

112TH CONGRESS
2D SESSION

H. R. 4160

To amend the Social Security Act to replace the Medicaid program and the Children’s Health Insurance program with a block grant to the States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2012

Mr. ROKITA (for himself, Mr. HUELSKAMP, Mr. BROUN of Georgia, and Mr. JORDAN) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, the Judiciary, Natural Resources, House Administration, Rules, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Social Security Act to replace the Medicaid program and the Children’s Health Insurance program with a block grant to the States, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “State Health Flexibility Act of 2012”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Health grants to the States for health care services to indigent individuals.

“TITLE XXII—BLOCK GRANTS TO STATES FOR HEALTH CARE
 SERVICES TO INDIGENT INDIVIDUALS

“Sec. 2201. Purpose.

“Sec. 2202. Grants to States.

“Sec. 2203. Administrative and fiscal accountability.

“Sec. 2204. Nondiscrimination provisions.

“Sec. 2205. Emergency assistance.

“Sec. 2206. Definitions.

Sec. 3. Repeal of PPACA, HCERA, and the Federal requirements of Medicaid and CHIP.

Sec. 4. Severability.

Sec. 5. Effective date.

3 **SEC. 2. HEALTH GRANTS TO THE STATES FOR HEALTH**
 4 **CARE SERVICES TO INDIGENT INDIVIDUALS.**

5 (a) HEALTH CARE BLOCK GRANT TO STATES.—The
 6 Social Security Act is amended by adding at the end the
 7 following new title:

8 **“TITLE XXII—BLOCK GRANTS TO**
 9 **STATES FOR HEALTH CARE**
 10 **SERVICES TO INDIGENT INDI-**
 11 **VIDUALS**

12 **“SEC. 2201. PURPOSE.**

13 “The purpose of this title is to provide Federal finan-
 14 cial assistance to the States, in the form of a single grant,
 15 to allow the States maximum flexibility in providing, and
 16 financing the provision of, health-care-related items and
 17 services to indigent individuals.

1 **“SEC. 2202. GRANTS TO STATES.**

2 “(a) IN GENERAL.—Subject to the requirements of
3 this title, each State is entitled to receive from the Sec-
4 retary of the Treasury a grant for each quarter of fiscal
5 years 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020,
6 2021, and 2022, in an amount that is equal to 25 percent
7 of the total amount received by a State under title XIX
8 and title XXI for fiscal year 2012.

9 “(b) APPROPRIATION.—Out of any money in the
10 Treasury of the United States not otherwise appropriated,
11 there are appropriated for fiscal years 2013, 2014, 2015,
12 2016, 2017, 2018, 2019, 2020, 2021 and 2022 such sums
13 as are necessary for grants under this section.

14 “(c) REQUIREMENTS RELATING TO INTERGOVERN-
15 MENTAL FINANCING.—The Secretary of the Treasury
16 shall make the transfer of funds under grants under sub-
17 section (a) directly to each State in accordance with the
18 requirements of section 6503 of title 31, United States
19 Code.

20 “(d) EXPENDITURE OF FUNDS.—

21 “(1) IN GENERAL.—Except as provided in para-
22 graph (2), amounts received by a State under this
23 title for any fiscal year shall be expended by the
24 State in such fiscal year or in the succeeding fiscal
25 year.

1 “(2) USE OF RAINY DAY FUND PERMITTED.—
2 Of the amounts received by a State under this title,
3 the State may set aside, in a separate account, such
4 amounts as the State deems necessary to provide,
5 without fiscal limitation, health-care-related items
6 and services for indigent individuals during—

7 “(A) periods of unexpectedly high rates of
8 unemployment; or

9 “(B) periods related to circumstances that
10 are not described in subparagraph (A) and that
11 cause unexpected increases in the need for such
12 items and services for such individuals.

13 “(3) FUNDS REMAINING AFTER FISCAL YEAR
14 2022.—If, after 2022, a State has funds in the ac-
15 count under paragraph (2), the State may only ex-
16 pend such funds if such funds are used in a manner
17 that is permitted under subsection (e), as such sub-
18 section is in effect on September 30, 2022.

