

118TH CONGRESS
1ST SESSION

S. 1769

To amend title XIX of the Social Security Act to establish a demonstration project testing Whole Child Health Models, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 31 (legislative day, MAY 30), 2023

Mr. CARPER (for himself and Mr. SULLIVAN) 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 establish a demonstration project testing Whole Child Health Models, 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 “Kickstarting Innova-
5 tive Demonstrations Supporting Kids Health Act of 2023”
6 or the “KIDS Health Act of 2023”.

1 **SEC. 2. ESTABLISHMENT OF WHOLE CHILD HEALTH MOD-**
2 **ELS.**

3 Section 1903 of the Social Security Act (42 U.S.C.
4 1396b) is amended by adding at the end the following new
5 subsection:

6 “(cc) WHOLE CHILD HEALTH DEMONSTRATION
7 PROJECT.—

8 “(1) IN GENERAL.—The Secretary, acting
9 through the Deputy Administrator and Director of
10 the Center for Medicaid and CHIP Services, shall
11 conduct a demonstration project (referred to in this
12 subsection as the ‘demonstration project’) under
13 which participating States shall design and imple-
14 ment whole child health models in 1 or more target
15 communities in accordance with the requirements of
16 this subsection. The requirements of section
17 1902(a)(1) (relating to statewideness) shall not
18 apply to the demonstration project.

19 “(2) DESIGN PHASE.—

20 “(A) GRANTS.—Not later than 12 months
21 after the date of the enactment of this sub-
22 section, the Secretary shall award up to 15
23 grants to States that submit complete applica-
24 tions for such grants which meet the require-
25 ments of subparagraph (C).

1 “(B) SELECTION OF GRANTEES.—In
2 awarding grants under this paragraph, the Sec-
3 retary shall, to the extent possible, prioritize
4 awarding grants to a geographically diverse se-
5 lection of States and target communities of dif-
6 ferent sizes and with varying experience with
7 value-based payment, including rural and urban
8 communities.

9 “(C) GRANT APPLICATION.—A State shall
10 include in an application for a grant awarded
11 under this paragraph the following:

12 “(i) A description of each proposed
13 target community in which the State pro-
14 poses to implement a whole child health
15 model.

16 “(ii) For each target community de-
17 scribed in clause (i), a statement of the
18 proposed objectives of the State in imple-
19 menting a whole child health model in that
20 community.

21 “(iii) Such other information as the
22 Secretary may require.

23 “(D) USE OF GRANT FUNDS.—

1 “(i) IN GENERAL.—A State awarded a
2 grant under this paragraph shall use the
3 grant funds to—

4 “(I) conduct or use an existing
5 needs assessment that is not more
6 than two years old and meets the re-
7 quirements of clause (ii) for each pro-
8 posed target community;

9 “(II) not later than 12 months
10 after being awarded the grant, design
11 and submit for approval by the Sec-
12 retary a proposed whole child health
13 model that meets the requirements of
14 subparagraph (E) for each target
15 community based on the results of the
16 needs assessment and other assess-
17 ments or surveys conducted for that
18 community; and

19 “(III) implement the whole child
20 health model during the implementa-
21 tion phase described in paragraph (3).

22 “(ii) NEEDS ASSESSMENT REQUIRE-
23 MENTS.—A needs assessment conducted
24 for a proposed target community with

1 grant funds awarded to a State shall in-
2 clude the following:

3 “(I) An evaluation of the physical
4 health, mental, emotional and behav-
5 ioral health, developmental, social, re-
6 lational and substance use disorder
7 service needs of eligible individuals in
8 the target community, including needs
9 that could be addressed through popu-
10 lation-based or community-based
11 interventions.

12 “(II) A review of the resources
13 available to meet the physical health,
14 mental health, and substance use dis-
15 order service needs of eligible individ-
16 uals in the target community.

17 “(III) A description of the bar-
18 riers identified in the target commu-
19 nity to eligible individuals accessing
20 resources and services to address their
21 physical health, mental health, and
22 substance use disorder service needs.

23 “(IV) A description of health dis-
24 parities identified in the target com-
25 munity, including input from commu-

1 nity residents in the target commu-
2 nity.

3 “(E) WHOLE CHILD HEALTH MODEL RE-
4 QUIREMENTS.—

5 “(i) IN GENERAL.—A proposed whole
6 child health model shall include descrip-
7 tions of the following:

8 “(I) How the State and its multi-
9 sector partners will address the phys-
10 ical health, mental, emotional and be-
11 havioral health, developmental, social,
12 relational and substance use disorder
13 service needs of eligible individuals in
14 the target community identified in the
15 needs assessment of that community
16 through implementation of the whole
17 child health model and provision of
18 whole child health services.

