

108TH CONGRESS  
1ST SESSION

# S. 138

To temporarily increase the Federal medical assistance percentage for the  
medicaid program.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 9, 2003

Mr. ROCKEFELLER (for himself, Ms. COLLINS, Mr. NELSON of Nebraska, Mr. SMITH, Mrs. CLINTON, Mrs. HUTCHISON, and Mr. GRAHAM of Florida) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To temporarily increase the Federal medical assistance  
percentage for 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. TEMPORARY STATE FISCAL RELIEF.**

4        (a) TEMPORARY INCREASE OF MEDICAID FMAP.—

5                (1) PERMITTING MAINTENANCE OF FISCAL  
6        YEAR 2002 FMAP FOR LAST 2 CALENDAR QUARTERS  
7        OF FISCAL YEAR 2003.—Notwithstanding any other  
8        provision of law, but subject to paragraph (5), if the  
9        FMAP determined without regard to this subsection

1 for a State for fiscal year 2003 is less than the  
2 FMAP as so determined for fiscal year 2002, the  
3 FMAP for the State for fiscal year 2002 shall be  
4 substituted for the State's FMAP for the third and  
5 fourth calendar quarters of fiscal year 2003, before  
6 the application of this subsection.

7 (2) PERMITTING MAINTENANCE OF FISCAL  
8 YEAR 2003 FMAP FOR FISCAL YEAR 2004.—Notwith-  
9 standing any other provision of law, but subject to  
10 paragraph (5), if the FMAP determined without re-  
11 gard to this subsection for a State for fiscal year  
12 2004 is less than the FMAP as so determined for  
13 fiscal year 2003, the FMAP for the State for fiscal  
14 year 2003 shall be substituted for the State's FMAP  
15 for each calendar quarter of fiscal year 2004, before  
16 the application of this subsection.

17 (3) GENERAL 2.45 PERCENTAGE POINTS IN-  
18 CREASE FOR LAST 2 CALENDAR QUARTERS OF FIS-  
19 CAL YEAR 2003 AND FISCAL YEAR 2004.—Notwith-  
20 standing any other provision of law, but subject to  
21 paragraphs (5) and (6), for each State for the third  
22 and fourth calendar quarters of fiscal year 2003 and  
23 each calendar quarter of fiscal year 2004, the  
24 FMAP (taking into account the application of para-

1 graphs (1) and (2)) shall be increased by 2.45 per-  
2 centage points.

3 (4) INCREASE IN CAP ON MEDICAID PAYMENTS  
4 TO TERRITORIES.—Notwithstanding any other provi-  
5 sion of law, but subject to paragraph (6), with re-  
6 spect to the third and fourth calendar quarters of  
7 fiscal year 2003 and each calendar quarter of fiscal  
8 year 2004, the amounts otherwise determined for  
9 Puerto Rico, the Virgin Islands, Guam, the North-  
10 ern Mariana Islands, and American Samoa under  
11 subsections (f) and (g) of section 1108 of the Social  
12 Security Act (42 U.S.C. 1308) shall each be in-  
13 creased by an amount equal to 4.90 percent of such  
14 amounts.

15 (5) SCOPE OF APPLICATION.—The increases in  
16 the FMAP for a State under this subsection shall  
17 apply only for purposes of title XIX of the Social Se-  
18 curity Act and shall not apply with respect to—

19 (A) disproportionate share hospital pay-  
20 ments described in section 1923 of such Act  
21 (42 U.S.C. 1396r-4); or

22 (B) payments under title IV or XXI of  
23 such Act (42 U.S.C. 601 et seq. and 1397aa et  
24 seq.).

25 (6) STATE ELIGIBILITY.—

1           (A) IN GENERAL.—Subject to subpara-  
2 graph (B), a State is eligible for an increase in  
3 its FMAP under paragraph (3) or an increase  
4 in a cap amount under paragraph (4) only if  
5 the eligibility under its State plan under title  
6 XIX of the Social Security Act (including any  
7 waiver under such title or under section 1115  
8 of such Act (42 U.S.C. 1315)) is no more re-  
9 strictive than the eligibility under such plan (or  
10 waiver) as in effect on September 2, 2003.

11           (B) STATE REINSTATEMENT OF ELIGI-  
12 BILITY PERMITTED.—A State that has re-  
13 stricted eligibility under its State plan under  
14 title XIX of the Social Security Act (including  
15 any waiver under such title or under section  
16 1115 of such Act (42 U.S.C. 1315)) after Sep-  
17 tember 2, 2003, but prior to the date of enact-  
18 ment of this Act is eligible for an increase in its  
19 FMAP under paragraph (3) or an increase in  
20 a cap amount under paragraph (4) in the first  
21 calendar quarter (and subsequent calendar  
22 quarters) in which the State has reinstated eli-  
23 gibility that is no more restrictive than the eli-  
24 gibility under such plan (or waiver) as in effect  
25 on September 2, 2003.

1 (C) RULE OF CONSTRUCTION.—Nothing in  
2 subparagraph (A) or (B) shall be construed as  
3 affecting a State’s flexibility with respect to  
4 benefits offered under the State medicaid pro-  
5 gram under title XIX of the Social Security Act  
6 (42 U.S.C. 1396 et seq.) (including any waiver  
7 under such title or under section 1115 of such  
8 Act (42 U.S.C. 1315)).

