

105TH CONGRESS
2D SESSION

S. 1809

To improve the performance outcomes of the child support enforcement program in order to increase the financial stability and well-being of children and families, and to require the Secretary of Health and Human Services and the Secretary of Labor to jointly develop a National Standardized Medical Support Notice and establish a working group to eliminate existing barriers to the effective establishment and enforcement of medical child support.

IN THE SENATE OF THE UNITED STATES

MARCH 23, 1998

Mr. ROCKEFELLER (for himself, Ms. SNOWE, Mr. KERRY, Mr. KENNEDY, Mr. DODD, Mr. JEFFORDS, and Mr. CHAFEE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To improve the performance outcomes of the child support enforcement program in order to increase the financial stability and well-being of children and families, and to require the Secretary of Health and Human Services and the Secretary of Labor to jointly develop a National Standardized Medical Support Notice and establish a working group to eliminate existing barriers to the effective establishment and enforcement of medical child support.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Child Support Per-
3 formance Improvement Act of 1998”.

4 **SEC. 2. INCENTIVE PAYMENTS TO STATES.**

5 (a) IN GENERAL.—Part D of title IV of the Social
6 Security Act (42 U.S.C. 651–669) is amended by inserting
7 after section 458 the following:

8 **“SEC. 458A. INCENTIVE PAYMENTS TO STATES.**

9 “(a) IN GENERAL.—In addition to any other pay-
10 ment under this part, the Secretary shall, subject to sub-
11 section (f), make an incentive payment to each State for
12 each fiscal year in an amount determined under subsection
13 (b).

14 “(b) AMOUNT OF INCENTIVE PAYMENT.—

15 “(1) IN GENERAL.—The incentive payment for
16 a State for a fiscal year is equal to the incentive
17 payment pool for the fiscal year, multiplied by the
18 State incentive payment share for the fiscal year.

19 “(2) INCENTIVE PAYMENT POOL.—

20 “(A) IN GENERAL.—In paragraph (1), the
21 term ‘incentive payment pool’ means—

22 “(i) \$422,000,000 for fiscal year
23 2000;

24 “(ii) \$429,000,000 for fiscal year
25 2001;

1 “(iii) \$450,000,000 for fiscal year
2 2002;

3 “(iv) \$461,000,000 for fiscal year
4 2003;

5 “(v) \$454,000,000 for fiscal year
6 2004;

7 “(vi) \$446,000,000 for fiscal year
8 2005;

9 “(vii) \$458,000,000 for fiscal year
10 2006;

11 “(viii) \$471,000,000 for fiscal year
12 2007;

13 “(ix) \$483,000,000 for fiscal year
14 2008; and

15 “(x) for any succeeding fiscal year,
16 the amount of the incentive payment pool
17 for the fiscal year that precedes such suc-
18 ceeding fiscal year, multiplied by the per-
19 centage (if any) by which the CPI for such
20 preceding fiscal year exceeds the CPI for
21 the 2nd preceding fiscal year.

22 “(B) CPI.—For purposes of subparagraph
23 (A), the CPI for a fiscal year is the average of
24 the Consumer Price Index for the 12-month pe-
25 riod ending on September 30 of the fiscal year.

1 As used in the preceding sentence, the term
2 ‘Consumer Price Index’ means the last Con-
3 sumer Price Index for all-urban consumers pub-
4 lished by the Department of Labor.

5 “(3) STATE INCENTIVE PAYMENT SHARE.—In
6 paragraph (1), the term ‘State incentive payment
7 share’ means, with respect to a fiscal year—

8 “(A) the incentive base amount for the
9 State for the fiscal year; divided by

10 “(B) the sum of the incentive base
11 amounts for all of the States for the fiscal year.

12 “(4) INCENTIVE BASE AMOUNT.—In paragraph
13 (3), the term ‘incentive base amount’ means, with
14 respect to a State and a fiscal year, the sum of the
15 applicable percentages (determined in accordance
16 with paragraph (6)) multiplied by the corresponding
17 maximum incentive base amounts for the State for
18 the fiscal year, with respect to each of the following
19 measures of State performance for the fiscal year:

20 “(A) The paternity establishment perform-
21 ance level.

22 “(B) The support order performance level.

23 “(C) The current payment performance
24 level.

1 “(D) The arrearage payment performance
2 level.

3 “(E) The cost-effectiveness performance
4 level.

