

106TH CONGRESS
1ST SESSION

S. 1646

To amend titles XIX and XXI of the Social Security Act to improve the coverage of needy children under the State Children's Health Insurance Program (SCHIP) and the Medicaid Program.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 1999

Mrs. LINCOLN (for herself, Ms. LANDRIEU, Mr. SMITH of Oregon, Mr. BAYH, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend titles XIX and XXI of the Social Security Act to improve the coverage of needy children under the State Children's Health Insurance Program (SCHIP) and the Medicaid Program.

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; REFERENCES IN ACT; TABLE OF**
4 **CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Improved Maternal and Children's Health Coverage
7 Act”.

(b) REFERENCES TO SOCIAL SECURITY ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

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

- Sec. 1. Short title; references in Act; table of contents.
- Sec. 2. Simplified outreach and enrollment.
- Sec. 3. Family friendly coverage and enrollment.
- Sec. 4. Expanded coverage options.

9 SEC. 2. SIMPLIFIED OUTREACH AND ENROLLMENT.

(a) USE OF UNIFORM APPLICATION AND COORDINATED ENROLLMENT PROCESS.—

(1) SCHIP PROGRAM.—Section 2102 (42 U.S.C. 1397bb) is amended by adding at the end the following new subsection:

“(d) DEVELOPMENT AND USE OF UNIFORM APPLICATION FORMS AND COORDINATED ENROLLMENT PROCESS.—A State child health plan shall provide, by not later than the first day of the first month that begins more than 6 months after the date of the enactment of this subsection, for—

“(1) the development and use of a uniform, simplified application form which is used both for

1 purposes of establishing eligibility for benefits under
 2 this title and also under title XIX; and

3 “(2) an enrollment process that is coordinated
 4 with that under title XIX so that a family need only
 5 interact with a single agency in order to determine
 6 whether a child is eligible for benefits under this
 7 title or title XIX.”.

8 (2) MEDICAID CONFORMING AMENDMENT.—

9 (A) IN GENERAL.—Section 1902(a) (42
 10 U.S.C. 1396a(a)) is amended—

11 (i) by striking the period at the end of
 12 paragraph (65) and inserting “; and”, and

13 (ii) by inserting after paragraph (65)
 14 the following new paragraph:

15 “(66) provide, by not later than the first day of
 16 the first month that begins more than 6 months
 17 after the date of the enactment of this paragraph,
 18 in the case of a State with a State child health plan
 19 under title XXI for—

20 “(A) the development and use of a uni-
 21 form, simplified application form which is used
 22 both for purposes of establishing eligibility for
 23 benefits under this title and also under title
 24 XXI; and

“(B) establishment and operation of an enrollment process that is coordinated with that under title XXI so that a family need only interact with a single agency in order to determine whether a child is eligible for benefits under this title or title XXI.”.

(B) EFFECTIVE DATE.—The amendments made by subparagraph (A) apply to calendar quarters beginning more than 6 months after the date of the enactment of this Act.

(b) FINANCIAL INCENTIVES TO PROMOTE APPROPRIATE ENROLLMENT.—

(1) EXPANDED AVAILABILITY OF FUNDING FOR ADMINISTRATIVE COSTS RELATED TO OUTREACH AND ELIGIBILITY DETERMINATIONS.—Section 1931(h) (42 U.S.C. 1396u–1(h)) is amended—

(A) in the matter preceding paragraph (1), by striking “TRANSITIONAL” and all that follows through “COSTS” and inserting “INCREASED FEDERAL MATCHING RATE FOR ADMINISTRATIVE COSTS RELATED TO CERTAIN OUTREACH AND ELIGIBILITY DETERMINATIONS”;

(B) in paragraph (2), by inserting “either” after “attributable” and by inserting before the

1 period at the end the following: “or to adminis-
2 trative costs of determinations of the eligibility
3 of children and pregnant women for benefits
4 under the State plan under this title or title
5 XXI, outreach to children and pregnant women
6 likely to be eligible for such benefits, and such
7 other outreach- and eligibility-related activities
8 as the Secretary may approve”;

