



# Montana Healthcare Programs Provider Notice

October 6, 2025  
**Informational**

## **RE: Notice concerning H.R. 1, Section 71113, Payments to Prohibited Entities**

Please be advised that on July 3, 2025, the United States Congress passed H.R. 1, which was enacted on July 4, 2025 (Public Law No: 119-21).

Section 71113, which is entitled, “Federal Payments to Prohibited Entities,” reads as follows:

“No Federal funds that are considered direct spending and provided to carry out a State plan under title XIX of the Social Security Act or a waiver of such a plan shall be used to make payments to a prohibited entity for items and services furnished during the 1-year period beginning on the date of the enactment of this Act, including any payments made directly to the prohibited entity or under a contract or other arrangement between a State and a covered organization.”

The term “prohibited entity” means an entity, including its affiliates, subsidiaries, successors, and clinics—

- (A) that, as of the first day of the first quarter beginning after the date of enactment of this Act—
  - (i) is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;
  - (ii) is an essential community provider described in section 156.235 of title 45, Code of Federal Regulations (as in effect on the date of enactment of this Act), that is primarily engaged in family planning services, reproductive health, and related medical care; and
  - (iii) provides for abortions, other than an abortion—
    - (I) if the pregnancy is the result of an act of rape or incest; or
    - (II) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed; and
- (B) for which the total amount of Federal and State expenditures under the Medicaid program under title XIX of the Social Security Act for medical assistance furnished in fiscal year 2023 made directly, or by a covered organization, to the entity or to any affiliates, subsidiaries, successors, or clinics of the entity, or made to the entity or to any affiliates, subsidiaries, successors, or clinics of the entity as part of a nationwide health care provider network, exceeded \$800,000.

**Therefore, the Montana Department of Public Health and Human Services (DPHHS or Department), in compliance with H.R. 1, Section 71113, is suspending the payment of claims to “prohibited entities” for services rendered with dates of service on or after October 1, 2025.**

If the Department determines any claims were improperly paid to a prohibited entity, those payments will be recouped.



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## Contact and Website Information

For questions or additional information, contact Montana Provider Relations at (800) 624-3958 or (406) 442-1837 or email [Montana Provider Relations Helpdesk](#).

Visit the [Montana Healthcare Programs Provider Information website](#) to access your provider type page. Choose Resources by Provider Type in the left-hand menu.

Visit the [Contact Us page](#) on the Provider Information website for additional DPHHS contact numbers.