5 “(5) MAXIMUM INCENTIVE BASE AMOUNT.—

6 “(A) IN GENERAL.—For purposes of para-
7 graph (4), the maximum incentive base amount
8 for a State for a fiscal year is—

9 “(i) with respect to the performance
10 measures described in subparagraphs (A),
11 (B), and (C) of paragraph (4), 100 percent
12 of the State collections base for the fiscal
13 year; and

14 “(ii) with respect to the performance
15 measures described in subparagraphs (D)
16 and (E) of paragraph (4), 75 percent of
17 the State collections base for the fiscal
18 year.

19 “(B) DATA REQUIRED TO BE COMPLETE
20 AND RELIABLE.—Notwithstanding subpara-
21 graph (A), the maximum incentive base amount
22 for a State for a fiscal year with respect to a
23 performance measure described in paragraph
24 (4) is zero, unless the Secretary determines, on
25 the basis of an audit performed under section

1 452(a)(4)(C)(i), that the data which the State
 2 submitted pursuant to section 454(15)(B) for
 3 the fiscal year and which is used to determine
 4 the performance level involved is complete and
 5 reliable.

6 “(C) STATE COLLECTIONS BASE.—For
 7 purposes of subparagraph (A), the State collec-
 8 tions base for a fiscal year is equal to the sum
 9 of—

10 “(i) 2 times the sum of—

11 “(I) the total amount of support
 12 collected during the fiscal year under
 13 the State plan approved under this
 14 part in cases in which the support ob-
 15 ligation involved is required to be as-
 16 signed to the State pursuant to part
 17 A or E of this title or title XIX; and

18 “(II) the total amount of support
 19 collected during the fiscal year under
 20 the State plan approved under this
 21 part in cases in which the support ob-
 22 ligation involved was so assigned but,
 23 at the time of collection, is not re-
 24 quired to be so assigned; and

1 “(ii) the total amount of support col-
 2 lected during the fiscal year under the
 3 State plan approved under this part in all
 4 other cases.

5 “(6) DETERMINATION OF APPLICABLE PER-
 6 CENTAGES BASED ON PERFORMANCE LEVELS.—

7 “(A) PATERNITY ESTABLISHMENT.—

8 “(i) DETERMINATION OF PATERNITY
 9 ESTABLISHMENT PERFORMANCE LEVEL.—
 10 The paternity establishment performance
 11 level for a State for a fiscal year is, at the
 12 option of the State, the IV–D paternity es-
 13 tablishment percentage determined under
 14 section 452(g)(2)(A) or the statewide pa-
 15 ternity establishment percentage deter-
 16 mined under section 452(g)(2)(B).

17 “(ii) DETERMINATION OF APPLICABLE
 18 PERCENTAGE.—The applicable percentage
 19 with respect to a State’s paternity estab-
 20 lishment performance level is as follows:

“If the paternity establishment performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86

“If the paternity establishment performance level is:		The applicable percentage is:
At least:	But less than:	
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
0%	50%	0.

1 Notwithstanding the preceding sentence, if
2 the paternity establishment performance
3 level of a State for a fiscal year is less
4 than 50 percent but exceeds by at least 10
5 percentage points the paternity establish-
6 ment performance level of the State for the
7 immediately preceding fiscal year, then the
8 applicable percentage with respect to the
9 State’s paternity establishment perform-
10 ance level is 50 percent.

11 “(B) ESTABLISHMENT OF CHILD SUPPORT
12 ORDERS.—

1 “(i) DETERMINATION OF SUPPORT
 2 ORDER PERFORMANCE LEVEL.—The sup-
 3 port order performance level for a State
 4 for a fiscal year is the percentage of the
 5 total number of cases under the State plan
 6 approved under this part in which there is
 7 a support order during the fiscal year.

8 “(ii) DETERMINATION OF APPLICABLE
 9 PERCENTAGE.—The applicable percentage
 10 with respect to a State’s support order per-
 11 formance level is as follows:

“If the support order performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64

“If the support order performance level is:		The applicable percentage is:
At least:	But less than:	
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
0%	50%	0.

1 Notwithstanding the preceding sentence, if
2 the support order performance level of a
3 State for a fiscal year is less than 50 per-
4 cent but exceeds by at least 5 percentage
5 points the support order performance level
6 of the State for the immediately preceding
7 fiscal year, then the applicable percentage
8 with respect to the State’s support order
9 performance level is 50 percent.