9 (C) in paragraph (3), by striking “and
10 ending with fiscal year 2000”; and

11 (D) by striking paragraph (4) and insert-
12 ing the following:

13 “(4) ENCOURAGING USE OF LOCAL AND COM-
14 MUNITY-BASED ORGANIZATIONS IN OUTREACH AND
15 ENROLLMENT ACTIVITIES.—The Secretary shall es-
16 tablish a procedure under which, if States do not
17 otherwise obligate the amounts made available under
18 this subsection, local and community-based public or
19 nonprofit organizations (including local and county
20 governments, public health departments, community
21 health centers, children’s hospitals, and dispropor-
22 tionate share hospitals) may seek to have adminis-
23 trative costs relating to outreach and enrollment of
24 children and pregnant women under this title and
25 title XXI be treated as administrative costs of a

1 State described in section 1903(a)(7), if such orga-
 2 nizations have the permission of the State involved.
 3 A State may require such an organization to provide
 4 payment of such amounts as the State would other-
 5 wise be responsible for in order to obtain payment
 6 under this paragraph.”.

7 (2) USE OF 3 PERCENT OF SCHIP FUNDS AT 90
 8 PERCENT FEDERAL MATCH FOR ENROLLMENT AND
 9 OUTREACH ACTIVITIES.—Section 2105(b) (42
 10 U.S.C. 1397ee(b)) is amended—

11 (A) by designating the matter following the
 12 dash as a paragraph (1) with appropriate in-
 13 dentation and with the heading “(1) IN GEN-
 14 ERAL”;

15 (B) by inserting “subject to paragraph
 16 (2),” after “(a),”;

17 (C) by striking “(1)” and “(2)” and in-
 18 serting “(A)” and “(B)”, respectively; and

19 (D) by adding at the end the following
 20 paragraph:

21 “(2) SPECIAL RULE FOR CERTAIN ENROLL-
 22 MENT AND OUTREACH ACTIVITIES.—

23 “(A) IN GENERAL.—For purposes of sub-
 24 section (a), in the case of a State that meets
 25 the requirement of subparagraph (B), and sub-

ject to subparagraph (C), the ‘enhanced FMAP’
is equal to 90 percent with respect to amounts
expended on enrollment and outreach activities.

“(B) REQUIREMENTS.—Subparagraph (A)
shall only apply to a State if the State meets
the following requirements:

“(i) NO ASSET TEST.—The State does
not impose an asset test for eligibility
under the State child health plan or under
section 1902(l) with respect to children.

“(ii) COMPLIANCE WITH
OUTSTATIONING REQUIREMENT.—The Sec-
retary finds that the State is providing for
the receipt and initial processing of appli-
cations of certain individuals at facilities
defined as disproportionate share hospitals
under section 1923(a)(1)(A) and Feder-
ally-qualified health centers described in
section 1905(l)(2)(B) consistent with the
requirements of section 1902(a)(55).

“(iii) COMPLIANCE WITH SIMPLIFIED
OUTREACH AND ENROLLMENT PROVI-
SIONS.—The Secretary finds that the State
is providing for outreach and enrollment
under this title and title XIX consistent

1 with the requirements of sections 2102(c),
 2 2102(d), and 1902(a)(66).

3 “(C) LIMITATION TO 3 PERCENT OF AN-
 4 NUAL ALLOTMENT.—Subparagraph (A) shall
 5 not apply to amounts expended by a State in a
 6 fiscal year in excess of 3 percent of the amount
 7 of the amount of its allotment under section
 8 2104 for that fiscal year.”.

9 (3) EFFECTIVE DATE.—The amendments made
 10 by this subsection take effect on the date of the en-
 11 actment of this Act and apply to expenditures made
 12 on or after the date of the enactment of this Act.

