

109TH CONGRESS  
1ST SESSION

# H. R. 3891

To amend the Social Security Act to provide grants and flexibility through demonstration projects for States to provide universal, comprehensive, cost-effective systems of health care coverage, with simplified administration.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2005

Mr. TIERNEY (for himself, Mr. BRADY of Pennsylvania, Mr. CAPUANO, Mr. CONYERS, Mr. DAVIS of Illinois, Mr. DeFAZIO, Mr. EVANS, Mr. FATTAH, Mr. FILNER, Mr. GUTIERREZ, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Mr. LANTOS, Ms. LEE, Mr. LEWIS of Georgia, Mr. LYNCH, Mrs. MALONEY, Mr. McDERMOTT, Mr. MCGOVERN, Mr. MEEHAN, Mr. NADLER, Mr. OLVER, Mr. OWENS, Mr. SANDERS, Ms. SOLIS, Mr. STARK, Mr. THOMPSON of Mississippi, Mr. UDALL of New Mexico, Mr. WEINER, Mr. DELAHUNT, Ms. BALDWIN, Mr. PAYNE, Ms. NORTON, Mr. GEORGE MILLER of California, Mr. HASTINGS of Florida, Mr. KUCINICH, Mrs. CHRISTENSEN, Mrs. JONES of Ohio, Ms. MILLENDER-McDONALD, and Ms. CARSON) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend the Social Security Act to provide grants and flexibility through demonstration projects for States to provide universal, comprehensive, cost-effective systems of health care coverage, with simplified administration.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “States’ Right To Innovate in Health Care Act of 2005”.

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

Sec. 1. Short title; table of contents.  
Sec. 2. Findings and purposes.  
Sec. 3. Amendment to Social Security Act.

“TITLE XXII—STATE COMPREHENSIVE HEALTH CARE AND COST  
CONTAINMENT DEMONSTRATION PROJECTS

“Sec. 2201. Planning grants.  
“Sec. 2202. Demonstration grants.  
“Sec. 2203. State plan requirements.  
“Sec. 2204. Interstate arrangements.  
“Sec. 2205. Definitions.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress finds the following:

8 (1) In 2002, in response to a request from the  
9 Secretary of Health and Human Services (SHHS),  
10 the Institute of Medicine (IOM) established a Com-  
11 mittee, officially known as the Committee on Rapid  
12 Advance Demonstration Projects: Health Care Fi-  
13 nance and Delivery Systems, with the goal of formu-  
14 lating models for broader health care reform. The  
15 committee recommended a 10-year commitment to  
16 State demonstration projects as a means to encour-  
17 age States to develop their own systems of universal  
18 care and facilitate innovation.

1           (2) In 2003, annual health care expenditures in  
2           the United States totaled \$1.7 trillion, or \$5,670 per  
3           person.

4           (3) In 2003, health care expenditures rep-  
5           resented 15.3 percent of the gross domestic product  
6           (GDP) in the United States and grew at the rate of  
7           7.7 percent while the gross domestic product grew  
8           only at the rate of 4.9 percent.

9           (4) Center for Medicare and Medicaid Studies  
10          (CMS) actuaries report that the United States as a  
11          whole spent an estimated \$1.5 trillion on health care  
12          in 2003, or 14.9 percent of GDP of \$10.9 trillion.  
13          They project by 2013 the United States will spend  
14          about \$3.36 trillion on health care, or 18.4 percent  
15          of a GDP of \$18.24 trillion.

16          (5) Because many individuals do not have  
17          health insurance coverage, they may incur health  
18          care costs which they do not fully reimburse, result-  
19          ing in cost-shifting to others.

20          (6) According to the Kaiser Family Foundation  
21          and Health Research Educational Trust, the total  
22          premium for a typical employment-based health in-  
23          surance policy for a family in 2003 was \$8,800, split  
24          between employer and employee. Health Administra-  
25          tion costs in the United States total over \$1,000 per

1       capita, adding to the high cost of insurance. In 2003  
 2       health insurance enrollment declined by nearly a  
 3       percentage point for a third year in a row.

4       (b) PURPOSE.—It is the purpose of this Act to en-  
 5       courage States—

6               (1) to develop plans for universal, comprehen-  
 7       sive, cost-effective systems of health care with sim-  
 8       plified administration to individuals residing in such  
 9       States; and

10              (2) to implement such plans by offering transi-  
 11       tional grants and by removing Federal statutory and  
 12       administrative barriers that may inhibit or discour-  
 13       age efforts by States to provide such health care  
 14       while maintaining Federal payments for health care  
 15       under Federal health care programs.