10 “(C) COLLECTIONS ON CURRENT CHILD
11 SUPPORT DUE.—

12 “(i) DETERMINATION OF CURRENT
13 PAYMENT PERFORMANCE LEVEL.—The
14 current payment performance level for a
15 State for a fiscal year is equal to the total
16 amount of current support collected during
17 the fiscal year under the State plan ap-
18 proved under this part divided by the total
19 amount of current support owed during the
20 fiscal year in all cases under the State
21 plan, expressed as a percentage.

1 “(ii) DETERMINATION OF APPLICABLE
 2 PERCENTAGE.—The applicable percentage
 3 with respect to a State’s current payment
 4 performance level is as follows:

“If the current payment performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50
0%	40%	0.

1 Notwithstanding the preceding sentence, if
2 the current payment performance level of a
3 State for a fiscal year is less than 40 per-
4 cent but exceeds by at least 5 percentage
5 points the current payment performance
6 level of the State for the immediately pre-
7 ceding fiscal year, then the applicable per-
8 centage with respect to the State's current
9 payment performance level is 50 percent.

10 “(D) COLLECTIONS ON CHILD SUPPORT
11 ARREARAGES.—

12 “(i) DETERMINATION OF ARREARAGE
13 PAYMENT PERFORMANCE LEVEL.—The ar-
14 rearage payment performance level for a
15 State for a fiscal year is equal to the total
16 number of cases under the State plan ap-
17 proved under this part in which payments
18 of past-due child support were received
19 during the fiscal year and part or all of the
20 payments were distributed to the family to
21 whom the past-due child support was owed
22 (or, if all past-due child support owed to
23 the family was, at the time of receipt, sub-
24 ject to an assignment to the State, part or
25 all of the payments were retained by the

1 State) divided by the total number of cases
 2 under the State plan in which there is
 3 past-due child support, expressed as a per-
 4 centage.

5 “(ii) DETERMINATION OF APPLICABLE
 6 PERCENTAGE.—The applicable percentage
 7 with respect to a State’s arrearage pay-
 8 ment performance level is as follows:

“If the arrearage payment performance level is:		The applicable percentage is:
At least:	But less than:	
80% .....	.....	100
79%	80%	98
78%	79%	96
77%	78%	94
76%	77%	92
75%	76%	90
74%	75%	88
73%	74%	86
72%	73%	84
71%	72%	82
70%	71%	80
69%	70%	79
68%	69%	78
67%	68%	77
66%	67%	76
65%	66%	75
64%	65%	74
63%	64%	73
62%	63%	72
61%	62%	71
60%	61%	70
59%	60%	69
58%	59%	68
57%	58%	67
56%	57%	66
55%	56%	65
54%	55%	64
53%	54%	63
52%	53%	62
51%	52%	61
50%	51%	60
49%	50%	59
48%	49%	58
47%	48%	57

“If the arrearage payment performance level is:		The applicable percentage is:
At least:	But less than:	
46%	47%	56
45%	46%	55
44%	45%	54
43%	44%	53
42%	43%	52
41%	42%	51
40%	41%	50
0%	40%	0.

1 Notwithstanding the preceding sentence, if
2 the arrearage payment performance level
3 of a State for a fiscal year is less than 40
4 percent but exceeds by at least 5 percent-
5 age points the arrearage payment perform-
6 ance level of the State for the immediately
7 preceding fiscal year, then the applicable
8 percentage with respect to the State’s ar-
9 rearage payment performance level is 50
10 percent.

11 “(E) COST-EFFECTIVENESS.—

12 “(i) DETERMINATION OF COST-EF-
13 FECTIVENESS PERFORMANCE LEVEL.—The
14 cost-effectiveness performance level for a
15 State for a fiscal year is equal to the total
16 amount collected during the fiscal year
17 under the State plan approved under this
18 part divided by the total amount expended

1 during the fiscal year under the State plan,
 2 expressed as a ratio.

3 “(ii) DETERMINATION OF APPLICABLE
 4 PERCENTAGE.—The applicable percentage
 5 with respect to a State’s cost-effectiveness
 6 performance level is as follows:

“If the cost-effectiveness performance level is:		The applicable percentage is:
At least:	But less than:	
5.00 .....	.....	100
4.50	4.99	90
4.00	4.50	80
3.50	4.00	70
3.00	3.50	60
2.50	3.00	50
2.00	2.50	40
0.00	2.00	0.