13 (c) ADDITIONAL ENTITIES QUALIFIED TO DETER-
 14 MINE MEDICAID PRESUMPTIVE ELIGIBILITY FOR LOW-IN-
 15 COME CHILDREN.—Section 1920A(b)(3)(A)(i) (42 U.S.C.
 16 1396r-1a(b)(3)(A)(i)) is amended—

17 (1) by striking “or (II)” and inserting “, (II)”;
 18 and

19 (2) by inserting “eligibility of a child for med-
 20 ical assistance under the State plan under this title,
 21 or eligibility of a child for child health assistance
 22 under the program funded under title XXI, (III) is
 23 an elementary school or secondary school, as such
 24 terms are defined in section 14101 of the Elemen-
 25 tary and Secondary Education Act of 1965 (20

1 U.S.C. 8801), an elementary or secondary school op-
 2 erated or supported by the Bureau of Indian Affairs,
 3 a State child support enforcement agency, a child
 4 care resource and referral agency, or a State office
 5 or private contractor that accepts applications for or
 6 administers a program funded under part A of title
 7 IV or that determines eligibility for any assistance
 8 or benefits provided under any program of public or
 9 assisted housing that receives Federal funds, includ-
 10 ing the program under section 8 or any other section
 11 of the United States Housing Act of 1937 (42
 12 U.S.C. 1437 et seq.), or (IV) any other entity the
 13 State so deems” before the semicolon.

14 **SEC. 3. FAMILY FRIENDLY COVERAGE AND ENROLLMENT.**

15 (a) ASSURING COORDINATION OF PEDIATRIC PRO-
 16 VIDERS WITHIN A FAMILY.—

17 (1) IN GENERAL.—Section 2103 (42 U.S.C.
 18 1397cc) is amended by adding at the end the fol-
 19 lowing new subsection:

20 “(g) STEPS TAKEN TO COORDINATE PROVISION OF
 21 PEDIATRIC CARE WITHIN A FAMILY.—To the extent a
 22 State child health plan provides coverage other than
 23 through providing benefits under the State’s medicaid
 24 plan under title XIX, the State child health plan—

1 “(1) shall specify methods being used to ensure
 2 that children within a family who are eligible for as-
 3 sistance under the plan are allowed to be seen by the
 4 same pediatric provider or group of pediatric pro-
 5 viders in a manner that permits the coordinated re-
 6 ceipt of care by children in the same family; and

7 “(2) shall include a description of such methods
 8 in each annual report submitted under section
 9 2108(a).”.

10 (2) EFFECTIVE DATE.—The amendment made
 11 by paragraph (1) applies on the date of the enact-
 12 ment of this Act and to reports submitted for years
 13 beginning with 2000.

14 (b) REDUCTION IN BURDEN OF ADMINISTERING
 15 COST-SHARING PROVISIONS.—

16 (1) STATE RESPONSIBLE FOR ASSURING CAP
 17 ON COST-SHARING NOT EXCEEDED.—Section
 18 2103(e)(3) (42 U.S.C. 1397cc(e)(3)) is amended by
 19 adding at the end the following new subparagraph:

20 “(C) STATE AND CONTRACTORS RESPON-
 21 SIBLE FOR APPLYING LIMITATIONS ON COST-
 22 SHARING.—The State child health plan shall
 23 provide that responsibility for assuring compli-
 24 ance with the limitations on cost-sharing under
 25 this paragraph falls on the State and on its

1 contractors, and not on beneficiaries and their
2 families.”.

3 (2) STATE OPTION OF FLAT LIMIT ON OUT-OF-
4 POCKET EXPENDITURES.—Section 2103(e)(3)(B)
5 (42 U.S.C. 1397cc(e)(3)(B)) is amended by insert-
6 ing before the period at the end the following: “(or,
7 at the option of a State, a limiting amount which is
8 not greater \$500)”.

9 (3) EFFECTIVE DATE.—The amendments made
10 by this subsection take effect on the date that is 30
11 days after the date of the enactment of this Act.

