

106TH CONGRESS  
1ST SESSION

# S. 365

To amend title XIX of the Social Security Act to allow States to use the funds available under the State children's health insurance program for an enhanced matching rate for coverage of additional children under the medicaid program.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 3, 1999

Mr. GORTON (for himself and Mrs. MURRAY) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XIX of the Social Security Act to allow States to use the funds available under the State children's health insurance program for an enhanced matching rate for coverage of additional children under 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.**

4       This Act may be cited as the “Children’s Health Eq-  
5       uity Act of 1999”.

1 **SEC. 2. USE OF STATE CHILDREN’S HEALTH INSURANCE**  
 2 **PROGRAM FUNDS FOR ENHANCED MATCH-**  
 3 **ING RATE FOR COVERAGE OF ADDITIONAL**  
 4 **CHILDREN UNDER THE MEDICAID PROGRAM.**

5 (a) IN GENERAL.—Section 1905 of the Social Secu-  
 6 rity Act (42 U.S.C. 1396d) is amended—

7 (1) in subsection (b), by striking “or subsection  
 8 (u)(3)” and inserting “, subsection (u)(3), or sub-  
 9 section (u)(4)(A)”; and

10 (2) in subsection (u) (as added by section  
 11 4911(a)(2) of the Balanced Budget Act of 1997 and  
 12 as amended by section 162 of Public Law 105–  
 13 100)—

14 (A) by redesignating paragraph (4) as  
 15 paragraph (5); and

16 (B) by inserting after paragraph (3) the  
 17 following new paragraph:

18 “(4)(A) For purposes of subsection (b), the expendi-  
 19 tures described in this subparagraph are expenditures for  
 20 medical assistance for waived low-income children de-  
 21 scribed in subparagraph (B) but—

22 “(i) only in the case of children residing in a  
 23 State described in subparagraph (C); and

24 “(ii) only to the extent the number of full-year  
 25 equivalent waived low-income children enrolled  
 26 under the State plan under this title for the fiscal

1 year exceeds the number of waived low-income  
 2 children described in subparagraph (D)(i) for the  
 3 State for the fiscal year.

4 “(B) For purposes of this paragraph, the term  
 5 ‘waived low-income child’ means a child whose family in-  
 6 come exceeds the minimum income level required to be es-  
 7 tablished for the age of such child under section  
 8 1902(l)(2) in order for the child to be eligible for medical  
 9 assistance under this title, but does not exceed the medic-  
 10 aid applicable income level (as defined in section  
 11 2110(b)(4) but determined as if ‘June 1, 1997’ were sub-  
 12 stituted for ‘March 31, 1997’) for that child.

13 “(C) A State described in this subparagraph is a  
 14 State that—

15 “(i) has under a waiver authorized by the Sec-  
 16 retary or under section 1902(r)(2) established a  
 17 medicaid applicable income level (as defined in sec-  
 18 tion 2110(b)(4) but determined as if ‘June 1, 1997’  
 19 were substituted for ‘March 31, 1997’) for children  
 20 under 19 years of age residing in the State that is  
 21 at or above 200 percent of the poverty line; and

22 “(ii) demonstrates to the satisfaction of the  
 23 Secretary a commitment to reach and enroll children  
 24 who are eligible for, but not enrolled under, the  
 25 State plan through means, such as the following:

1           “(I) Eliminating the assets test for eligi-  
2           bility of waived low-income children.

3           “(II) Using shortened and simplified appli-  
4           cations for such children.

5           “(III) Allowing applications for such chil-  
6           dren to be submitted by mail or through tele-  
7           phone.

8           “(IV) Outstationing State eligibility work-  
9           ers at sites that are frequented by families with  
10          children, including schools, child care centers,  
11          churches, centers providing Head Start services,  
12          local offices of the special supplemental food  
13          program for women, infants and young children  
14          (WIC) established under section 17 of the Child  
15          Nutrition Act of 1966, community centers, Job  
16          Corps centers established under part B of title  
17          IV of the Job Training Partnership Act or sub-  
18          title C of title I of the Workforce Investment  
19          Act of 1998, sites offering the recognized equiv-  
20          alent of a secondary school degree, offices of  
21          tribal organizations (as defined in section 4(l)  
22          of the Indian Self-Determination and Education  
23          Assistance Act), and Social Security Adminis-  
24          tration field offices.

1                   “(V) Using presumptive eligibility for  
2                   waivered low-income children.

3                   “(VI) Collaborating with public and private  
4                   entities to conduct outreach campaigns to enroll  
5                   such children.