16 **SEC. 3. AMENDMENT TO SOCIAL SECURITY ACT.**

17       The Social Security Act (42 U.S.C. 301 et seq.) is  
 18       amended by adding at the end the following new title:

19 **“TITLE       XXII—STATE       COM-**  
 20 **PREHENSIVE HEALTH CARE**  
 21 **AND       COST       CONTAINMENT**  
 22 **DEMONSTRATION PROJECTS**

23 **“SEC. 2201. PLANNING GRANTS.**

24       “(a) APPLICATION.—A State may apply to the Sec-  
 25       retary for a State planning grant under this section to

1 develop a State plan to offer universal comprehensive  
2 health care, with simplified administration, and to improve  
3 the cost-effectiveness of the health care delivery system.

4 “(b) CONTENTS.—The Secretary may not approve  
5 such a State planning grant for a State unless the applica-  
6 tion for the grant includes or provides for the following:

7 “(1) BUDGET.—A budget and a budget jus-  
8 tification.

9 “(2) PLANNING PROCESS.—A description of  
10 how under the grant the State shall—

11 “(A) identify options to provide a uni-  
12 versal, comprehensive, and cost-effective system  
13 of health care, with simplified administration,  
14 that is affordable and accessible to all eligible  
15 beneficiaries in the State; and

16 “(B) conduct an analysis that compares  
17 projected overall health expenditures over a 7-  
18 year period under the proposed system with the  
19 projected overall health expenditures that would  
20 otherwise occur during such period.

21 “(3) OPPORTUNITY FOR PUBLIC PARTICIPA-  
22 TION.—Assurances that the State will include a  
23 process for public contribution and participation in  
24 the planning process.

1       “(c) NUMBER OF STATES; PERIOD OF GRANT.—The  
2 Secretary may not award State planning grants under this  
3 section to more than 10 States. A State planning grant  
4 under this section shall be effective for a period of up to  
5 30 months. In awarding State planning grants under this  
6 section the Secretary shall give preference to States from  
7 a variety of geographic areas in the United States.

8       “(d) AMOUNT.—The amount of a State planning  
9 grant under this section to a State may not exceed  
10 \$3,750,000.

11       “(e) TECHNICAL ASSISTANCE.—The Secretary shall  
12 provide States with technical assistance in applying for  
13 and implementing State planning grants under this sec-  
14 tion. At the request of the Secretary, other Departments  
15 and Offices of the Federal Government shall provide  
16 States with such technical assistance.

17 **“SEC. 2202. DEMONSTRATION GRANTS.**

18       “(a) APPLICATION.—A State that has developed a  
19 State plan may apply to the Secretary for approval of a  
20 demonstration grant under this section to achieve a cost-  
21 effective delivery system of universal, comprehensive  
22 health care with simplified administration. The Secretary  
23 shall notify the chief executive officer of all States of the  
24 availability of demonstration grants under this section.

1       “(b) APPROVAL.—The Secretary shall approve the  
2 applications of not more than 5 States under this section.  
3 In approving grants under this section the Secretary shall  
4 give preference to States from a variety of geographic  
5 areas in the United States. If the Secretary determines  
6 that a State no longer meets the conditions for approval  
7 of the grant, the Secretary shall notify the State of such  
8 determination and provide the State with an opportunity  
9 to correct deficiencies in a timely manner. If the Secretary  
10 further determines that a State has not corrected such de-  
11 ficiencies in a timely manner, the Secretary shall termi-  
12 nate the grant (including waivers authorized under the  
13 grant).

14       “(c) PERIOD.—A demonstration grant approved  
15 under this section shall be effective for 7 years from the  
16 date of final approval of the demonstration grant applica-  
17 tion under subsection (b).

18       “(d) STATE PLAN REQUIRED.—The Secretary may  
19 not approve a demonstration grant under this section un-  
20 less the State has a State plan to carry out the grant con-  
21 sistent with the requirements of section 2203.