12 (c) PROHIBITION OF WAITING PERIODS.—

13 (1) IN GENERAL.—Section 2102(b)(1)(B) (42
14 U.S.C. 1397bb(b)(1)(B)) is amended—

15 (A) by striking “, and” at the end of
16 clause (i) and inserting a semicolon;

17 (B) by striking the period at the end of
18 clause (ii) and inserting “; and”; and

19 (C) by adding at the end the following new
20 clause:

21 “(iii) shall not permit the use of any
22 mandatory waiting period (including any
23 such period in order to carry out para-
24 graph (3)(C)), unless the Secretary finds
25 that the imposition of such a period would

1 not be contrary to the provisions of this
2 title.”.

3 (2) EFFECTIVE DATE.—The amendments made
4 by paragraph (1) apply to assistance furnished on or
5 after the date of the enactment of this Act.

6 (d) GRACE PERIOD BEFORE DISENROLLMENT FOR
7 NONPAYMENT OF PREMIUMS.—

8 (1) IN GENERAL.—Section 2103(e) (42 U.S.C.
9 1397ee(e)) is amended by adding at the end the fol-
10 lowing new paragraph:

11 “(5) DISENROLLMENT FOR NONPAYMENT OF
12 PREMIUMS.—

13 “(A) NOTICE OF NONPAYMENT.—If a
14 State child health plan requires the payment of
15 a premium for enrollment and such a premium
16 is not paid on a timely basis, the State shall
17 provide, before terminating coverage under the
18 plan, for—

19 “(i) notice of nonpayment at such
20 time and at the beginning of the last
21 month of the State specified enrollment pe-
22 riod described in subparagraph (C) if the
23 premium is still unpaid at that time; and

24 “(ii) an opportunity for a hearing and
25 a grace period (described in subparagraph

1 (B)) in which the premium may be paid
 2 and no penalty will apply for the late pay-
 3 ment.

4 “(B) GRACE PERIOD.—The grace period
 5 under this subparagraph, in the case of non-
 6 payment for a month—

7 “(i) before the last month of a State
 8 specified enrollment period described in
 9 subparagraph (C), is for the remainder of
 10 the State specified enrollment period; or

11 “(ii) for the last month of such pe-
 12 riod, is for a period of at least 1 month.

13 “(C) STATE SPECIFIED ENROLLMENT PE-
 14 RIOD.—For purposes of applying this
 15 paragraph—

16 “(i) the State child health plan shall
 17 specify an enrollment period, which shall
 18 be a period of at least 3 months; and

19 “(ii) after each such enrollment period
 20 for an individual (if coverage is not termi-
 21 nated under the plan during such period),
 22 a new enrollment period (of the length
 23 specified in clause (i)) shall start again for
 24 the individual at the end of the previously
 25 specified enrollment period.

1 “(D) GOOD CAUSE WAIVER.—The State
 2 child health plan shall establish rules allowing
 3 waiver for good cause of termination of enroll-
 4 ment for nonpayment of premiums.

5 “(E) PERMITTING APPLICATION OF WAIT-
 6 ING PERIOD IN CERTAIN REENROLLMENT
 7 CASES.—In the case of a child whose coverage
 8 under a State child health plan has been termi-
 9 nated under this paragraph for nonpayment of
 10 premiums and whose period of coverage under
 11 the plan without premium payment exceeded 1
 12 month, the plan may require, as a condition of
 13 reenrollment under the plan, a waiting period
 14 that equals the number of months of such cov-
 15 erage without premium payment, but in no case
 16 may such a waiting period exceed 3 months.”.

17 (2) EFFECTIVE DATE.—The amendment made
 18 by paragraph (1) applies to disenrollments occurring
 19 on or after the date that is 30 days after the date
 20 of the enactment of this Act.

