

119TH CONGRESS  
1ST SESSION

# S. 2279

To repeal the changes to Medicaid State provider tax authority and State directed payments made by the One Big Beautiful Bill Act and provide increased funding for the rural health transformation program.

---

## IN THE SENATE OF THE UNITED STATES

JULY 15, 2025

Mr. HAWLEY introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To repeal the changes to Medicaid State provider tax authority and State directed payments made by the One Big Beautiful Bill Act and provide increased funding for the rural health transformation program.

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 “Protect Medicaid and  
5 Rural Hospitals Act”.

1 **SEC. 2. REPEAL OF CHANGES TO MEDICAID STATE PRO-**  
 2 **VIDER TAX AUTHORITY.**

3 Section 71115 of the Act titled “An Act to provide  
 4 for reconciliation pursuant to title II of H. Con. Res. 14”  
 5 (Public Law 119–21) is repealed and title XIX of the So-  
 6 cial Security Act (42 U.S.C. 1396 et seq.) shall be applied  
 7 as if such section and the amendments made by such sec-  
 8 tion had not been enacted.

9 **SEC. 3. REPEAL OF CHANGES TO MEDICAID STATE DI-**  
 10 **RECTED PAYMENTS.**

11 (a) REPEAL.—Section 71116 of the Act titled “An  
 12 Act to provide for reconciliation pursuant to title II of H.  
 13 Con. Res. 14” (Public Law 119–21) is repealed and the  
 14 provisions of such section shall have no force and effect.

15 (b) RESCISSION.—The amounts appropriated under  
 16 section 71116(e) of the Act titled “An Act to provide for  
 17 reconciliation pursuant to title II of H. Con. Res. 14”  
 18 (Public Law 119–21) are hereby rescinded.

19 **SEC. 4. INCREASED FUNDING FOR THE RURAL HEALTH**  
 20 **TRANSFORMATION PROGRAM.**

21 Section 2105(h)(1)(A) of the Social Security Act (42  
 22 U.S.C. 1397ee(h)(1)(A)), as added by section 71401 of  
 23 the Act titled “An Act to provide for reconciliation pursu-  
 24 ant to title II of H. Con. Res. 14” (Public Law 119–21),  
 25 is amended—

1           (1) in clause (iv), by striking “and” after the  
2       semicolon;

3           (2) in clause (v), by striking the period and in-  
4       serting a semicolon; and

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

7                       “(vi) \$10,000,000,000 for fiscal year  
8                       2031.

9                       “(vii) \$10,000,000,000 for fiscal year  
10                      2032.

11                      “(viii) \$10,000,000,000 for fiscal year  
12                      2033.

13                      “(ix) \$10,000,000,000 for fiscal year  
14                      2034.

15                      “(x) \$10,000,000,000 for fiscal year  
16                      2035.”.

○