19 “(II) How the State Medicaid,
20 human services, and child welfare
21 agencies will coordinate with commu-
22 nity partners to ensure the successful
23 implementation of the whole child
24 health model in the target commu-

1 nities and the provision of whole child
2 health services.

3 “(III) The lead agency or other
4 entity the State proposes to designate
5 to coordinate activities carried out to
6 implement the whole child health
7 model in the target communities.

8 “(ii) REQUIREMENTS.—A proposed
9 whole child health model shall meet the fol-
10 lowing requirements:

11 “(I) Align with an existing or
12 planned delivery and payment system
13 of the State plan under this title or
14 under a waiver of such plan, includ-
15 ing, as applicable, a managed care de-
16 livery system.

17 “(II) Include partnerships with
18 child and family serving organizations
19 and agencies such as health care pro-
20 viders, payers, school districts, public
21 health and child care.

22 “(III) Promote the delivery of
23 trauma-informed and culturally com-
24 petent care, including strategies to ad-
25 dress systemic resource needs, includ-

1 ing workforce shortages, in the target
2 community and an assessment of the
3 potential impact of the model on
4 health equity, disparities, and safety
5 net providers in the target commu-
6 nity.

7 “(IV) Coordinate funding sources
8 under the State plan under this title
9 (or under a waiver of plan), the State
10 plans under parts B and E of title IV,
11 and other applicable funding sources,
12 for the whole child health services pro-
13 vided under the model.

14 “(V) Include—

15 “(aa) the design and imple-
16 mentation or adaptation of a
17 value-based payment arrange-
18 ment for providing whole child
19 health services under the State
20 plan under this title (or under a
21 waiver of such plan) that pro-
22 motes pediatric health; or

23 “(bb) in the case of a State
24 that faces significant barriers to
25 implementing or adapting such a

1 value-based payment arrange-
2 ment, a proposal for steps that
3 the State will take towards ad-
4 vancing value-based care with re-
5 spect to whole child health serv-
6 ices provided under the State
7 plan under this title (or under a
8 waiver of such plan).

9 “(VI) Include strategies to co-
10 ordinate referrals to whole child
11 health services, including using tele-
12 health, referral networks and/or other
13 technologies to facilitate access to
14 whole child health services.

15 “(VII) Include strategies to pro-
16 mote the integration of primary care
17 with whole child health services and
18 substance use disorder services.

19 “(VIII) Include strategies to inte-
20 grate and streamline eligibility, enroll-
21 ment, and renewal processes to facili-
22 tate enrollment in health coverage and
23 other benefit programs.

1 “(IX) Include strategies to pro-
2 mote school-based health and
3 wellness.

4 “(X) Describe how the State will
5 leverage or enhance existing health in-
6 formation technology infrastructure
7 and cross-sector data-sharing capabili-
8 ties to support the provision of en-
9 hanced care coordination services, in-
10 cluding with respect to claiming ad-
11 ministrative matching funds for the
12 design, development, and installation
13 of data systems to allow or enhance
14 coordination among State agencies
15 and other entities.

16 “(XI) Describe how the State will
17 evaluate the impact of the model on
18 child health and disparities in health
19 outcomes, according to requirements
20 outlined by the Secretary.

21 “(XII) Include other such popu-
22 lation health strategies or core serv-
23 ices as the State determines appro-
24 priate.

1 “(iii) PARTICIPATION BY INDIAN
2 TRIBES IN WHOLE CHILD HEALTH MOD-
3 ELS.—The Secretary may waive or other-
4 wise modify the requirements for a whole
5 child health model described in clause (ii)
6 to the extent necessary to permit Indian
7 tribes to participate in such a model.

8 “(3) IMPLEMENTATION PHASE.—After the de-
9 sign period, the implementation phase of the dem-
10 onstration project shall be conducted for a period of
11 not less than 48 months and not more than 72
12 months.

13 “(4) AUTHORIZATION OF APPROPRIATIONS.—

14 “(A) IN GENERAL.—There are authorized
15 to be appropriated to the Secretary for the pur-
16 pose of carrying out this subsection, out of any
17 funds in the Treasury not otherwise appro-
18 priated, \$125,000,000, to remain available until
19 expended.