19 “(e) USE OF FUNDS.—A State may only use the
20 amounts received under subsection (a) as follows:

21 “(1) GENERAL PURPOSE.—For the purpose
22 under section 2201, including the provision of
23 health-care-related items and services as required
24 under section 2205. Nothing in this title shall be
25 construed as limiting the flexibility of a State to de-

1 termine which providers of such items and services
2 qualify to receive payment from a grant made to the
3 State under this title.

4 “(2) FUNDING FOR RISK ADJUSTMENT MECHA-
5 NISMS.—To fund qualified high risk pools, reinsur-
6 ance pools, or other risk-adjustment mechanisms
7 used for the purpose of subsidizing the purchase of
8 private health insurance for the high-risk population.

9 “(3) AUTHORITY TO USE PORTION OF FEDERAL
10 ASSISTANCE FOR OTHER WELFARE-RELATED PRO-
11 GRAMS.—

12 “(A) IN GENERAL.—Subject to the limit
13 under subparagraph (B), to carry out a State
14 program pursuant to any or all of the following
15 provisions of law:

16 “(i) Part A of title IV of this Act.

17 “(ii) Section 1616 of this Act.

18 “(iii) The Food and Nutrition Act of
19 2008.

20 “(B) LIMITATION.—A State may not use
21 more than 30 percent of the amount received
22 under subsection (a) for a fiscal year to carry
23 out a State program, or programs, under sub-
24 paragraph (A).

1 “(C) REQUIREMENTS ON FUNDS.—Any
2 amounts that are used under subparagraph
3 (A)—

4 “(i) shall not be subject to any of the
5 requirements of subsection (d), subsection
6 (f), section 2204, or section 2205; and

7 “(ii) shall be subject to—

8 “(I) the audit requirements
9 under section 2203; and

10 “(II) any requirements that
11 apply to Federal funds provided di-
12 rectly for such State program.

13 “(f) MAINTENANCE OF CURRENT LAW RESTRIC-
14 TIONS ON USE OF FEDERAL FUNDS.—

15 “(1) IN GENERAL.—

16 “(A) NO FUNDING FOR ABORTIONS.—
17 None of the funds appropriated in this title
18 shall be expended for any abortion.

19 “(B) NO FUNDS FOR COVERAGE OF ABOR-
20 TION.—None of the funds appropriated in this
21 title shall be expended for health benefits cov-
22 erage that includes coverage of abortion.

23 “(C) HEALTH BENEFITS COVERAGE DE-
24 FINED.—For purposes of this subsection, the
25 term ‘health benefits coverage’ means the pack-

1 age of services covered by a managed care pro-
2 vider or organization pursuant to a contract or
3 other arrangement.

4 “(2) EXCEPTIONS.—The limitations established
5 in paragraph (1) shall not apply to an abortion—

6 “(A) if the pregnancy is the result of an
7 act of rape or incest; or

8 “(B) in the case where a woman suffers
9 from a physical disorder, physical injury, or
10 physical illness that would, as certified by a
11 physician, place the woman in danger of death
12 unless an abortion is performed, including a
13 life-endangering physical condition caused by or
14 arising from the pregnancy itself.

15 “(3) STATE FUNDS USED IN CONJUNCTION
16 WITH FEDERAL FUNDS.—The limitations established
17 in paragraph (1) shall apply to any State funds used
18 in conjunction with Federal funds appropriated
19 under this title to provide, or finance the provision
20 of, health-care-related items and services to indigent
21 individuals pursuant to section 2201 or subsections
22 (d)(2), (e)(1), or (e)(2) of section 2202.

23 “(4) OPTION TO PURCHASE SEPARATE COV-
24 ERAGE OR PLAN.—Nothing in this subsection shall
25 be construed as prohibiting a State from purchasing

1 separate coverage for abortions for which funding is
2 prohibited under this subsection, or a health plan
3 that includes such abortions, so long as such cov-
4 erage or plan is paid for entirely using funds not
5 provided by this title.

6 “(5) OPTION TO OFFER COVERAGE OR PLAN.—

7 Nothing in this subsection shall restrict any health
8 insurance issuer from offering separate coverage for
9 abortions for which funding is prohibited under this
10 subsection, or a health plan that includes such abor-
11 tions, so long as—

12 “(A) premiums for such separate coverage
13 or plan are paid entirely with funds not pro-
14 vided by this title; and

15 “(B) administrative costs and all services
16 offered through such separate coverage or plan
17 are paid for using only premiums collected for
18 such coverage or plan.

