

107TH CONGRESS
2D SESSION

S. 3092

To amend title XXI of the Social Security Act to extend the availability of allotments to States for fiscal years 1998 through 2000, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 10, 2002

Ms. CANTWELL (for herself and Mrs. MURRAY) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title XXI of the Social Security Act to extend the availability of allotments to States for fiscal years 1998 through 2000, 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 “Children’s Health Pro-
5 tection and Eligibility Act of 2002”.

1 **SEC. 2. RETENTION AND REDISTRIBUTION OF SCHIP AL-**
 2 **LOTMENTS FOR FISCAL YEARS 1998**
 3 **THROUGH 2000.**

4 (a) EXTENSION OF AVAILABILITY OF FISCAL YEARS
 5 1998 AND 1999 ALLOTMENTS.—Section 2104(g) of the
 6 Social Security Act (42 U.S.C. 1397dd(g)) is amended—

7 (1) in paragraph (1)(B)(ii), by striking “2002”
 8 and inserting “2003”;

9 (2) in paragraph (2)(A)(i), by striking “2002”
 10 and inserting “2003”; and

11 (3) in paragraph (2)(A)(ii), by striking “2002”
 12 and inserting “2003”.

13 (b) APPLICATION AND MODIFICATION OF BIPA
 14 RULE FOR REDISTRIBUTION AND EXTENDED AVAIL-
 15 ABILITY TO ALLOTMENTS FOR FISCAL YEAR 2000.—Sec-
 16 tion 2104(g) of the Social Security Act (42 U.S.C.
 17 1397dd(g)), as amended by subsection (a), is amended—

18 (1) in the subsection heading, by striking “AND
 19 1999” and inserting “, 1999, AND 2000”;

20 (2) in paragraph (1)—

21 (A) in subparagraph (A)—

22 (i) in the matter preceding clause

23 (i)—

24 (I) by inserting “or for fiscal
 25 year 2000 by the end of fiscal year
 26 2002,” after “2001,”; and

1 (II) by striking “1998 or 1999”
 2 and inserting “1998, 1999, or 2000”;
 3 (ii) in clause (i)—

4 (I) in subclause (I), by striking
 5 “or” at the end;

6 (II) in subclause (II), by striking
 7 the period and inserting “; or”; and

8 (III) by adding at the end the
 9 following:

10 “(III) the fiscal year 2000 allot-
 11 ment, the amount by which the
 12 State’s expenditures under this title in
 13 fiscal years 2000, 2001, and 2002 ex-
 14 ceed the State’s allotment for fiscal
 15 year 2000 under subsection (b).”; and

16 (iii) in clause (ii), by striking “1998
 17 or 1999” and inserting “1998, 1999, or
 18 2000”; and

19 (B) in subparagraph (B), in the matter
 20 preceding clause (i), by striking “1998 or
 21 1999” and inserting “1998, 1999, or 2000”;
 22 (3) in paragraph (2)—

23 (A) in the paragraph heading, by striking
 24 “1998 AND 1999” and inserting “1998, 1999, AND
 25 2000”; and

1 (B) in subparagraph (A), by adding at the
2 end the following:

3 “(iii) FISCAL YEAR 2000 ALLOT-
4 MENT.—

5 “(I) IN GENERAL.—Except as
6 provided in subclause (II), of the
7 amounts allotted to a State pursuant
8 to this section for fiscal year 2000
9 that were not expended by the State
10 by the end of fiscal year 2002, the
11 amount specified in subparagraph (B)
12 for fiscal year 2000 for such State
13 shall remain available for expenditure
14 by the State through the end of fiscal
15 year 2003.

16 “(II) STATES WITH HIGH UNEM-
17 PLOYMENT.—In the case of a State
18 for which the average rate of unem-
19 ployment in the State for any con-
20 secutive 2 months of 2002 exceeds 6
21 percent, as determined by the Sec-
22 retary of Labor, the total amount al-
23 lotted to the State pursuant to this
24 section for fiscal year 2000 that was
25 not expended by the State by the end

1 of fiscal year 2002 shall remain avail-
 2 able for expenditure by the State
 3 through the end of fiscal year 2003
 4 and shall not be subject to redistribu-
 5 tion under paragraph (1).”; and

6 (4) in paragraph (3)—

7 (A) by striking “or fiscal year 1999” and
 8 inserting “, fiscal year 1999, or fiscal year
 9 2000”; and

10 (B) by striking “or November 30, 2001,”
 11 and inserting “, November 30, 2001, or Novem-
 12 ber 30, 2002,”.

13 (c) EFFECTIVE DATE.—The amendments made by
 14 this section shall take effect as if included in the enact-
 15 ment of section 801 of Medicare, Medicaid, and SCHIP
 16 Benefits Improvement and Protection Act of 2000 (114
 17 Stat. 2763A–578), as enacted into law by section 1(a)(6)
 18 of Public Law 106–554.