20 “(B) LIMITATION ON USE OF FUNDS.—

21 From any amounts appropriated pursuant to
22 this paragraph, the Secretary shall use—

23 “(i) not more than \$2,000,000 for ad-
24 ministrative costs, staffing, and reporting
25 requirements;

1 “(ii) not more than \$10,000,000 for
2 learning platforms, staffing, and technical
3 assistance related directly to the design
4 and implementation of whole child health
5 models, and to carry out activities under
6 this subsection; and

7 “(iii) not more than \$3,000,0000 may
8 be used for carrying out evaluations de-
9 scribed in paragraph (5).

10 “(C) PAYMENT FOR WHOLE CHILD
11 HEALTH SERVICES.—

12 “(i) IN GENERAL.—For each fiscal
13 quarter occurring during the implementa-
14 tion phase of the demonstration project,
15 subject to clause (ii), the Secretary shall
16 pay each State selected to participate in
17 that phase of the project, an amount equal
18 to 80 percent of the amounts expended by
19 the State during such quarter for pro-
20 viding whole child health services to eligible
21 individuals in the target communities net
22 of any Federal payments made to the
23 State for such expenditures, under this
24 title or otherwise.

1 “(ii) REQUIREMENT.—The additional
 2 Federal funds paid to a State under this
 3 subparagraph shall be used to supplement,
 4 not supplant, the level of State funds ex-
 5 pended for services that are treated as
 6 whole child health services under the dem-
 7 onstration project.

8 “(5) REPORTS AND EVALUATION.—

9 “(A) IN GENERAL.—A State that is se-
 10 lected to participate in the demonstration
 11 project shall report on the outcomes under the
 12 entity’s whole child health model pursuant to
 13 periodic reporting requirements established by
 14 the Secretary.

15 “(B) STATE REPORTS.—Each State
 16 awarded a grant under this subsection shall
 17 submit the following reports to the Secretary:

18 “(i) INTERIM REPORT.—An interim
 19 report at the end of the first 24 months of
 20 the implementation phase of the project
 21 that describes—

22 “(I) the progress of the State’s
 23 implementation of the whole child
 24 health model in the target commu-
 25 nities;

1 “(II) the organizations and pro-
2 viders that are participating in the
3 implementation of the model in the
4 target communities;

5 “(III) the number of eligible indi-
6 viduals in the target communities re-
7 ceiving enhanced care coordination
8 services; and

9 “(IV) such other information as
10 the Secretary may require.

11 “(ii) FINAL REPORT.—A final report
12 not later than 1 year after the end of the
13 implementation phase of the demonstration
14 project that describes—

15 “(I) best practices and challenges
16 in implementing the whole child
17 health model in the target commu-
18 nities;

19 “(II) the impact of the model on
20 child well-being, health care outcomes
21 and health disparities in the target
22 communities; and

23 “(III) such other information as
24 the Secretary may require.

1 “(C) GAO REPORT.—Not later than 3
2 years after the first grant is awarded under this
3 subsection, the Comptroller General of the
4 United States shall submit a report to Congress
5 evaluating the individual, financial, and sys-
6 tems-level impacts associated with whole child
7 health models implemented under the dem-
8 onstration project.

9 “(6) CONSULTATION.—A State awarded a
10 grant under paragraph (2) shall consult with stake-
11 holders, such as eligible individuals and their pri-
12 mary caregivers, schools, health care, mental health,
13 and substance use disorder treatment organizations,
14 pediatric providers, public health departments, child
15 care providers, juvenile justice programs, child wel-
16 fare programs, and community-based organizations,
17 in designing and carrying out the activities required
18 under paragraph (2), and with respect to the imple-
19 mentation and evaluation of the whole child health
20 models implemented by the State. Such consultation
21 may include establishment of a Community Advisory
22 Board as defined by the Secretary.

23 “(7) RESPONSIBILITIES OF THE SECRETARY.—

24 “(A) TECHNICAL ASSISTANCE.—

1 “(i) IN GENERAL.—The Secretary
2 shall provide States awarded a grant under
3 paragraph (2) with technical assistance
4 with respect to the design of whole child
5 health models. Such assistance may include
6 assisting States with moving along a whole
7 child health model and utilizing innovative
8 financing strategies, such as braiding pub-
9 lic and private funds. As feasible, the Sec-
10 retary may partner with other Federal
11 agencies, including the Office of Manage-
12 ment and Budget, when providing tech-
13 nical assistance to promote a whole child
14 health approach. The Secretary shall also
15 provide such States with technical assist-
16 ance with respect to implementation of
17 such models.