19 “(6) CONSCIENCE PROTECTIONS.—

20 “(A) None of the funds appropriated in
21 this Act may be made available to a Federal
22 agency or program, or to a State or local gov-
23 ernment, if such agency, program, or govern-
24 ment subjects any institutional or individual
25 health care entity to discrimination on the basis

1 that the health care entity does not provide, pay
2 for, provide coverage of, or refer for abortions.

3 “(B) In this paragraph, the term ‘health
4 care entity’ includes an individual physician or
5 other health care professional, a hospital, a pro-
6 vider-sponsored organization, a health mainte-
7 nance organization, a health insurance plan, or
8 any other kind of health care facility, organiza-
9 tion, or plan.

10 “(g) NO FUNDING FOR ILLEGAL ALIENS.—Except as
11 provided under this section and section 2205, no funds
12 appropriated in this title may be used to provide health-
13 care-related items and services to an alien who is not law-
14 fully admitted for permanent residence or otherwise per-
15 manently residing in the United States under color of law.

16 “(h) NONENTITLEMENT.—Nothing in this title shall
17 be construed as providing an individual with an entitle-
18 ment to health-care-related items and services under this
19 title.

20 **“SEC. 2203. ADMINISTRATIVE AND FISCAL ACCOUNT-**
21 **ABILITY.**

22 “(a) AUDITS.—

23 “(1) CONTRACT WITH APPROVED AUDITING EN-
24 TITY.—Not later than October 1, 2013, and annu-
25 ally thereafter, a State shall contract with an ap-

1 proved auditing entity (as defined under paragraph
2 (3)(B)) for purposes of conducting an audit under
3 paragraph (2) (with respect to the fiscal year ending
4 September 30 of such year).

5 “(2) AUDIT REQUIREMENT.—Under a contract
6 under paragraph (1), an approved auditing entity
7 shall conduct an audit of the expenditures or trans-
8 fers made by a State from amounts received under
9 a grant under this title, or from State funds de-
10 scribed in section 2202(f)(3), with respect to the fis-
11 cal year which such audit covers, to determine the
12 extent to which such expenditures and transfers
13 were expended in accordance with this title.

14 “(3) ENTITY CONDUCTING AUDIT.—

15 “(A) IN GENERAL.—With respect to a
16 State, the audit under paragraph (2) shall be
17 conducted by an approved auditing entity in ac-
18 cordance with generally accepted auditing prin-
19 ciples.

20 “(B) APPROVED AUDITING ENTITY.—For
21 purposes of this section, the term ‘approved au-
22 diting entity’ means, with respect to a State, an
23 entity that is—

24 “(i) approved by the Secretary of the
25 Treasury;

1 “(ii) approved by the chief executive
2 officer of the State; and

3 “(iii) independent of any Federal,
4 State, or local agency.

5 “(4) SUBMISSION OF AUDIT.—Not later than
6 December 31, 2013, and annually thereafter, a State
7 shall submit the results of the audit under para-
8 graph (2) (with respect to the fiscal year ending on
9 September 30 of such year) to the State legislature
10 and to the Secretary of the Treasury.

11 “(5) ADDITIONAL ACCOUNTING REQUIRE-
12 MENTS.—The provisions of chapter 75 of title 31,
13 United States Code, shall apply to the audit require-
14 ments of this section.

15 “(b) REIMBURSEMENT AND PENALTY.—

16 “(1) IN GENERAL.—If, through an audit con-
17 ducted under subsection (a), an approved auditing
18 entity finds that any amounts paid to a State under
19 a grant under this title were not expended in accord-
20 ance with this title—

21 “(A) the State shall pay to the Treasury of
22 the United States any such amount, plus 10
23 percent of such amount as a penalty; or

24 “(B) the Secretary of the Treasury shall
25 offset such amount plus the 10 percent penalty

1 against any other amount in any other fiscal
2 year that the State may be entitled to receive
3 under a grant under this title.