7 “(F) MEDICAL SUPPORT.—Subject to sec-
 8 tion 2(d)(2)(C) of the Child Support Perform-
 9 ance Improvement Act of 1998, the medical
 10 support performance level for a State for a fis-
 11 cal year, and the applicable percentage for a
 12 State with respect to such level, shall be deter-
 13 mined in accordance with regulations imple-
 14 menting the recommendations required to be in-
 15 cluded in the report submitted under section
 16 2(d)(2)(B) of such Act.

17 “(c) TREATMENT OF INTERSTATE COLLECTIONS.—
 18 In computing incentive payments under this section, sup-
 19 port which is collected by a State at the request of another

1 State shall be treated as having been collected in full by
2 both States, and any amounts expended by a State in car-
3 rying out a special project assisted under section 455(e)
4 shall be excluded.

5 “(d) ADMINISTRATIVE PROVISIONS.—The amounts
6 of the incentive payments to be made to the States under
7 this section for a fiscal year shall be estimated by the Sec-
8 retary at or before the beginning of the fiscal year on the
9 basis of the best information available, as obtained in ac-
10 cordance with section 452(a)(12). The Secretary shall
11 make the payments for the fiscal year, on a quarterly basis
12 (with each quarterly payment being made not later than
13 the beginning of the quarter involved), in the amounts so
14 estimated, reduced, or increased to the extent of any over-
15 payments or underpayments which the Secretary deter-
16 mines were made under this section to the States involved
17 for prior periods and with respect to which adjustment has
18 not already been made under this subsection. Upon the
19 making of any estimate by the Secretary under the preced-
20 ing sentence, any appropriations available for payments
21 under this section are deemed obligated.

22 “(e) REGULATIONS.—

23 “(1) IN GENERAL.—The Secretary shall pre-
24 scribe such regulations as may be necessary govern-
25 ing the calculation of incentive payments under this

1 section, including directions for excluding from the
2 calculations certain closed cases and cases over
3 which the States do not have jurisdiction, and regu-
4 lations excluding from the calculations of the current
5 payment performance level and the arrearage pay-
6 ment performance level any case in which the State
7 used State funds to make such payments for the pri-
8 mary purpose of increasing the State's performance
9 levels in such areas.

10 “(2) REGULATIONS IMPLEMENTING THE MEDI-
11 CAL SUPPORT PERFORMANCE LEVEL.—Subject to
12 section 2(d)(2)(C) of the Child Support Performance
13 Improvement Act of 1998, the Secretary shall pre-
14 scribe regulations implementing the recommenda-
15 tions required to be included in the report submitted
16 under section 2(d)(2)(B) of such Act. To the extent
17 necessary to ensure that the implementation of such
18 recommendations does not result in total Federal ex-
19 penditures under this section in excess of the
20 amount of such expenditures in the absence of such
21 implementation, such regulations may increase or
22 decrease the percentages specified in clauses (i) and
23 (ii) of subsection (b)(5)(A).

24 “(f) REINVESTMENT.—

1 “(1) IN GENERAL.—Until such time as the
 2 State qualifies for the maximum incentive amount
 3 possible, as determined under subsection (b)(5), pay-
 4 ments under this section and section 458 shall sup-
 5 plement, not supplant, State child support expendi-
 6 tures under the State program under this part to
 7 the extent that such expenditures were funded by
 8 the State in fiscal year 1997.

9 “(2) PENALTY.—Failure to satisfy the require-
 10 ment of paragraph (1) shall result in a proportionate
 11 reduction, determined by the Secretary, of future
 12 payments to the State under this section and section
 13 458.”.

14 (b) PAYMENTS DURING TRANSITION PERIOD.—Not-
 15 withstanding section 458A of the Social Security Act (42
 16 U.S.C. 658A), as added by subsection (a), the amount of
 17 an incentive payment for a State under such section shall
 18 not be—

19 (1) in the case of fiscal year 2000, less than 80
 20 percent or greater than 120 percent of the incentive
 21 payment for the State determined under section 458
 22 of the Social Security Act (42 U.S.C. 658) for fiscal
 23 year 1999 (as such section was in effect for such fis-
 24 cal year);

1 (2) in the case of fiscal year 2001, less than 60
2 percent or greater than 140 percent of the incentive
3 payment for the State (as so determined);

4 (3) in the case of fiscal year 2002, less than 40
5 percent or greater than 160 percent of the incentive
6 payment for the State (as so determined); and

7 (4) in the case of fiscal year 2003, less than 20
8 percent or greater than 180 percent of the incentive
9 payment for the State (as so determined).