18 “(ii) SHARED LEARNING.—The Sec-
19 retary shall facilitate shared learning, such
20 as a learning collaborative, among the
21 States participating in the demonstration
22 project.

23 “(iii) REPORTS TO CONGRESS.—The
24 Secretary shall submit to the Committee
25 on Finance of the Senate and the Com-

mittee on Energy and Commerce of the
House of Representatives the following re-
ports:

“(I) DESIGN PHASE.—Not later
than 36 months after the date on
which design grant funds are first
awarded under paragraph (2), a re-
port that describes the whole child
health models proposed by States.

“(II) IMPLEMENTATION
PHASE.—

“(aa) INTERIM REPORT.—
Not later than 3 years after the
date on which the implementa-
tion phase of the demonstration
project begins, an interim report.

“(bb) FINAL REPORT.—Not
later than 2 years after the date
on which the demonstration
project ends, a final report.

“(cc) CONTENT.—The in-
terim and final reports required
under this clause shall include
the following:

1 “(AA) A summary of
2 the whole child health mod-
3 els being implemented under
4 the demonstration project.

5 “(BB) An assessment
6 of the impacts of such mod-
7 els on the physical and men-
8 tal health and well-being of
9 eligible individuals in the
10 target communities.

11 “(CC) A description of
12 the most effective strategies
13 of such models in promoting
14 the physical and mental
15 health of eligible individuals,
16 including the effectiveness of
17 such strategies in reducing
18 health disparities and im-
19 proving health equity.

20 “(DD) A summary of
21 the information reported to
22 the Secretary by States.

23 “(dd) LEGISLATIVE REC-
24 OMMENDATIONS.—In addition to
25 the information required under

1 item (cc), the final report sub-
 2 mitted under item (bb) shall in-
 3 clude recommendations for such
 4 Federal legislative changes, if
 5 any, as the Secretary rec-
 6 ommends to implement positive
 7 outcomes identified by the use of
 8 whole child health models under
 9 the demonstration project.

10 “(8) DEFINITIONS.—In this subsection:

11 “(A) ELIGIBLE INDIVIDUAL.—The term
 12 ‘eligible individual’ means an individual who has
 13 not attained age 21 and who is eligible for med-
 14 ical assistance under a State plan under this
 15 title or under a waiver of such plan, or for as-
 16 sistance under a State child health plan under
 17 title XXI or under a waiver of such plan.

18 “(B) INDIAN TRIBE.—The term ‘Indian
 19 Tribe’ has the meaning given that term in sec-
 20 tion 4(e) of the Indian Self-Determination and
 21 Education Assistance Act (25 U.S.C. 5304(e)).

22 “(C) TARGET COMMUNITY.—The term
 23 ‘target community’ means, with respect to a
 24 State, the boundaries of a geographic area with-

1 in the State in which the State proposes to im-
2 plement a whole child health model.

3 “(D) WHOLE CHILD HEALTH SERVICES.—
4 The term ‘whole child health services’ means
5 the following:

6 “(i) Comprehensive care management.

7 “(ii) Enhanced care coordination serv-
8 ices and referrals to health, developmental
9 and social supports that include strategies
10 to—

11 “(I) identify and address the
12 physical, mental, emotional, and be-
13 havioral health, developmental, rela-
14 tional and social needs of eligible indi-
15 viduals;

16 “(II) coordinate referrals, as
17 needed, to health care, mental, emo-
18 tional, and behavioral health, sub-
19 stance use disorder treatment, child
20 development, and social service pro-
21 viders;

22 “(III) ensure that eligible individ-
23 uals follow up with service providers
24 to whom they are referred; and

1 “(IV) facilitate the ability of eli-
2 gible individuals to access needed
3 services by centralizing, coordinating
4 with, or co-locating resources.

5 “(9) REQUIREMENT TO ISSUE GUIDANCE ON
6 COMBINING FEDERAL AND NON-FEDERAL FUNDS TO
7 ADDRESS SOCIAL DRIVERS OF HEALTH IN LOW-IN-
8 COME POPULATIONS.—Not later than 365 days after
9 the selection of eligible entities under this sub-
10 section, the Secretary shall issue and disseminate
11 guidance and technical assistance to grant awardees
12 to clarify strategies and best practices to combine
13 funds, including Medicaid, in the context of a child
14 health and wellness fund, consistent with Federal
15 law, and shall make such guidance publicly avail-
16 able.”.

○