

118TH CONGRESS
2D SESSION

H. R. 8245

To amend title XVIII of the Social Security Act to establish the Rural Hospital Stabilization Pilot Program to provide grants to rural hospitals for purposes of ensuring local access to services.

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2024

Mr. FEENSTRA introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title XVIII of the Social Security Act to establish the Rural Hospital Stabilization Pilot Program to provide grants to rural hospitals for purposes of ensuring local access to services.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Hospital Sta-
5 bilization Act”.

1 **SEC. 2. RURAL HOSPITAL STABILIZATION PILOT PROGRAM.**

2 Section 1820(g) of the Social Security Act (42 U.S.C.
3 1395i-4) is amended by adding at the end the following
4 new paragraph:

5 “(8) RURAL HOSPITAL STABILIZATION PILOT
6 PROGRAM.—

7 “(A) IN GENERAL.—Beginning January 1,
8 2026, the Secretary, acting through the Direc-
9 tor of the Office of Rural Health Policy, shall
10 award grants to—

11 “(i) hospitals, critical access hospitals,
12 and rural emergency hospitals that are lo-
13 cated in a rural area, as such term is used
14 for purposes of section 711 of this Act (in
15 this paragraph referred to as ‘rural hos-
16 pitals’) that have submitted applications to
17 the Secretary, for purposes of assisting
18 such hospitals in ensuring local access to
19 services; and

20 “(ii) experienced technical assistance
21 providers that have submitted applications
22 to the Secretary, for purposes of assisting
23 such rural hospitals in planning to apply
24 for grants under this paragraph and using
25 any amounts received under such a grant.

1 “(B) PRIORITIZATION FACTORS.—In mak-
2 ing grants to rural hospitals under this para-
3 graph for a fiscal year (and determining the
4 amount of each such grant), the Secretary shall
5 consider the following factors:

6 “(i) The average daily census of the
7 hospital.

8 “(ii) The distance between the hos-
9 pital and the next nearest hospital.

10 “(iii) The financial circumstances of
11 the hospital, as determined by such hos-
12 pital’s most recently filed Medicare cost re-
13 port (or other applicable source of informa-
14 tion).

15 “(iv) The risk that the hospital will
16 close.

17 “(v) The risk that the hospital will re-
18 duce or stop offering a class of services.

19 “(C) USE OF FUNDS.—

20 “(i) HOSPITALS.—Amounts received
21 by a rural hospital under a grant under
22 this paragraph shall be used to sustain, en-
23 hance, or expand the classes of services of-
24 fered by such hospital, or to begin offering

1 a new class of service, and may be used
2 for—

3 “(I) minor renovations to build-
4 ings;

5 “(II) training with respect to the
6 delivery of new or existing services;

7 “(III) recruiting or hiring new
8 staff or supplementing compensation
9 of existing staff; and

10 “(IV) equipment acquisition or
11 refurbishment.

12 “(ii) EXPERIENCED TECHNICAL AS-
13 SISTANCE PROVIDERS.—Amounts received
14 by an experienced technical assistance pro-
15 vider under a grant under this paragraph
16 shall be used to assist rural hospitals—

17 “(I) in applying for a grant
18 under this paragraph; and

19 “(II) with respect to a rural hos-
20 pital that has been awarded a grant
21 under this paragraph, in using
22 amounts received under such grant in
23 accordance with the requirements of
24 clause (i).

25 “(D) REPORTS TO CONGRESS.—

1 “(i) INITIAL REPORT.—Not later than
2 January 1, 2029, the Secretary shall sub-
3 mit to Congress a report on the grants
4 awarded under this paragraph that in-
5 cludes the following information:

6 “(I) The names of all experienced
7 technical assistance providers that re-
8 ceived a grant under this paragraph
9 and, with respect to each such experi-
10 enced technical assistance provider, an
11 analysis of the use of the amounts re-
12 ceived under such grant.

13 “(II) The names and locations of
14 all rural hospitals that received a
15 grant under this paragraph and, with
16 respect to each such hospital—

17 “(aa) the use of the
18 amounts received under such
19 grant;

20 “(bb) an analysis of the fi-
21 nancial circumstances of such
22 hospital, as determined by such
23 hospital’s most recently filed
24 Medicare cost report (or other

1 applicable source of informa-
2 tion)—

3 “(AA) at the time of
4 the receipt of such grant;
5 and

6 “(BB) at the time the
7 report is submitted under
8 this clause;

9 “(cc) an analysis of the
10 classes of services offered by the
11 hospital—

12 “(AA) prior to the re-
13 ceipt of such grant; and

14 “(BB) following such
15 receipt, as determined at the
16 time the report is submitted
17 under this clause; and

18 “(dd) an analysis of any new
19 classes of services offered by the
20 hospital following the receipt of
21 such grant.

22 “(ii) SUBSEQUENT REPORT.—Not
23 later than 2 years after the initial report
24 is submitted under clause (i), the Secretary
25 shall submit to Congress a subsequent re-

1 port on the grants awarded under this
2 paragraph that includes updates to the in-
3 formation described in subclauses (I) and
4 (II) of such clause.

5 “(E) FUNDING.—There are authorized to
6 be appropriated from the Federal Hospital In-
7 surance Trust Fund under section 1817 for
8 making grants under this paragraph,
9 \$20,000,000 for each of fiscal years 2026
10 through 2029, to remain available until ex-
11 pended.”.

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