21 **SEC. 4. EXPANDED COVERAGE OPTIONS.**

22 (a) AUTOMATIC REASSESSMENT OF ELIGIBILITY FOR
 23 SCHIP AND MEDICAID BENEFITS FOR CHILDREN LOS-
 24 ING MEDICAID OR SCHIP ELIGIBILITY.—

1 (1) LOSS OF MEDICAID ELIGIBILITY.—Section
 2 1902(a)(66) (42 U.S.C. 1396a(a)(66)), as inserted
 3 by section 2(a)(2), is amended—

4 (A) by striking “and” at the end of sub-
 5 paragraph (B),

6 (B) by striking the period at the end of
 7 subparagraph (C) and inserting “; and”; and

8 (C) by adding at the end the following new
 9 subparagraph:

10 “(D) the automatic assessment, in the case
 11 of a child who loses eligibility for medical assist-
 12 ance under this title on the basis of changes in
 13 income, assets, or age, of whether the child is
 14 eligible for benefits under title XXI.”.

15 (2) LOSS OF SCHIP ELIGIBILITY.—Section
 16 2102(b)(3) (42 U.S.C. 1397bb(b)(3)) is amended by
 17 redesignating subparagraphs (D) and (E) as sub-
 18 paragraphs (E) and (F), respectively, and by insert-
 19 ing after subparagraph (C) the following new sub-
 20 paragraph:

21 “(D) that there is an automatic assess-
 22 ment, in the case of a child who loses eligibility
 23 for child health assistance under this title on
 24 the basis of changes in income, assets, or age,

1 of whether the child is eligible for medical as-
 2 sistance under title XIX;”.

3 (3) EFFECTIVE DATE.—The amendments made
 4 by paragraphs (1) and (2) apply to children who lose
 5 eligibility under the medicaid program under title
 6 XIX, or under a State child health insurance plan
 7 under title XXI, respectively, of the Social Security
 8 Act on or after the date that is 30 days after the
 9 date of the enactment of this Act.

10 (b) OPTIONAL COVERAGE OF LOW-INCOME, UNIN-
 11 SURED PREGNANT WOMEN UNDER A STATE CHILD
 12 HEALTH PLAN.—

13 (1) IN GENERAL.—Title XXI is amended by
 14 adding at the end the following new section:

15 **“SEC. 2111. OPTIONAL COVERAGE OF LOW-INCOME, UNIN-**
 16 **SURED PREGNANT WOMEN.**

17 “(a) OPTIONAL COVERAGE.—Notwithstanding any
 18 other provision of this title, a State child health plan may
 19 provide for coverage of pregnancy-related assistance for
 20 targeted low-income pregnant women in accordance with
 21 this section, but only if the State has established an in-
 22 come eligibility level under section 1902(l)(2)(A) for
 23 women described in section 1902(l)(1)(A) that is 185 per-
 24 cent of the income official poverty line.

25 “(b) DEFINITIONS.—For purposes of this section:

1 “(1) PREGNANCY-RELATED ASSISTANCE.—The
2 term ‘pregnancy-related assistance’ has the meaning
3 given the term child health assistance in section
4 2110(a) as if any reference to targeted low-income
5 children were a reference to targeted low-income
6 pregnant women, except that the assistance shall be
7 limited to services related to pregnancy (which in-
8 clude prenatal, delivery, and postpartum services)
9 and to other conditions that may complicate preg-
10 nancy and shall not include prepregnancy services
11 and supplies.

12 “(2) TARGETED LOW-INCOME PREGNANT
13 WOMAN.—The term ‘targeted low-income pregnant
14 woman’ has the meaning given the term targeted
15 low-income child in section 2110(b) as if any ref-
16 erence to a child were deemed a reference to a
17 woman during pregnancy and through the end of the
18 month in which the 60-day period (beginning on the
19 last day of her pregnancy) ends.

20 “(c) REFERENCES TO TERMS AND SPECIAL
21 RULES.—In the case of, and with respect to, a State pro-
22 viding for coverage of pregnancy-related assistance to tar-
23 geted low-income pregnant women under subsection (a),
24 the following special rules apply:

1 “(1) Any reference in this title (other than sub-
2 section (b)) to a targeted low income child is deemed
3 to include a reference to a targeted low-income preg-
4 nant woman.