10 (c) REGULATIONS.—Within 9 months after the date
11 of enactment of this section, the Secretary of Health and
12 Human Services shall, in addition to the regulations re-
13 quired under section 458A(e) of the Social Security Act,
14 issue regulations governing the implementation of section
15 458A of the Social Security Act, when such section takes
16 effect, and the implementation of subsection (b) of this
17 section.

18 (d) STUDIES.—

19 (1) GENERAL REVIEW OF NEW INCENTIVE PAY-
20 MENT SYSTEM.—

21 (A) IN GENERAL.—The Secretary of
22 Health and Human Services (in this subsection
23 referred to as the “Secretary”) shall conduct a
24 study of the implementation of the incentive
25 payment system established by section 458A of

1 the Social Security Act, in order to identify the
2 problems and successes of the system.

3 (B) REPORTS TO CONGRESS.—

4 (i) REPORT ON VARIATIONS IN STATE
5 PERFORMANCE ATTRIBUTABLE TO DEMO-
6 GRAPHIC VARIABLES.—Not later than Oc-
7 tober 1, 2000, the Secretary shall submit
8 to Congress a report that identifies any de-
9 mographic or economic variables that ac-
10 count for differences in the performance
11 levels achieved by the States with respect
12 to the performance measures used in the
13 system, and contains the recommendations
14 of the Secretary for such adjustments to
15 the system as may be necessary to ensure
16 that the relative performance of States is
17 measured from a baseline that takes ac-
18 count of any such variables.

19 (ii) INTERIM REPORT.—Not later than
20 March 1, 2001, the Secretary shall submit
21 to Congress an interim report that con-
22 tains the findings of the study required by
23 subparagraph (A).

24 (iii) FINAL REPORT.—Not later than
25 October 1, 2003, the Secretary shall sub-

1 mit to Congress a final report that con-
2 tains the final findings of the study re-
3 quired by subparagraph (A). The report
4 shall include any recommendations for
5 changes in the system that the Secretary
6 determines would improve the operation of
7 the child support enforcement program.

8 (2) DEVELOPMENT OF MEDICAL SUPPORT IN-
9 CENTIVE.—

10 (A) IN GENERAL.—The Secretary, in con-
11 sultation with State directors of programs oper-
12 ated under part D of title IV of the Social Se-
13 curity Act and representatives of children po-
14 tentially eligible for medical support, such as
15 child advocacy organizations, shall develop a
16 new medical support performance measure
17 based on the effectiveness of States in establish-
18 ing and enforcing medical support obligations,
19 and shall make recommendations for the incor-
20 poration of the measure, in a revenue neutral
21 manner, into the incentive payment system es-
22 tablished by section 458A of the Social Security
23 Act.

24 (B) REPORT.—Not later than October 1,
25 1999, the Secretary shall submit to the Com-

1 mittee on Ways and Means of the House of
2 Representatives and the Committee on Finance
3 of the Senate, a report that describes the per-
4 formance measure and contains the rec-
5 ommendations required under subparagraph
6 (A).

7 (C) CONGRESSIONAL DISAPPROVAL RE-
8 QUIRED.—

9 (i) IN GENERAL.—The Secretary
10 shall, by regulation, implement the rec-
11 ommendations required to be included in
12 the report submitted under subparagraph
13 (B) unless a joint resolution is enacted, in
14 accordance with subparagraph (D), dis-
15 approving such recommendations before
16 the end of the 1-year period that begins on
17 the date on which the Secretary submits
18 such report.

19 (ii) EXCLUSION OF CERTAIN DAYS.—
20 For purposes of clause (i) and subpara-
21 graph (D), the days on which either House
22 of Congress is not in session because of an
23 adjournment of more than 3 days to a day
24 certain shall be excluded from the com-
25 putation of the period.

1 (D) CONGRESSIONAL CONSIDERATION.—

2 (i) TERMS OF THE RESOLUTION.—

3 For purposes of subparagraph (C)(i), the
4 term “joint resolution” means only a joint
5 resolution that is introduced within the 1-
6 year period described in such subpara-
7 graph and—

8 (I) that does not have a pre-
9 amble;

10 (II) the matter after the resolv-
11 ing clause of which is as follows:
12 “That Congress disapproves the rec-
13 ommendations of the Secretary of
14 Health and Human Services regarding
15 the implementation of a medical sup-
16 port performance measure submitted
17 on _____”, the blank space being
18 filled in with the appropriate date;
19 and

20 (III) the title of which is as fol-
21 lows: “Joint resolution disapproving
22 the recommendations of the Secretary
23 of Health and Human Services re-
24 garding the implementation of a medi-
25 cal support performance measure.”.