22       “(e) FUNDING.—

23               “(1) TRANSITIONAL GRANT AMOUNT.—The  
24 amount awarded under this section to a State with  
25 a demonstration grant approved under this section

1 may not exceed an aggregate amount of  
2 \$10,000,000 plus \$3 multiplied by the number of el-  
3 igible State residents of the State, to assist the  
4 State in the transition of the health care delivery  
5 and financing infrastructure. Such amount shall be  
6 made available to a State during the period of tran-  
7 sition, as provided in the State plan. The number of  
8 eligible State residents of a State shall be deter-  
9 mined based on the best available Census Bureau  
10 data as of the July 1 before the date the grant  
11 under this section is approved.

12 “(2) MAINTENANCE OF FEDERAL FUNDS  
13 UNDER WAIVERS.—Pursuant to the waivers under  
14 subsection (f), the Federal Government shall pay to  
15 a State amounts for health care under Federal  
16 health care programs that would otherwise have  
17 been payable by the Federal Government but for the  
18 State’s universal, comprehensive health care system  
19 under this section.

20 “(3) GENERAL 3 PERCENTAGE POINTS IN-  
21 CREASE IN FMAP FOR CALENDAR QUARTERS OCCUR-  
22 RING DURING THE PERIOD OF THE DEMONSTRATION  
23 GRANT.—

24 “(A) IN GENERAL.—Notwithstanding any  
25 other provision of law, for each State for which



1 a demonstration grant is approved under this  
2 section, the FMAP of the State shall be in-  
3 creased by 3 percentage points for each cal-  
4 endar quarter occurring during the period re-  
5 ferred to in subsection (c).

6 “(B) FMAP.—In this paragraph, the term  
7 ‘FMAP’ means the Federal medical assistance  
8 percentage, as defined in section 1905(b) of the  
9 Social Security Act (42 U.S.C. 1396d(b)).

10 “(f) WAIVER OF ERISA PREEMPTION AND WAIVERS  
11 TO POOL FUNDS.—As part of a demonstration grant  
12 under this section and subject to the benefit maintenance  
13 requirements applicable under section 2203(b), a State  
14 may request (and the Secretary may grant) the following  
15 waivers of requirements and provisions to the extent nec-  
16 essary to carry out the State plan under section 2203:

17 “(1) ERISA.—Waiving application of section  
18 514 of the Employee Retirement Income Security  
19 Act of 1974.

20 “(2) MEDICARE.—Waiving provisions necessary  
21 to permit the State—

22 “(A) to use funds otherwise paid under  
23 title XVIII for beneficiaries residing in the  
24 State; and

1           “(B) to permit the State to enter into an  
2           arrangement with the Secretary under which el-  
3           igible State residents who are not otherwise en-  
4           rolled for benefits under parts A and B of such  
5           title are enrolled for such benefits under such  
6           title and the State provides for such actuarially  
7           appropriate reimbursement to the Secretary  
8           with respect to coverage of such benefits for  
9           such residents as is necessary to assure that the  
10          Trust Funds under such title are not adversely  
11          affected by virtue of such waiver, such reim-  
12          bursement subject to—

13               “(i) an independent audit, to be re-  
14               viewed by the Comptroller General of the  
15               United States, assuring that such reim-  
16               bursement does not adversely affect in any  
17               way the Trust Funds for medicare eligible  
18               beneficiaries, and

19               “(ii) in the case that the audit deter-  
20               mines that additional reimbursement to the  
21               Secretary is required, such additional reim-  
22               bursement, with appropriate adjustments  
23               for interest attributable to the late reim-  
24               bursement.

1           “(3) MEDICAID.—Waiving provisions necessary  
2           to permit the State to use funds otherwise paid to  
3           the State under title XIX.

4           “(4) SCHIP.—Waiving provisions necessary to  
5           permit the State to use funds otherwise paid to the  
6           State under title XXI.

7           “(5) FEHBP.—Waiving provisions necessary to  
8           permit the State to use funds otherwise paid under  
9           chapter 89 of title 5, United States Code, or allow-  
10          ing the Office of Personnel Management to purchase  
11          health care coverage for Federal employees and re-  
12          tirees in the State under the State plan.

13          “(6) USE OF OTHER FUNDS.—Waiving provi-  
14          sions necessary to permit the State to use funds oth-  
15          erwise provided under other Federal programs for  
16          the provision of health care coverage or services,  
17          identified by the State.

18          “(7) OTHER LAWS.—Waiving of other provi-  
19          sions of Federal law identified by the State under  
20          section 2203(e)(3) only if the Secretary determines  
21          such a waiver to be appropriate after consultation  
22          with the head of the Federal agency or department  
23          concerned.