4 “(2) MISUSE OF STATE FUNDS.—If, through an
5 audit conducted under subsection (a), an approved
6 auditing entity finds that a State violated the re-
7 quirements of section 2202(f)(3), the State shall pay
8 to the Treasury of the United States 100 percent of
9 the amount of State funds that were used in viola-
10 tion of section 2202(f)(3) as a penalty. Insofar as a
11 State fails to pay any such penalty, the Secretary of
12 the Treasury shall offset the amount not so paid
13 against the amount of any grant otherwise payable
14 to the State under this title.

15 “(c) ANNUAL REPORTING REQUIREMENTS.—

16 “(1) IN GENERAL.—Not later than January 31,
17 2014, and annually thereafter, each State shall sub-
18 mit to the Secretary of the Treasury and the State
19 legislature a report on the activities carried out by
20 the State during the most recently completed fiscal
21 year with funds received by the State under a grant
22 under this title for such fiscal year.

23 “(2) CONTENT.—A report under paragraph (1)
24 shall, with respect to a fiscal year—

1 “(A) contain the results of the audit con-
2 ducted by an approved auditing entity for a
3 State for such fiscal year, in accordance with
4 the requirements of subsection (a) of this sec-
5 tion;

6 “(B) specify the amount of the grant made
7 to the State under this title that is used to
8 carry out a program under section 2202(e)(3);
9 and

10 “(C) be in such form and contain such
11 other information as the State determines is
12 necessary to provide—

13 “(i) an accurate description of the ac-
14 tivities conducted by the State for the pur-
15 pose described under section 2201 and any
16 other use of funds permitted under sub-
17 sections (d) and (e) of section 2202; and

18 “(ii) a complete record of the pur-
19 poses for which amounts were expended in
20 accordance with this title.

21 “(3) CONFORMITY WITH ACCOUNTING PRIN-
22 CIPALS.—Any financial information in the report
23 under paragraph (1) shall be prepared and reported
24 in accordance with generally accepted accounting

1 principles, including the provisions of chapter 75 of
2 title 31, United States Code.

3 “(4) PUBLIC AVAILABILITY.—A State shall
4 make copies of the reports required under this sec-
5 tion available on a public Web site and shall make
6 copies available in other formats upon request.

7 “(d) FAILURE TO COMPLY WITH REQUIREMENTS.—
8 The Secretary of the Treasury shall not make any pay-
9 ment to a State under a grant authorized by section
10 2202(a)—

11 “(1) if an audit for a State is not submitted as
12 required under subsection (a), during the period be-
13 tween the date such audit is due and the date on
14 which such audit is submitted;

15 “(2) if a State fails to submit a report as re-
16 quired under subsection (c), during the period be-
17 tween the date such report is due and the date on
18 which such report is submitted; or

19 “(3) if a State violates a requirement of section
20 2202(f), during the period beginning on the date the
21 Secretary becomes aware of such violation and the
22 date on which such violation is corrected by the
23 State.

24 “(e) ADMINISTRATIVE SUPERVISION AND OVER-
25 SIGHT.—

1 “(1) LIMITED ROLE FOR SECRETARY OF TREAS-
2 URY AND THE ATTORNEY GENERAL.—

3 “(A) TREASURY.—The authority of the
4 Secretary of the Treasury under this title is
5 limited to—

6 “(i) promulgating regulations, issuing
7 rules, or publishing guidance documents to
8 the extent necessary for purposes of imple-
9 menting subsection (a)(3)(B), subsection
10 (b), and subsection (d);

11 “(ii) making quarterly payments to
12 the States under grants under this title in
13 accordance with section 2202(a);

14 “(iii) approving entities under sub-
15 section (a)(3)(B) for purposes of the audits
16 required under subsection (a);

17 “(iv) withholding payment to a State
18 of a grant under subsection (d) or offset-
19 ting a payment of such a grant to a State
20 under subsection (b); and

21 “(v) exercising the authority relating
22 to nondiscrimination that is specified in
23 section 2204(b).

24 “(B) ATTORNEY GENERAL.—The authority
25 of the Attorney General to supervise the

1 amounts received by a State under this title is
2 limited to the authority under section 2204(c).