1 (ii) REFERRAL.—A resolution de-
2 scribed in clause (i) that is introduced—

3 (I) in the House of Representa-
4 tives, shall be referred to the Commit-
5 tee on Ways and Means; and

6 (II) in the Senate, shall be re-
7 ferred to the Committee on Finance.

8 (iii) DISCHARGE.—If a committee to
9 which a resolution described in clause (i) is
10 referred has not reported such resolution
11 by the end of the 20-day period beginning
12 on the date on which the Secretary sub-
13 mits the report required under subpara-
14 graph (B), such committee shall be, at the
15 end of such period, discharged from fur-
16 ther consideration of such resolution, and
17 such resolution shall be placed on the ap-
18 propriate calendar of the House involved.

19 (iv) CONSIDERATION.—On or after
20 the third day after the date on which the
21 committee to which a resolution described
22 in clause (i) has reported, or has been dis-
23 charged from further consideration of such
24 resolution, such resolution shall be consid-
25 ered in the same manner as a resolution is

1 considered under subsections (d), (e), and
 2 (f) of section 2908 of the Defense Base
 3 Closure and Realignment Act of 1990 (10
 4 U.S.C. 2687 note).

5 (e) TECHNICAL AMENDMENTS.—

6 (1) IN GENERAL.—Section 341 of the Personal
 7 Responsibility and Work Opportunity Reconciliation
 8 Act of 1996 (42 U.S.C. 658 note) is amended—

9 (A) by striking subsection (a) and redesign-
 10 nating subsections (b), (c), and (d) as sub-
 11 sections (a), (b), and (c), respectively; and

12 (B) in subsection (c) (as so redesign-
 13 nated)—

14 (i) by striking paragraph (1) and in-
 15 serting the following:

16 “(1) CONFORMING AMENDMENTS TO PRESENT
 17 SYSTEM.—The amendments made by subsection (a)
 18 of this section shall become effective with respect to
 19 a State as of the date the amendments made by sec-
 20 tion 103(a) (without regard to section 116(a)(2))
 21 first apply to the State.”; and

22 (ii) in paragraph (2), by striking
 23 “(c)” and inserting “(b)”.

24 (2) EFFECTIVE DATE.—The amendments made
 25 by this subsection shall take effect as if included in

1 the enactment of section 341 of the Personal Re-
 2 sponsibility and Work Opportunity Reconciliation
 3 Act of 1996.

4 (f) ELIMINATION OF PREDECESSOR INCENTIVE PAY-
 5 MENT SYSTEM.—

6 (1) REPEAL.—Section 458 of the Social Secu-
 7 rity Act (42 U.S.C. 658) is repealed.

8 (2) CONFORMING AMENDMENTS.—

9 (A) Section 458A of the Social Security
 10 Act (42 U.S.C. 658a) is redesignated as section
 11 458.

12 (B) Paragraphs (1) and (2) of section
 13 458(f) (as so redesignated) are each amended
 14 by striking “and section 458”.

15 (C) Subsections (c) and (d) of this section
 16 are each amended by striking “458A” each
 17 place it appears and inserting “458”.

18 (3) EFFECTIVE DATE.—The amendments made
 19 by this subsection shall take effect on October 1,
 20 2003.

21 (g) GENERAL EFFECTIVE DATE.—Except as other-
 22 wise provided in this section, the amendments made by
 23 this section shall take effect on October 1, 1999.

1 **SEC. 3. DATA INTEGRITY.**

2 (a) DUTY OF THE SECRETARY TO ENSURE RELI-
3 ABLE DATA.—Section 452(a) of the Social Security Act
4 (42 U.S.C. 652(a)) is amended—

5 (1) in paragraph (10), by striking “and” at the
6 end;

7 (2) in paragraph (11), by striking the period
8 and inserting “; and”; and

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

10 “(12) ensure that data required for the oper-
11 ation of State programs under this part is complete
12 and reliable by providing Federal guidance, technical
13 assistance, and monitoring.”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 subsection (a) shall take effect on the date of enactment
16 of this Act.