19 **SEC. 3. AUTHORITY FOR QUALIFYING STATES TO USE**
 20 **SCHIP FUNDS FOR MEDICAID EXPENDI-**
 21 **TURES.**

22 (a) AUTHORITY FOR QUALIFYING STATES TO USE
 23 PORTION OF SCHIP FUNDS FOR MEDICAID EXPENDI-
 24 TURES.—Section 2105 of the Social Security Act (42

1 U.S.C. 1397ee) is amended by adding at the end the fol-
2 lowing:

3 “(g) AUTHORITY FOR QUALIFYING STATES TO USE
4 CERTAIN FUNDS FOR MEDICAID EXPENDITURES.—

5 “(1) STATE OPTION.—

6 “(A) IN GENERAL.—Notwithstanding any
7 other provision of law, with respect to fiscal
8 year 2003, a qualifying State (as defined in
9 paragraph (2)) may elect to use any or all of
10 the aggregate amount of funds available to the
11 State under this title from allotments made to
12 the State (or redistributed to the State) for fis-
13 cal years 1998 through 2000, plus an amount
14 equal to 10 percent of allotments made to the
15 State for each of fiscal years 2001 through
16 2003, for payments for such fiscal years under
17 title XIX in accordance with subparagraph (B).

18 “(B) PAYMENTS TO STATES.—

19 “(i) IN GENERAL.—In the case of a
20 qualifying State that has elected the option
21 described in subparagraph (A), subject to
22 the total amount of funds described with
23 respect to the State in subparagraph (A),
24 the Secretary shall pay the State an
25 amount each quarter equal to the addi-

1 tional amount that would have been paid
 2 to the State under title XIX for expendi-
 3 tures of the State for the fiscal year de-
 4 scribed in clause (ii) if the enhanced
 5 FMAP (as determined under subsection
 6 (b)) had been substituted for the Federal
 7 medical assistance percentage (as defined
 8 in section 1905(b)) of such expenditures.

9 “(ii) EXPENDITURES DESCRIBED.—
 10 For purposes of clause (i), the expendi-
 11 tures described in this clause are expendi-
 12 tures for the fiscal year for providing med-
 13 ical assistance under title XIX to individ-
 14 uals who have not attained age 19 or who
 15 are pregnant women.

16 “(C) ADDITIONAL PAYMENTS PERMITTED
 17 FOR CERTAIN STATES.—

18 “(i) IN GENERAL.—With respect to
 19 fiscal year 2004 and each fiscal year there-
 20 after, a qualifying State that also has a
 21 State child health plan that (whether im-
 22 plemented under title XIX or this title)
 23 has the highest income eligibility standard
 24 permitted under this title as of January 1,
 25 2001, may elect to have the Secretary pay

the State from the allotment for the State for such fiscal year under subsection (b) or (c) of section 2104, an amount each quarter equal to the additional amount that would have been paid to the State under title XIX for expenditures of the State for the fiscal year described in clause (ii) if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1905(b)) of such expenditures.

“(ii) EXPENDITURES DESCRIBED.—For purposes of clause (i), the expenditures described in this clause are expenditures for the fiscal year for providing medical assistance under title XIX to individuals who have not attained age 19 and whose family income exceeds the minimum income eligibility level the State is required to establish under section 1902(l) but does not exceed 200 percent of the poverty line.

“(2) QUALIFYING STATE.—In this subsection, the term ‘qualifying State’ means a State that satisfies the following:

1 “(A) NO REDUCTION IN MEDICAID OR
2 SCHIP INCOME ELIGIBILITY.—Since January 1,
3 2001, the State has not reduced the income, as-
4 sets, or resource requirements for eligibility for
5 medical assistance under title XIX or for child
6 health assistance under this title.

7 “(B) NO WAITING LIST IMPOSED.—The
8 State does not impose any numerical limitation,
9 waiting list, or similar limitation on the eligi-
10 bility of children for medical assistance under
11 title XIX or child health assistance under this
12 title and does not limit the acceptance of appli-
13 cations for such assistance.

14 “(C) PROVIDES ASSISTANCE TO ALL CHIL-
15 DREN WHO APPLY AND QUALIFY.—The State
16 provides medical assistance under title XIX or
17 child health assistance under this title to all
18 children in the State who apply for and meet
19 the eligibility standards for such assistance.

20 “(D) PROTECTION AGAINST INABILITY TO
21 PAY PREMIUMS OR COPAYMENTS.—The State
22 ensures that no child loses coverage under title
23 XIX or this title, or is denied needed care, as
24 a result of the child’s parents’ inability to pay

1 any premiums or cost-sharing required under
2 such title.

3 “(E) ADDITIONAL REQUIREMENTS.—The
4 State has implemented the following policies
5 and procedures (relating to coverage of children
6 under title XIX and this title):

7 “(i) SIMPLIFIED APPLICATION
8 FORM.—With respect to children who are
9 eligible for medical assistance under title
10 XIX, the State uses the same simplified
11 application form (including, if applicable,
12 permitting application other than in per-
13 son) for purposes of establishing eligibility
14 for assistance under title XIX and this
15 title.

16 “(ii) ELIMINATION OF ASSET TEST.—
17 The State does not apply any asset test for
18 eligibility under title XIX or this title with
19 respect to children.

20 “(iii) ADOPTION OF 12-MONTH CON-
21 TINUOUS ENROLLMENT.—The State pro-
22 vides that eligibility shall not be regularly
23 redetermined more often than once every
24 year under this title or for children eligible
25 for medical assistance under title XIX.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall take effect as if enacted on October 1,
3 2002.