3 “(2) FEDERAL SUPERVISION.—

4 “(A) IN GENERAL.—Except as provided
5 under paragraph (1), an administrative officer,
6 employee, department, or agency of the United
7 States (including the Secretary of Health and
8 Human Services) may not—

9 “(i) supervise—

10 “(I) the amounts received by the
11 States under this title; or

12 “(II) the use of such amounts by
13 the States; or

14 “(ii) promulgate regulations or issue
15 rules in accordance with this title.

16 “(B) LIMITATION ON SECRETARY OF
17 HEALTH AND HUMAN SERVICES.—The Sec-
18 retary of Health and Human Services shall
19 have no authority over any provision of this
20 title.

21 “(f) RESERVATION OF STATE POWERS.—Nothing in
22 this section shall be construed to limit the power of a
23 State, including the power of a State to pursue civil and
24 criminal penalties under State law against any individual

1 or entity that misuses, or engages in fraud or abuse re-
2 lated to, the funds provided to a State under this title.

3 **“SEC. 2204. NONDISCRIMINATION PROVISIONS.**

4 “(a) NO DISCRIMINATION AGAINST INDIVIDUALS.—

5 No individual shall be excluded from participation in, de-
6 nied the benefits of, or subjected to discrimination under,
7 any program or activity funded in whole or in part with
8 amounts paid to a State under this title on the basis of
9 such individual’s—

10 “(1) disability under section 504 of the Reha-
11 bilitation Act of 1973 (29 U.S.C. 794);

12 “(2) sex under title IX of the Education
13 Amendments of 1972 (20 U.S.C. 1681 et seq.); or

14 “(3) race, color, or national origin under title
15 VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d
16 et seq.).

17 “(b) COMPLIANCE.—

18 “(1) If the Secretary of the Treasury deter-
19 mines that a State or an entity that has received
20 funds from amounts paid to a State under a grant
21 under this title has failed to comply with a provision
22 of law referred to in subsection (a), the Secretary of
23 the Treasury shall notify the chief executive officer
24 of the State of such failure to comply and shall re-

1 quest that such chief executive officer secure such
2 compliance.

3 “(2) If, not later than 60 days after receiving
4 notification under paragraph (1), the chief executive
5 officer of a State fails or refuses to secure compli-
6 ance with the provision of law referred to in such
7 notification, the Secretary of the Treasury may—

8 “(A) refer the matter to the Attorney Gen-
9 eral with a recommendation that an appropriate
10 civil action be instituted; or

11 “(B) exercise the powers and functions
12 provided under section 505 of the Rehabilita-
13 tion Act of 1973 (29 U.S.C. 794a), title IX of
14 the Education Amendments of 1972 (20 U.S.C.
15 1681 et seq.), or title VI of the Civil Rights Act
16 of 1964 (42 U.S.C. 2000d et seq.) (as applica-
17 ble).

18 “(c) CIVIL ACTIONS.—If a matter is referred to the
19 Attorney General under subsection (b)(2)(A), or the At-
20 torney General has reason to believe that a State or entity
21 has failed to comply with a provision of law referred to
22 in subsection (a), the Attorney General may bring a civil
23 action in an appropriate district court of the United States
24 for such relief as may be appropriate, including injunctive
25 relief.

1 **“SEC. 2205. EMERGENCY ASSISTANCE.**

2 “(a) IN GENERAL.—A State that receives a grant
3 under this title for a fiscal year shall provide payment for
4 health-care-related items and services provided to a cit-
5 izen, legal resident, or an alien who is not lawfully admit-
6 ted for permanent residence or otherwise permanently re-
7 siding in the United States under color of law, consistent
8 with the requirements of section 1867, if—

9 “(1) such health-care-related items and services
10 are—

11 “(A) necessary for the treatment of an
12 emergency medical condition; and

13 “(B) health-care-related items and services
14 that such State would provide payment for
15 under this title, if provided to an indigent indi-
16 vidual;

17 “(2) the individual meets all necessary eligi-
18 bility requirements for health-care-related items and
19 services under the State program funded under this
20 title, except for any requirement related to immigra-
21 tion status; and

22 “(3) such items and services are not related to
23 an organ transplant procedure.