17 **SEC. 4. ELIMINATION OF BARRIERS TO THE EFFECTIVE ES-**
18 **TABLISHMENT AND ENFORCEMENT OF MEDI-**
19 **CAL CHILD SUPPORT.**

20 (a) PROMULGATION OF NATIONAL STANDARDIZED
21 MEDICAL SUPPORT NOTICE.—Section 452(a) of the So-
22 cial Security Act (42 U.S.C. 652(a)), as amended by sec-
23 tion 3(a), is amended—

24 (1) in paragraph (11), by striking “and” at the
25 end;

1 (2) in paragraph (12), by striking the period
2 and inserting “; and”; and

3 (3) by adding at the end the following:

4 “(13)(A) develop jointly with the Secretary of
5 Labor—

6 “(i) a National Standardized Medical Sup-
7 port Notice that satisfies the requirements of
8 section 609(a)(3) of the Employee Retirement
9 Income Security Act of 1974 (29 U.S.C.
10 1169(a)(3)) and the requirements of this part
11 and shall be used by States to enforce medical
12 support orders; and

13 “(ii) appropriate procedures for the trans-
14 mission of such Notice to employers by State
15 agencies administering the program established
16 under this part;

17 “(B) not later than 90 days after the date of
18 enactment of this paragraph, establish with the Sec-
19 retary of Labor, a medical support working group,
20 not to exceed 20 individuals, that shall—

21 “(i) identify the impediments to the effec-
22 tive enforcement of medical support by State
23 agencies administering the program established
24 under this part; and

25 “(ii) be composed of representatives of—

1 “(I) the Department of Labor;

2 “(II) the Department of Health and
3 Human Services;

4 “(III) State directors of programs
5 under this part;

6 “(IV) State directors of the medicaid
7 program under title XIX;

8 “(V) employers, including owners of
9 small businesses;

10 “(VI) plan administrators and plan
11 sponsors of group health plans (as defined
12 in section 607(1) of the Employee Retire-
13 ment Income Security Act of 1974 (29
14 U.S.C. 1167(1));

15 “(VII) children potentially eligible for
16 medical support, such as child advocacy or-
17 ganizations; and

18 “(VIII) State public welfare pro-
19 grams;

20 “(C) require the working group established in
21 accordance with subparagraph (B) to—

22 “(i) not later than 18 months after the
23 date of enactment of this paragraph, submit to
24 the Secretary and Congress a report containing
25 recommendations for appropriate measures to

1 address the impediments to the effective en-
2 forcement of medical support by State agencies
3 administering the program established under
4 this part identified by the working group, in-
5 cluding—

6 “(I) appropriate measures that estab-
7 lish the priority of withholding of child
8 support obligations, medical support obli-
9 gations, arrearages in such obligations,
10 and, in the case of a medical support obli-
11 gation, the employee’s portion of any
12 health care coverage premium, by the
13 State agency administering the program
14 established under this part in light of the
15 restrictions on garnishment provided under
16 title III of the Consumer Credit Protection
17 Act (15 U.S.C. 1671–1677);

18 “(II) appropriate procedures for co-
19 ordinating the provision, enforcement, and
20 transition of health care coverage under
21 the State programs established under this
22 part, title XIX, and title XXI;

23 “(III) appropriate measures to im-
24 prove the enforcement of alternate types of
25 medical support that are aside from health

1 coverage offered through the noncustodial
2 parent's health plan and unrelated to the
3 noncustodial parent's employer, including
4 measures that establish a noncustodial
5 parent's responsibility to share the cost of
6 a copayment, deductible, or a payment for
7 services not covered under a child's exist-
8 ing health coverage; and

9 “(IV) appropriate measures for elimi-
10 nating any other impediments to the effec-
11 tive enforcement of medical support orders
12 that the working group deems necessary;
13 and

14 “(D) issue, under the authority of the Sec-
15 retary—

16 “(i) not later than 180 days after the date
17 of enactment of this paragraph, a proposed reg-
18 ulation that specifies that the National Stand-
19 ardized Medical Support Notice shall be used
20 by State agencies administering the program
21 under this part to enforce medical support or-
22 ders, and that includes such procedures for
23 transmission of the Notice to employers that
24 the Secretary determines are appropriate; and

“(ii) not later than 1 year after the date of enactment of this paragraph, a final regulation that specifies that the National Standardized Medical Support Notice shall be used by State agencies administering the program under this part to enforce medical support orders and the procedures for the transmission of that Notice to employers.”.