24          The Secretary may grant a waiver under this subsection  
25          only if the State provides the Secretary with satisfactory

1 assurances that necessary safeguards have been taken to  
2 protect the health and welfare of individuals provided serv-  
3 ices under the waiver and that financial accountability is  
4 maintained for any funds expended under the waiver. The  
5 Secretary may grant a waiver under paragraph (1) only  
6 with the concurrence of the Secretary of Labor.

7       “(g) REENROLLMENT OF ELIGIBLE STATE RESI-  
8 DENTS WHO MOVE FROM A PARTICIPATING STATE.—In  
9 the case of an eligible State resident who is covered under  
10 a State plan under section 2203, who (but for such cov-  
11 erage) is eligible to be enrolled in a program described in  
12 subsection (f) (including the medicare and medicaid pro-  
13 grams), and who is not enrolled in such a program because  
14 of such coverage, if the resident leaves the State to reside  
15 in a State that does not have such a State plan in effect,  
16 the resident shall be permitted, notwithstanding any other  
17 provision of law, to enroll immediately in such a program  
18 if the resident is still otherwise eligible to be so enrolled.  
19 In the case of such enrollment in the medicare program,  
20 the resident shall be treated for purposes of section  
21 1882(s)(2) (relating to availability of medigap policies  
22 without underwriting) as if the resident had turned 65  
23 years of age on the date the resident enrolls in the medi-  
24 care program.

25       “(h) DUTIES OF THE SECRETARY.—

1           “(1) GUIDANCE AND INFORMATION.—The Sec-  
2       retary shall—

3           “(A) provide guidance to State health care  
4       authorities regarding applications for grants  
5       under this title and exchange information with,  
6       and otherwise assist, such authorities upon the  
7       request of the authorities;

8           “(B) set application procedures;

9           “(C) review and approve applications for  
10      demonstration grants under this section, includ-  
11      ing providing for appropriate waivers described  
12      in subsection (f);

13          “(D) provide appropriate levels of funding  
14      for such approved applications consistent with  
15      such section;

16          “(E) conduct such evaluation, monitoring,  
17      compliance, and other review functions as may  
18      be appropriate;

19          “(F) develop guidelines, standards, and  
20      formats for States to follow in evaluating, re-  
21      porting, and collecting data in order to enable  
22      the Commission to monitor State plan adminis-  
23      tration and compliance, and to evaluate and  
24      compare the effectiveness of State plans; and

1           “(G) implement any other requirements or  
2           activities necessary and appropriate under this  
3           title.

4           “(2) ANNUAL REPORT.—The Secretary shall  
5           submit to the President and the Congress an annual  
6           report. Such report shall be submitted not later than  
7           March 30 of each year and shall include information  
8           concerning States that receive grants under this title  
9           and the effectiveness of any health care programs  
10          assisted by such grants during the previous year.

11          “(3) APPROVAL PROCESS.—The provisions of  
12          section 2106(c) shall apply to State plans and the  
13          Secretary under this title in the same manner as  
14          they apply to State plans and the Secretary under  
15          such section.

16   **“SEC. 2203. STATE PLAN REQUIREMENTS.**

17          “(a) COVERAGE.—

18               “(1) IN GENERAL.—A State plan shall provide  
19               a process and a timeline for achieving coverage of all  
20               eligible State residents statewide, without regard to  
21               employment status, income, health status or pre-  
22               existing condition, or location of residency within the  
23               State.

24               “(2) OUTREACH MECHANISMS.—A State plan  
25               shall describe the outreach mechanisms to be used to

1       assure coverage of all eligible individuals, including  
2       measures to assure coverage of individuals in hard-  
3       to-reach populations and to assure benefits are pro-  
4       vided to eligible individuals located in underserved  
5       areas.

6       “(b) BENEFITS.—

7               “(1) BASIC BENEFITS.—A State plan shall pro-  
8       vide for health benefits that—

9                       “(A) are at least actuarially equivalent to  
10                      the standard Blue Cross/Blue Shield preferred  
11                      provider option service benefit plan, described  
12                      in and offered under section 8903(1) of title 5,  
13                      United States Code; and

14                     “(B) include benefits for at least the fol-  
15                     lowing items and services:

16                               “(i) Inpatient and outpatient hospital  
17                               services, including emergency services  
18                               available 24 hours a day.

