. FURTHER INCREASE IN FMAP FOR MEDICAL AS-**  
21 **SISTANCE FOR NEWLY ELIGIBLE MANDA-**  
22 **TORY INDIVIDUALS.**

23 Section 1905(y)(1) of the Social Security Act (42  
24 U.S.C. 1396d(y)(1)) is amended—

1           (1) in subparagraph (D), by striking at the end  
2           “and”;

3           (2) in subparagraph (E), by striking “2020 and  
4           each year thereafter.” and inserting “2020, 2021,  
5           2022, 2023, 2024, and 2025;”; and

6           (3) by adding at the end the following new sub-  
7           paragraphs:

8                         “(F) 93 percent for calendar quarters in  
9                         2026, 2027, and 2028; and

10                        “(G) 90 percent for calendar quarters in  
11                        2029 and each year thereafter.”.

○