6                   “(D)(i) For purposes of subparagraph (A)(ii), the  
7                   number of waived low-income children for a State de-  
8                   scribed in this clause for—

9                   “(I) fiscal year 1998, is equal to the number of  
10                  full-year equivalent waived low-income children en-  
11                  rolled under the State plan under this title for fiscal  
12                  year 1997; and

13                  “(II) fiscal year 1999 or a succeeding fiscal  
14                  year, is equal to the number of waived low-income  
15                  children determined under this clause for the preced-  
16                  ing fiscal year increased by the number of percent-  
17                  age points determined under clause (ii) for the State  
18                  for the fiscal year involved.

19                  “(ii) The number of percentage points determined  
20                  under this clause for a State for a fiscal year is equal to  
21                  the number of percentage points by which—

22                  “(I) the arithmetic average of the total number  
23                  of children in the State set forth in the 3 most re-  
24                  cent March supplements to the Current Population

1 Survey of the Bureau of the Census before the be-  
2 ginning of the fiscal year; exceeds

3 “(II) the arithmetic average of such total num-  
4 ber set forth in the second, third, and fourth most  
5 recent March supplements to such Survey before the  
6 beginning of the fiscal year.

7 “(E) For purposes of section 2104(d) (regarding the  
8 reduction of an allotment under title XXI) the amount de-  
9 termined under paragraph (2) of that section shall, with  
10 respect to expenditures described in subparagraph (A),  
11 only take into account the amount by which—

12 “(i) the payments made to a State for such ex-  
13 penditures for a fiscal year on the basis of an en-  
14 hanced FMAP under the fourth sentence of sub-  
15 section (b); exceed

16 “(ii) the amount of payments that would have  
17 been made for the expenditures if the enhanced  
18 FMAP did not apply.

19 “(F) Each State shall submit to the Secretary such  
20 information, at such time and in such manner, as the Sec-  
21 retary determines is necessary to ensure that the require-  
22 ments of this paragraph are satisfied. The Secretary shall  
23 ensure that information is provided under this subsection  
24 in a manner that is consistent with other reporting re-  
25 quirements for information required to be submitted by

1 a State under this title and title XXI, and avoids duplica-  
 2 tion of reporting requirements.

3 “(G) The Secretary shall regularly examine the pay-  
 4 ments made to a State for the expenditures described in  
 5 subparagraph (A) to confirm that the payments are attrib-  
 6 utable to expenditures described in such subparagraph.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) Section 1902(a)(10)(A)(ii)(XIV) of the So-  
 9 cial Security Act (42 U.S.C.  
 10 1396a(a)(10)(A)(ii)(XIV)) is amended by striking  
 11 “1905(u)(2)(C)” and inserting “1905(u)(2)(B)”.

12 (2) Section 2104(d)(2) of the Social Security  
 13 Act (42 U.S.C. 1397dd(d)(2)) is amended by insert-  
 14 ing “subject to section 1905(u)(4)(E),” after “(2)”.

15 (c) EFFECTIVE DATE.—The amendments made by  
 16 this section shall be effective as if included in the enact-  
 17 ment of section 4911 of the Balanced Budget Act of 1997  
 18 (Public Law 105–33; 111 Stat. 570).

19 **SEC. 3. EXPANSION OF PRESUMPTIVE ELIGIBILITY OPTION**  
 20 **FOR CHILDREN UNDER THE MEDICAID PRO-**  
 21 **GRAM.**

22 (a) IN GENERAL.—Section 1920A(b)(3)(A)(i) of the  
 23 Social Security Act (42 U.S.C. 1396r–1a(b)(3)(A)(i)) is  
 24 amended—

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

3 (2) by inserting before the semicolon “, eligi-  
 4 bility for assistance under the State plan under part  
 5 A of title IV, eligibility of a child to receive medical  
 6 assistance under the State plan under this title or  
 7 title XXI, (III) is a staff member of an elementary  
 8 school or secondary school, as such terms are de-  
 9 fined in section 14101 of the Elementary and Sec-  
 10 ondary Education Act of 1965 (20 U.S.C. 8801), a  
 11 child care resource and referral center, or an agency  
 12 administering a State plan under part D of title IV,  
 13 or (IV) is so designated by the State”.

14 (b) CONFORMING AMENDMENTS.—Section 1920A of  
 15 such Act (42 U.S.C. 1396r–1a) is amended—

16 (1) in subsection (b)(3)(A)(ii), by striking  
 17 “paragraph (1)(A)” and inserting “paragraph  
 18 (2)(A)”; and

19 (2) in subsection (c)(2), in the matter preceding  
 20 subparagraph (A), by striking “subsection  
 21 (b)(1)(A)” and inserting “subsection (b)(2)(A)”.

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