19                               “(ii) Long term, acute, and chronic  
20                               care services, including skilled nursing fa-  
21                               cility services, intermediate care facility  
22                               services home health services, home and  
23                               community-based long-term care services,  
24                               hospice care, and services in intermediate

1 care facilities for individuals diagnosed  
2 with mental retardation.

3 “(iii) Professional services of health  
4 care practitioners authorized to provide  
5 health care services under State law.

6 “(iv) Community-based primary  
7 health care services, including rural health  
8 clinic services and Federally-qualified  
9 health center services.

10 “(v) Laboratory, x-ray services, and  
11 diagnostic tests.

12 “(vi) Preventive care, including pre-  
13 natal, well-baby, and well-child care, appro-  
14 priate immunizations, pap smears, screen-  
15 ing mammography, colorectal cancer  
16 screening, physical examinations, and fam-  
17 ily planning.

18 “(vii) Prescription drugs and  
19 biologicals, including insulin and medical  
20 foods.

21 “(viii) Mental health services.

22 “(ix) Substance abuse treatment serv-  
23 ices.



1 “(x) Vision services, including routine  
2 eye examinations, eyeglasses, and contact  
3 lenses.

4 “(xi) Hearing services, including hear-  
5 ing aids.

6 “(xii) Dental services, including rou-  
7 tine check ups.

8 “(xiii) Durable medical equipment, in-  
9 cluding home dialysis supplies and equip-  
10 ment.

11 “(xiv) Emergency ambulance services.

12 “(xv) Prosthetics.

13 “(xvi) Outpatient therapy, including  
14 physical therapy, occupational therapy, and  
15 speech language pathology services and re-  
16 lated services.

17 “(2) ASSURANCE THAT BENEFITS ARE NOT RE-  
18 DUCED FOR INDIVIDUALS COVERED UNDER FED-  
19 ERAL PROGRAMS.—Insofar as the State under the  
20 plan incorporates funding provided by Federal pro-  
21 grams described in section 2202(f), the State plan  
22 may not provide for a reduction in benefits (includ-  
23 ing coverage, access, availability, duration, and bene-  
24 ficiary rights, and, if applicable, vaccine benefits  
25 under section 1928) otherwise provided for under

1       such programs or an increase in cost-sharing and  
2       premiums otherwise provided for under such pro-  
3       grams.

4           “(3) CONTINUATION OF BENEFITS FOR CER-  
5       TAIN ALIENS.—Nothing in this title shall be con-  
6       strued as affecting the access of aliens described in  
7       section 2204(1)(D) to health care services provided  
8       under law for such aliens as of the date of the enact-  
9       ment of this title.

10       “(c) QUALITY ASSURANCE.—

11           “(1) IN GENERAL.—A State plan shall provide,  
12       and describe, mechanisms to be used to assure, mon-  
13       itor, and maintain the quality of items and services  
14       furnished under the plan.

15           “(2) HEALTH OUTCOMES.—A State plan shall  
16       describe the plan’s projected effect on health out-  
17       comes in the State, including estimates of health  
18       benefits, decreased morbidity and mortality, and im-  
19       proved productivity resulting from reduction in the  
20       number of individuals without health benefits.

21       “(d) PROGRAMS FOR MEDICAL EDUCATION.—A  
22       State plan shall describe health professions training and  
23       graduate medical education activities applicable under the  
24       plan, and shall provide, under the State plan, for payment  
25       from Federal, State, and local governments for such train-

1 ing and education activities in the amounts that would  
2 otherwise be payable by such governments but for the  
3 State’s universal, comprehensive health care system under  
4 the State plan.

5 “(e) FINANCING.—

6 “(1) BUDGET.—A State plan shall incorporate  
7 a budget which contains—

8 “(A) detailed projections of health care ex-  
9 penditures presently and under the proposed  
10 system, including an identification and calcula-  
11 tion of the amount of funding to be provided by  
12 the Federal, State, and local governments under  
13 the plan and an assurance that the amount of  
14 expenditures made by the State and local gov-  
15 ernments will not be reduced as a result of the  
16 implementation of the plan; and

17 “(B) a description (and an estimate of  
18 costs) of transitional activities to be undertaken  
19 in implementing the proposed system.

20 “(2) COST CONTAINMENT.—A State plan shall  
21 describe the means to be used to contain costs under  
22 the plan, including when and how the plan will in-  
23 crease efficiencies.

