

119TH CONGRESS
1ST SESSION

S. 2410

To amend title XIX of the Social Security Act to provide a higher Federal matching rate for increased expenditures under Medicaid for behavioral health services (including those related to mental health and substance use), and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 23, 2025

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

A BILL

To amend title XIX of the Social Security Act to provide a higher Federal matching rate for increased expenditures under Medicaid for behavioral health services (including those related to mental health and substance use), and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicaid Bump Act”.

1 **SEC. 2. HIGHER FEDERAL MATCH FOR INCREASED EX-**
 2 **PENDITURES UNDER MEDICAID FOR BEHAV-**
 3 **IORAL HEALTH SERVICES.**

4 (a) IN GENERAL.—Section 1903 of the Social Secu-
 5 rity Act (42 U.S.C. 1396b) is amended—

6 (1) in subsection (a)(5)—

7 (A) by striking “an amount equal” and in-
 8 serting “(A) an amount equal”; and

9 (B) by adding at the end the following:

10 “and

11 “(B) subject to subsection (b)(6), an
 12 amount equal to 90 percent of the amount by
 13 which—

14 “(i) the sum of the amounts expended
 15 during such quarter which are attributable
 16 to the offering, arranging, and furnishing
 17 (directly or on a contract basis) under the
 18 State plan (or under a waiver of the plan)
 19 of behavioral health services (including
 20 those related to mental health and sub-
 21 stance use), exceeds

22 “(ii) the sum of the amounts ex-
 23 pended during the corresponding quarter
 24 in the 4-quarter period ending on March
 25 31, 2019, which are attributable to the of-
 26 fering, arranging, and furnishing (directly

1 or on a contract basis) under the State
2 plan (or under a waiver of the plan) of
3 such services, plus”; and

4 (2) in subsection (b), by adding at the end the
5 following new paragraph:

6 “(6) ACCOUNTABILITY AND MAINTENANCE OF
7 EFFORT REQUIREMENTS FOR ADDITIONAL FEDERAL
8 FUNDING FOR INCREASED EXPENDITURES FOR BE-
9 HAVIORAL HEALTH SERVICES.—As a condition for
10 receiving the funds the Secretary is otherwise obli-
11 gated to pay to a State under subsection (a)(5)(B),
12 a State shall meet the following requirements:

13 “(A) SUPPLEMENT, NOT SUPPLANT.—The
14 State shall use the funds received under such
15 subsection to supplement, not supplant, the
16 level of State funds expended for the offering,
17 arranging, and furnishing (directly or on a con-
18 tract basis) under the State plan (or under a
19 waiver of the plan) of behavioral health services
20 (including those related to mental health and
21 substance use) through programs and activities
22 in effect as of April 1, 2021.

23 “(B) USE OF FUNDS FOR ACTIVITIES
24 THAT IMPROVE DELIVERY OF BEHAVIORAL
25 HEALTH SERVICES.—The State shall use the

1 funds received under such subsection for activi-
2 ties that increase the capacity, efficiency, and
3 quality in the provision of behavioral health
4 services (including those related to mental
5 health and substance use) delivered by pro-
6 viders, including through increases in payment
7 rates for providers of those services and the
8 adoption of other measures that ensure a reduc-
9 tion in staff turnover.”.

10 (b) SUB-REGULATORY GUIDANCE.—Not later than
11 180 days after the date of enactment of this Act, the Sec-
12 retary of Health and Human Services shall issue sub-regu-
13 latory guidance to States specifying the services that are
14 behavioral health services for purposes of subparagraph
15 (B) of section 1903(a)(5) of the Social Security Act (42
16 U.S.C. 1396b(a)(5)), as added by subsection (a).

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply with respect to calendar quarters
19 beginning on or after January 1 of the year beginning 1
20 year after the date of the enactment of this Act.

21 **SEC. 3. REPORT REGARDING BEHAVIORAL HEALTH SERV-**
22 **ICE.**

23 Not later than 1 year after the date of enactment
24 of this Act, and annually thereafter, the Secretary of
25 Health and Human Services shall submit to the Com-

1 mittee on Energy and Commerce of the House of Rep-
2 resentatives and the Committee on Finance of the Senate
3 a report regarding behavioral health services (including
4 those related to mental health and substance use) provided
5 under title XIX of the Social Security Act (42 U.S.C.
6 1396 et seq.) in each State (as such term is defined in
7 section 1101(a) of such Act (42 U.S.C. 1301(a)) for pur-
8 poses of such title), specifying the payment rates for such
9 services, the rationale for deriving such payment rates,
10 and utilization of such services, as such data are available.

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