5 “(2) Any such reference to child health assist-
6 ance with respect to such women is deemed a ref-
7 erence to pregnancy-related assistance.

8 “(3) Any such reference to a child is deemed a
9 reference to a woman during pregnancy and the pe-
10 riod described in subsection (b)(2).

11 “(4) The medicaid applicable income level is
12 deemed a reference to the income level established
13 under section 1902(l)(2)(A).

14 “(5) Subsection (a) of section 2103 (relating to
15 required scope of health insurance coverage) shall
16 not apply insofar as a State limits coverage to serv-
17 ices described in subsection (b)(1) and the reference
18 to such section in section 2105(a)(1) is deemed not
19 to require, in such case, compliance with the require-
20 ments of section 2103(a).

21 “(6) There shall be no exclusion of benefits for
22 services described in subsection (b)(1) based on any
23 pre-existing condition and no waiting period (includ-
24 ing any waiting period imposed to carry out section
25 2102(b)(3)(C)) shall apply.

1 “(d) NO IMPACT ON ALLOTMENTS.—Nothing in this
 2 section shall be construed as affecting the amount of any
 3 initial allotment provided to a State under section
 4 2104(b).

5 “(e) APPLICATION OF FUNDING RESTRICTIONS.—
 6 The coverage under this section (and the funding of such
 7 coverage) is subject to the restrictions of section 2105(c).

8 “(f) AUTOMATIC ENROLLMENT FOR CHILDREN
 9 BORN TO WOMEN RECEIVING PREGNANCY-RELATED AS-
 10 SISTANCE.—Notwithstanding any other provision of this
 11 title or title XIX, if a child is born to a targeted low-in-
 12 come pregnant woman who was receiving pregnancy-re-
 13 lated assistance under this section on the date of the chil-
 14 dren’s birth, the child shall be deemed to have applied for
 15 child health assistance under the State child health plan
 16 and to have been found eligible for such assistance under
 17 such plan (or, in the case of a State that provides such
 18 assistance through the provision of medical assistance
 19 under a plan under title XIX, to have applied for medical
 20 assistance under such title and to have been found eligible
 21 for such assistance under such title) on the date of such
 22 birth and to remain eligible for such assistance until the
 23 child attains 1 year of age so long as the child is a member
 24 of the woman’s household and the woman remains (or
 25 would remain if pregnant) eligible for such assistance.

1 During the period in which a child is deemed under the
 2 preceding sentence to be eligible for child health or med-
 3 ical assistance, the child health or medical assistance eligi-
 4 bility identification number of the mother shall also serve
 5 as the identification number of the child, and all claims
 6 shall be submitted and paid under such number (unless
 7 the State issues a separate identification number for the
 8 child before such period expires).”.

9 (2) STATE OPTION TO USE ENHANCED FMAP
 10 FOR COVERAGE OF ADDITIONAL PREGNANT WOMEN
 11 UNDER THE MEDICAID PROGRAM.—Section 1905 (42
 12 U.S.C. 1396d) is amended—

13 (A) in subsection (b), by inserting “and in
 14 the case of a State plan that meets the condi-
 15 tion described in subsections (u)(1) and
 16 (u)(4)(A), with respect to expenditures de-
 17 scribed in subsection (u)(4)(B) for the State for
 18 a fiscal year” after “for a fiscal year,”;

19 (B) by redesignating paragraph (4) of sub-
 20 section (u) as paragraph (5); and

21 (C) by inserting after paragraph (3) of
 22 subsection (u) the following new paragraph:

23 “(4)(A) The condition described in this subparagraph
 24 for a State plan is that the plan has established an income
 25 level under section 1902(l)(2)(A) with respect to individ-

1 uals described in section 1902(l)(1)(A) that is 185 percent
 2 of the income official poverty line.