24 “(3) FEDERAL EXPENDITURE LIMIT.—A State  
25 plan shall contain assurances that aggregate Federal

1 expenditures on health care (including Federal ex-  
2 penditures under titles 5, 10, and 38 of the United  
3 States Code, and under this Act) under the plan will  
4 not exceed aggregate Federal expenditures that  
5 would have been incurred in the absence of such  
6 plan.

7 “(f) IMPLEMENTATION.—

8 “(1) IN GENERAL.—A State plan shall describe  
9 the method (including a timetable and period of  
10 transition) for implementing the plan.

11 “(2) COORDINATION.—A State plan shall iden-  
12 tify all Federal, State, and local programs that pro-  
13 vide health care services in the State and describe  
14 how such programs would be incorporated in, or co-  
15 ordinated with, the health coverage system under the  
16 plan.

17 “(3) FEDERAL WAIVERS REQUIRED.—A State  
18 plan shall identify any waivers of Federal law re-  
19 quired to implement the plan, including the use of  
20 any pooled Federal funds and other waivers de-  
21 scribed in section 2202(f).

22 “(4) APPROVAL OF STATE LEGISLATURE.—A  
23 State plan shall provide that State approvals and  
24 commitments (including approval of the State legis-  
25 lature) necessary for the implementation of the plan

1 will be obtained by not later than 1 year after the  
2 date of the Secretary’s approval of the plan. Any ap-  
3 proval of a grant is conditioned upon the timely  
4 completion of such approvals and commitments.

5 “(g) EVALUATION.—A State plan shall provide for a  
6 process for its evaluation, and shall comply with any eval-  
7 uation reporting or data collection requirements imposed  
8 by the Secretary.

9 “(h) CONSTRUCTION.—Nothing in this title shall be  
10 construed as preempting State laws that provide greater  
11 protections or benefits than the protections or benefits re-  
12 quired under this title.

13 **“SEC. 2204. INTERSTATE ARRANGEMENTS.**

14 “(a) IN GENERAL.—One or more contiguous States  
15 in a geographic region may file a joint application for  
16 planning and demonstration grants under this title.

17 “(b) CONGRESSIONAL APPROVAL.—Congress hereby  
18 authorizes and approves States entering into Interstate  
19 Compacts in order to conduct joint health care programs  
20 under such a grant.

21 “(c) REFERENCES TO STATE.—In the case of a joint  
22 application described in subsection (a), any reference in  
23 this title to a State is deemed to refer to all of the States,  
24 and the approval of a grant with respect to such a joint

1 application shall be counted as 1 State for purposes of  
2 applying sections 2201(c) and 2202(b).

3 **“SEC. 2205. DEFINITIONS.**

4 “As used in this title:

5 “(1) ELIGIBLE STATE RESIDENT.—The term  
6 ‘eligible State resident’ means any resident of the  
7 United States who is a citizen or national of the  
8 United States, or lawful resident alien, and who re-  
9 sides in any particular State. Such term may in-  
10 clude, at the option of a State, the following:

11 “(A) State employees and dependents of  
12 such employees.

13 “(B) Employees, and dependents of such  
14 employees, working in a work site of a business  
15 located in the State.

16 “(C) One or more classes of non-  
17 immigrants (as defined in section 101(a)(15) of  
18 the Immigration and Nationality Act) specified  
19 in the State plan.

20 “(D) Aliens unlawfully present in the  
21 United States.

22 “(2) LAWFUL RESIDENT ALIEN.—The term  
23 ‘lawful resident alien’ means an alien lawfully admit-  
24 ted for permanent residence and any other alien law-  
25 fully residing permanently in the United States

1 under color of law, including an alien granted asy-  
2 lum or with lawful temporary resident status under  
3 section 210, 210A, or 245A of the Immigration and  
4 Nationality Act.

5 “(3) SECRETARY.—The term ‘Secretary’ means  
6 the Secretary of Health and Human Services.

7 “(4) STATE.—Subject to section 2204(c), the  
8 term ‘State’ means a State, the District of Colum-  
9 bia, the Commonwealth of Puerto Rico, the United  
10 States Virgin Islands, Guam, American Samoa, and  
11 the Commonwealth of the Northern Mariana Is-  
12 lands.

13 “(5) STATE PLAN.—The term ‘State plan’  
14 means a comprehensive health care plan of a State  
15 participating in a State Care demonstration project  
16 under this title that meets the requirements of sec-  
17 tion 2203.”.

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