

108TH CONGRESS
1ST SESSION

S. 621

To amend title XXI of the Social Security Act to allow qualifying States to use allotments under the State children's health insurance program for expenditures under the medicaid program.

IN THE SENATE OF THE UNITED STATES

MARCH 13, 2003

Mr. BINGAMAN (for himself, Mr. JEFFORDS, Mrs. MURRAY, Mr. LEAHY, and Ms. CANTWELL) 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 allow qualifying States to use allotments under the State children's health insurance program for expenditures 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 2003”.

1 **SEC. 2. AUTHORITY FOR QUALIFYING STATES TO USE**
 2 **SCHIP FUNDS FOR MEDICAID EXPENDI-**
 3 **TURES.**

4 Section 2105 of the Social Security Act (42 U.S.C.
 5 1397ee) is amended by adding at the end the following:

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

8 “(1) STATE OPTION.—

9 “(A) IN GENERAL.—Notwithstanding any
 10 other provision of law, with respect to fiscal
 11 years in which allotments for a fiscal year
 12 under section 2104 (beginning with fiscal year
 13 1998) are available under subsections (e) and
 14 (g) of that section, a qualifying State (as de-
 15 fined in paragraph (2)) may elect to use such
 16 allotments (instead of for expenditures under
 17 this title) for payments for such fiscal year
 18 under title XIX in accordance with subpara-
 19 graph (B).

20 “(B) PAYMENTS TO STATES.—

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

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

10 “(ii) EXPENDITURES DESCRIBED.—
 11 For purposes of clause (i), the expendi-
 12 tures described in this clause are expendi-
 13 tures for such fiscal years for providing
 14 medical assistance under title XIX to indi-
 15 viduals who have not attained age 19 and
 16 whose family income exceeds 133 percent
 17 of the poverty line.

18 “(iii) NO IMPACT ON DETERMINATION
 19 OF BUDGET NEUTRALITY FOR WAIVERS.—
 20 In the case of a qualifying State that uses
 21 amounts paid under this subsection for ex-
 22 penditures described in clause (ii) that are
 23 incurred under a waiver approved for the
 24 State, any budget neutrality determina-
 25 tions with respect to such waiver shall be

1 determined without regard to such
2 amounts paid.

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

5 “(A) as of April 15, 1997, has an income
6 eligibility standard with respect to any 1 or
7 more categories of children (other than infants)
8 who are eligible for medical assistance under
9 section 1902(a)(10)(A) or under a waiver under
10 section 1115 implemented on January 1, 1994,
11 that is up to 185 percent of the poverty line or
12 above; and

13 “(B) satisfies the requirements described
14 in paragraph (3).

15 “(3) REQUIREMENTS.—The requirements de-
16 scribed in this paragraph are the following:

17 “(A) SCHIP INCOME ELIGIBILITY.—The
18 State has a State child health plan that (wheth-
19 er implemented under title XIX or this title)—

20 “(i) as of January 1, 2001, has an in-
21 come eligibility standard that is at least
22 200 percent of the poverty line or has an
23 income eligibility standard that exceeds
24 200 percent of the poverty line under a

1 waiver under section 1115 that is based on
 2 a child's lack of health insurance;

3 “(ii) subject to subparagraph (B),
 4 does not limit the acceptance of applica-
 5 tions for children; and

6 “(iii) provides benefits to all children
 7 in the State who apply for and meet eligi-
 8 bility standards on a statewide basis.

9 “(B) NO WAITING LIST IMPOSED.—With
 10 respect to children whose family income is at or
 11 below 200 percent of the poverty line, the State
 12 does not impose any numerical limitation, wait-
 13 ing list, or similar limitation on the eligibility of
 14 such children for child health assistance under
 15 such State plan.

16 “(C) ADDITIONAL REQUIREMENTS.—The
 17 State has implemented at least 3 of the fol-
 18 lowing policies and procedures (relating to cov-
 19 erage of children under title XIX and this title):

20 “(i) UNIFORM, SIMPLIFIED APPLICA-
 21 TION FORM.—With respect to children who
 22 are eligible for medical assistance under
 23 section 1902(a)(10)(A), the State uses the
 24 same uniform, simplified application form
 25 (including, if applicable, permitting appli-

1 cation other than in person) for purposes
2 of establishing eligibility for benefits under
3 title XIX and this title.

4 “(ii) ELIMINATION OF ASSET TEST.—
5 The State does not apply any asset test for
6 eligibility under section 1902(l) or this title
7 with respect to children.

8 “(iii) ADOPTION OF 12-MONTH CON-
9 TINUOUS ENROLLMENT.—The State pro-
10 vides that eligibility shall not be regularly
11 redetermined more often than once every
12 year under this title or for children de-
13 scribed in section 1902(a)(10)(A).

14 “(iv) SAME VERIFICATION AND REDE-
15 TERMINATION POLICIES; AUTOMATIC REAS-
16 SESSMENT OF ELIGIBILITY.—With respect
17 to children who are eligible for medical as-
18 sistance under section 1902(a)(10)(A), the
19 State provides for initial eligibility deter-
20 minations and redeterminations of eligi-
21 bility using the same verification policies
22 (including with respect to face-to-face
23 interviews), forms, and frequency as the
24 State uses for such purposes under this
25 title, and, as part of such redetermina-

1 tions, provides for the automatic reassess-
2 ment of the eligibility of such children for
3 assistance under title XIX and this title.

4 “(v) OUTSTATIONING ENROLLMENT
5 STAFF.—The State provides for the receipt
6 and initial processing of applications for
7 benefits under this title and for children
8 under title XIX at facilities defined as dis-
9 proportionate share hospitals under section
10 1923(a)(1)(A) and Federally-qualified
11 health centers described in section
12 1905(l)(2)(B) consistent with section
13 1902(a)(55).”.

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