(b) REQUIRED USE OF NOTICE BY STATES.—

(1) STATE PROCEDURES.—Section 466(a)(19) of the Social Security Act (42 U.S.C. 466(a)(19)) is amended to read as follows:

“(19) HEALTH CARE COVERAGE.—Procedures under which—

“(A) all child support orders enforced pursuant to this part include a provision for the health care coverage of the child that, not later than October 1, 2000, is enforced, where appropriate, through the use of the National Standardized Medical Support Notice promulgated pursuant to section 452(a)(13);

“(B) in any case in which a noncustodial parent is required to provide such health care coverage and the employer of such noncustodial parent is known to the State agency, the State

1 agency shall use the National Standardized
2 Medical Support Notice to transfer notice of the
3 provision for the health care coverage of the
4 child to the employer in conjunction, where ap-
5 propriate, with an income withholding notice
6 within 2 days of the date that information re-
7 garding a newly hired employee is entered in
8 the State Directory of New Hires pursuant to
9 section 453A(e), and to any subsequent em-
10 ployer if the parent changes employment or ob-
11 tains additional employment and the subsequent
12 employer of such noncustodial parent is known
13 to the State agency;

14 “(C) not later than 7 business days after
15 the date the National Standardized Medical
16 Support Notice is issued, the Notice shall oper-
17 ate to enroll the child in the noncustodial par-
18 ent’s employer’s health plan, and to authorize
19 the collection of any employee contributions re-
20 quired for such enrollment, unless the noncusto-
21 dial parent contests enforcement of the health
22 care coverage provision of the child support
23 order pursuant to the Notice to the State agen-
24 cy based on mistake of fact; and

1 “(D) the employer shall, within 21 days
 2 after the date the Notice is issued, notify the
 3 State agency administering the program under
 4 this part whether such health care coverage is
 5 available and, if so, whether the child has been
 6 enrolled in such coverage and the effective date
 7 of the enrollment, and provide to the custodial
 8 parent any necessary documentation to provide
 9 the child with coverage.”.

10 (2) CONFORMING AMENDMENTS.—Section
 11 452(f) of the Social Security Act (42 U.S.C. 652(f))
 12 is amended in the first sentence—

13 (A) by striking “petition for the inclusion
 14 of” and inserting “include”; and

15 (B) by inserting “and enforce medical sup-
 16 port” before “whenever”.

17 (c) NATIONAL STANDARDIZED MEDICAL SUPPORT
 18 NOTICE DEEMED A QUALIFIED MEDICAL CHILD SUP-
 19 PORT ORDER.—

20 (1) AMENDMENT TO ERISA.—Section 609(a)(5)
 21 of the Employee Retirement Income Security Act of
 22 1974 (29 U.S.C. 1169(a)(5)) is amended by adding
 23 at the end the following:

24 “(C) NATIONAL STANDARDIZED MEDICAL
 25 SUPPORT NOTICE DEEMED TO BE A QUALIFIED

1 MEDICAL CHILD SUPPORT ORDER.—If a group
 2 health plan administrator receives a completed
 3 National Standardized Medical Support Notice
 4 promulgated pursuant to section 452(a)(13) of
 5 the Social Security Act (42 U.S.C. 652(a)(13)),
 6 and the notice meets the requirements of para-
 7 graphs (3) and (4), the notice shall, not later
 8 than 7 business days after the date the Na-
 9 tional Standardized Medical Support Notice is
 10 issued, be deemed to be a qualified medical
 11 child support order and the plan administrator
 12 shall comply with the notice.”.

13 (2) RULE OF CONSTRUCTION.—The amendment
 14 made by paragraph (1) shall not be construed as re-
 15 quiring an employer to provide or expand any health
 16 benefits coverage provided by the employer that the
 17 employer is not, as of the date of enactment of this
 18 section, required to provide, or to modify or change
 19 the eligibility rules applicable to a group health plan
 20 (as defined in section 607(1) of the Employee Re-
 21 tirement Income Security Act of 1974 (29 U.S.C.
 22 1167(1))).

23 (d) REPORT AND RECOMMENDATIONS REGARDING
 24 THE ENFORCEMENT OF QUALIFIED MEDICAL SUPPORT
 25 ORDERS UNDER ERISA.—Not later than 1 year after the

1 date of enactment of this Act, the Secretary of Labor, in
2 consultation with the Secretary of Health and Human
3 Services, shall submit to the Committee on Labor and
4 Human Resources and the Committee on Finance of the
5 Senate, and the Committee on Education and the Work-
6 force and the Committee on Ways and Means of the House
7 of Representatives, a report containing recommendations
8 for appropriate legislation to improve the effectiveness of,
9 and enforcement of, qualified medical child support orders
10 under the provisions of section 609 of the Employee Re-
11 tirement Income Security Act of 1974 (29 U.S.C. 1169).

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