3 “(B) For purposes of subsection (b), the expenditures
 4 described in this paragraph are expenditures for medical
 5 assistance for women described in section 1902(l)(1)(A)
 6 whose income exceeds the income level established for such
 7 women under section 1902(l)(2)(A)(i) as of the date of
 8 the enactment of this paragraph but does not exceed than
 9 185 percent of the income official poverty line.”.

10 (3) CONFORMING AMENDMENTS.—Section
 11 2102(b)(1)(B) (42 U.S.C. 1397bb(b)(1)(B)) is
 12 amended—

13 (A) by striking “and” at the end of clause
 14 (i);

15 (B) by striking the period at the end of
 16 clause (ii) and inserting “; and”; and

17 (C) by adding at the end the following new
 18 clause:

19 “(iii) may not apply a waiting period
 20 (including a waiting period to carry out
 21 paragraph (3)(C)) in the case of a targeted
 22 low-income child who is pregnant, if the
 23 State provides for coverage of pregnancy-
 24 related assistance for targeted low-income

1 pregnant women in accordance section
2 2111.”.

3 (4) EFFECTIVE DATE.—The amendments made
4 by this subsection take effect on the date of the en-
5 actment of this Act and apply to allotments for all
6 fiscal years.

7 (c) CLARIFICATION OF COVERAGE UNDER VACCINE
8 FOR CHILDREN PROGRAM.—

9 (1) IN GENERAL.—Section 1928(b)(2)(A)(ii)
10 (42 U.S.C. 1396s(b)(2)(A)(ii) is amended by insert-
11 ing “, except that for purposes of this paragraph a
12 child who is only insured under title XXI shall be
13 considered as being not insured” after “not in-
14 sured”.

15 (2) EFFECTIVE DATE.—The amendment made
16 by paragraph (1) shall take effect as if included in
17 the enactment of the Balanced Budget Act of 1997.

18 (d) ELIMINATION OF FUNDING OFFSET FOR EXER-
19 CISE OF PRESUMPTIVE ELIGIBILITY OPTION.—

20 (1) IN GENERAL.—Section 2104(d) (42 U.S.C.
21 1397dd(d)) is amended by striking “shall be reduced
22 by the sum of” and all that follows through “(2) the
23 amount (if any) of the payments made to that State
24 under section 1903(a) and inserting “shall be re-

1 duced by the amount of payments under section
2 1903(a)(1)”.

3 (2) EFFECTIVE DATE.—The amendment made
4 by paragraph (1) first applies for allotments for fis-
5 cal year 2000.

6 (e) PROGRAM COORDINATION WITH THE MATERNAL
7 AND CHILD HEALTH PROGRAM (TITLE V).—

8 (1) IN GENERAL.—Section 2102(b)(3) (42
9 U.S.C. 1397bb(b)(3)) is amended—

10 (A) by striking “and” at the end of sub-
11 paragraph (D);

12 (B) by striking the period at the end of
13 subparagraph (E) and inserting “; and”; and

14 (C) by adding at the end the following new
15 subparagraph:

16 “(F) that operations and activities under
17 this title are developed and implemented in con-
18 sultation and coordination with the program op-
19 erated by the State under title V in areas in-
20 cluding outreach and enrollment, benefits and
21 services, service delivery standards, public
22 health and social service agency relationships,
23 and quality assurance and data reporting.”.

1 (2) CONFORMING MEDICAID AMENDMENT.—
 2 Section 1902(a)(11) (42 U.S.C. 1306a(a)(11)) is
 3 amended—

4 (A) by striking “and” before “(C)”; and

5 (B) by inserting before the semicolon at
 6 the end the following: “, and (D) provide that
 7 operations and activities under this title are de-
 8 veloped and implemented in consultation and
 9 coordination with the program operated by the
 10 State under title V in areas including outreach
 11 and enrollment, benefits and services, service
 12 delivery standards, public health and social
 13 service agency relationships, and quality assur-
 14 ance and data reporting”.

15 (3) EFFECTIVE DATE.—The amendments made
 16 by this subsection take effect on January 1, 2000.

○