9 (7) DEFINITIONS.—In this subsection:

10 (A) FMAP.—The term “FMAP” means  
11 the Federal medical assistance percentage, as  
12 defined in section 1905(b) of the Social Secu-  
13 rity Act (42 U.S.C. 1396d(b)).

14 (B) STATE.—The term “State” has the  
15 meaning given such term for purposes of title  
16 XIX of the Social Security Act (42 U.S.C. 1396  
17 et seq.).

18 (8) REPEAL.—Effective as of October 1, 2004,  
19 this subsection is repealed.

20 (b) ADDITIONAL TEMPORARY STATE FISCAL RE-  
21 LIEF.—

22 (1) IN GENERAL.—Title XX of the Social Secu-  
23 rity Act (42 U.S.C. 1397–1397f) is amended by  
24 adding at the end the following:

1 **“SEC. 2008. ADDITIONAL TEMPORARY GRANTS FOR STATE**  
 2 **FISCAL RELIEF.**

3 “(a) IN GENERAL.—For the purpose of providing  
 4 State fiscal relief allotments to States under this section,  
 5 there are hereby appropriated, out of any funds in the  
 6 Treasury not otherwise appropriated, \$10,000,000,000.  
 7 Such funds shall be available for obligation by the State  
 8 through June 30, 2005, and for expenditure by the State  
 9 through September 30, 2005. This section constitutes  
 10 budget authority in advance of appropriations Acts and  
 11 represents the obligation of the Federal Government to  
 12 provide for the payment to States of amounts provided  
 13 under this section.

14 “(b) ALLOTMENT.—Funds appropriated under sub-  
 15 section (a) shall be allotted by the Secretary among the  
 16 States in accordance with the following table:

“State	Allotment (in dollars)
Alabama	\$113,960,092
Alaska	\$28,050,916
Amer. Samoa	\$276,005
Arizona	\$174,176,300
Arkansas	\$88,932,482
California	\$1,055,900,700
Colorado	\$95,353,555
Connecticut	\$138,136,104
Delaware	\$25,691,623
District of Columbia	\$43,356,542
Florida	\$416,437,302
Georgia	\$245,721,379
Guam	\$446,563
Hawaii	\$30,891,959
Idaho	\$32,439,936
Illinois	\$362,420,855
Indiana	\$181,086,404
Iowa	\$86,873,236
Kansas	\$62,913,352
Kentucky	\$141,415,311
Louisiana	\$159,884,723
Maine	\$61,854,394
Maryland	\$157,333,510
Massachusetts	\$315,177,172
Michigan	\$290,300,805
Minnesota	\$201,619,700
Mississippi	\$117,970,775
Missouri	\$201,689,388

<b>“State</b>	<b>Allotment (in dollars)</b>
Montana	\$24,291,445
Nebraska	\$53,033,542
Nevada	\$34,887,749
New Hampshire	\$36,067,567
New Jersey	\$274,636,614
New Mexico	\$75,233,465
New York	\$1,588,884,965
North Carolina	\$293,161,659
North Dakota	\$18,169,187
N. Mariana Islands	\$155,920
Ohio	\$410,965,675
Oklahoma	\$97,493,874
Oregon	\$111,334,973
Pennsylvania	\$497,241,778
Puerto Rico	\$12,610,820
Rhode Island	\$53,399,083
South Carolina	\$122,811,620
South Dakota	\$20,201,430
Tennessee	\$233,515,925
Texas	\$543,148,021
Utah	\$42,281,420
Vermont	\$27,033,142
Virgin Islands	\$416,332
Virginia	\$143,436,753
Washington	\$199,131,541
West Virginia	\$63,879,139
Wisconsin	\$180,600,752
Wyoming	\$11,664,525
<b>Total</b>	<b>\$10,000,000,000</b>

1       “(c) USE OF FUNDS.—Funds appropriated under  
2 this section may be used by a State for services directed  
3 at the goals set forth in section 2001, subject to the re-  
4 quirements of this title.

5       “(d) PAYMENT TO STATES.—Not later than 30 days  
6 after amounts are appropriated under subsection (a), in  
7 addition to any payment made under section 2002 or  
8 2007, the Secretary shall make a lump sum payment to  
9 a State of the total amount of the allotment for the State  
10 as specified in subsection (b).

11       “(e) DEFINITION.—For purposes of this section, the  
12 term ‘State’ means the 50 States, the District of Colum-  
13 bia, and the territories contained in the list under sub-  
14 section (b).”.

1           (2) REPEAL.—Effective as of October 1, 2005,  
2           section 2008 of the Social Security Act, as added by  
3           paragraph (1), is repealed.

4           (c) GAO STUDY AND REPORT.—

5           (1) STUDY.—The Comptroller General of the  
6           United States shall conduct a study to determine the  
7           most appropriate data and methodology to use to de-  
8           termine the Federal medical assistance percentage  
9           for purposes of programs authorized under the So-  
10          cial Security Act.

11          (2) REPORT.—Not later than 180 days after  
12          the date of enactment of this Act, the Comptroller  
13          General of the United States shall submit a report  
14          to Congress on the study conducted under para-  
15          graph (1).

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