24 “(b) EMERGENCY MEDICAL CONDITION.—For pur-
25 poses of this section, the term ‘emergency medical condi-
26 tion’ means a medical condition (including emergency

1 labor and delivery) manifesting itself by acute symptoms
2 of sufficient severity (including severe pain) such that the
3 absence of immediate medical attention could reasonably
4 be expected to result in—

5 “(1) placing the patient’s health in serious jeop-
6 ardy;

7 “(2) serious impairment to bodily functions; or

8 “(3) serious dysfunction of any bodily organ or
9 part.

10 **“SEC. 2206. DEFINITIONS.**

11 “For purposes of this title:

12 “(1) HEALTH-CARE-RELATED ITEMS AND SERV-
13 ICES.—The term ‘health-care-related items and serv-
14 ices’ shall be defined by a State with respect to use
15 of such term for purposes of the application of this
16 title to the State.

17 “(2) HIGH-RISK POPULATION.—The term ‘high-
18 risk population’ means individuals who are described
19 in one of the following subparagraphs:

20 “(A) Individuals who, by reason of the ex-
21 istence or history of a medical condition, are
22 able to acquire health coverage only at rates
23 which are at least 150 percent of the standard
24 risk rates for such coverage.

1 “(B) Individuals who are provided health
2 coverage by a qualified high risk pool.

3 “(3) INDIGENT INDIVIDUAL.—The term ‘indi-
4 gent individual’ shall be defined by a State with re-
5 spect to use of such term for purposes of the appli-
6 cation of this title to the State.

7 “(4) QUALIFIED HIGH RISK POOL.—The term
8 ‘qualified high risk pool’ has the meaning given such
9 term in section 2745(g)(1)(A) of the Public Health
10 Service Act.

11 “(5) RISK-ADJUSTMENT MECHANISM DE-
12 FINED.—For purposes of this section, the term
13 ‘risk-adjustment mechanism’ means any risk-spread-
14 ing mechanism to subsidize the purchase of private
15 health insurance for the high-risk population, includ-
16 ing a qualified high risk pool.”.

17 (b) REPORT ON REDUCTION OF FEDERAL ADMINIS-
18 TRATIVE EXPENDITURES.—Beginning not later than Oc-
19 tober 31, 2013, and annually thereafter until October 31,
20 2022, the Secretary of Health and Human Services, in
21 consultation with the Secretary of the Treasury, shall sub-
22 mit a report to the Committee on Energy and Commerce
23 in the House of Representatives and the Finance Com-
24 mittee in the Senate containing a description of the total
25 reduction in Federal expenditures required to administer

1 and provide oversight for the programs to provide health-
2 care-related items and services to indigent individuals
3 under this Act, compared to the expenditures required to
4 administer and provide oversight for the programs under
5 titles XIX and XXI of the Social Security Act, as in effect
6 on September 30, 2012.

7 (c) STATE DEFINED.—Section 1101(a)(1) of the So-
8 cial Security Act (42 U.S.C. 1301(a)(1)) is amended—

9 (1) in the first sentence, by striking “and XXI”
10 and inserting “XXI, and XXII”; and

11 (2) in the fourth sentence, by striking “and
12 XXI” and inserting “, XXI, and XXII”.

13 **SEC. 3. REPEAL OF PPACA, HCERA, AND THE FEDERAL RE-**
14 **QUIREMENTS OF MEDICAID AND CHIP.**

15 (a) PPACA.—The Patient Protection and Affordable
16 Care Act (Public Law 111–148) is repealed, and the provi-
17 sions of law amended or repealed by such Act are restored
18 or revived as if such Act had not been enacted.

19 (b) HCERA.—Title I and subtitle B of title II of the
20 Health Care and Education Reconciliation Act of 2010
21 (Public Law 111–152) are repealed, and the provisions of
22 law amended or repealed by such title or subtitle, respec-
23 tively, are restored or revived as if such title and subtitle
24 had not been enacted.

1 (c) MEDICAID AND CHIP.—Titles XIX and XXI of
2 the Social Security Act are repealed.

3 **SEC. 4. SEVERABILITY.**

4 If any provision of this Act, or the application of such
5 provision to any person or circumstance, is found to be
6 unconstitutional, the remainder of this Act, or the applica-
7 tion of that provision to other persons or circumstances,
8 shall not be affected.

9 **SEC. 5. EFFECTIVE DATE.**

10 This Act and the amendments made by this Act shall
11 take effect with respect to items and services furnished
12 on or after October 1, 2012.

○