

109TH CONGRESS
1ST SESSION

S. 740

To amend titles XIX and XXI of the Social Security Act to expand or add coverage of pregnant women under the medicaid and State children's health insurance program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 7, 2005

Mr. BINGAMAN (for himself, Mr. LUGAR, Mrs. LINCOLN, Mrs. MURRAY, Mr. KERRY, Ms. CANTWELL, Mr. KOHL, Mr. LAUTENBERG, Mrs. BOXER, and Mr. CORZINE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend titles XIX and XXI of the Social Security Act to expand or add coverage of pregnant women under the medicaid and State children's health insurance program, 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 “Start Healthy, Stay
5 Healthy Act of 2005”.

1 **SEC. 2. STATE OPTION TO EXPAND OR ADD COVERAGE OF**
 2 **CERTAIN PREGNANT WOMEN UNDER MED-**
 3 **ICAID AND SCHIP.**

4 (a) MEDICAID.—

5 (1) AUTHORITY TO EXPAND COVERAGE.—Sec-
 6 tion 1902(l)(2)(A)(i) of the Social Security Act (42
 7 U.S.C. 1396a(l)(2)(A)(i)) is amended by inserting
 8 “(or such higher percent as the State may elect for
 9 purposes of expenditures for medical assistance for
 10 pregnant women described in section
 11 1905(u)(4)(A))” after “185 percent”.

12 (2) ENHANCED MATCHING FUNDS AVAILABLE
 13 IF CERTAIN CONDITIONS MET.—Section 1905 of the
 14 Social Security Act (42 U.S.C. 1396d) is amended—

15 (A) in the fourth sentence of subsection
 16 (b), by striking “or subsection (u)(3)” and in-
 17 serting “, (u)(3), or (u)(4)”; and

18 (B) in subsection (u)—

19 (i) by redesignating paragraph (4) as
 20 paragraph (5); and

21 (ii) by inserting after paragraph (3)
 22 the following:

23 “(4) For purposes of the fourth sentence of sub-
 24 section (b) and section 2105(a), the expenditures de-
 25 scribed in this paragraph are the following:

1 “(A) CERTAIN PREGNANT WOMEN.—If the con-
 2 ditions described in subparagraph (B) are met, ex-
 3 penditures for medical assistance for pregnant
 4 women described in subsection (n) or under section
 5 1902(l)(1)(A) in a family the income of which ex-
 6 ceeds the effective income level (expressed as a per-
 7 cent of the poverty line and considering applicable
 8 income disregards) that has been specified under
 9 subsection (a)(10)(A)(i)(III) or (l)(2)(A) of section
 10 1902, as of January 1, 2005, but does not exceed
 11 the income eligibility level established under title
 12 XXI for a targeted low-income child.

13 “(B) CONDITIONS.—The conditions described
 14 in this subparagraph are the following:

15 “(i) The State plans under this title and
 16 title XXI do not provide coverage for pregnant
 17 women described in subparagraph (A) with
 18 higher family income without covering such
 19 pregnant women with a lower family income.

20 “(ii) The State does not apply an effective
 21 income level for pregnant women that is lower
 22 than the effective income level (expressed as a
 23 percent of the poverty line and considering ap-
 24 plicable income disregards) that has been speci-
 25 fied under the State plan under subsection

1 (a)(10)(A)(i)(III) or (l)(2)(A) of section 1902,
 2 as of January 1, 2005, to be eligible for medical
 3 assistance as a pregnant woman.

4 “(C) DEFINITION OF POVERTY LINE.—In this
 5 subsection, the term ‘poverty line’ has the meaning
 6 given such term in section 2110(c)(5).”.

7 (3) PAYMENT FROM TITLE XXI ALLOTMENT
 8 FOR MEDICAID EXPANSION COSTS; ELIMINATION OF
 9 COUNTING MEDICAID CHILD PRESUMPTIVE ELIGI-
 10 BILITY COSTS AGAINST TITLE XXI ALLOTMENT.—
 11 Section 2105(a)(1) of the Social Security Act (42
 12 U.S.C. 1397ee(a)(1)) is amended—

13 (A) in the matter preceding subparagraph
 14 (A), by striking “(or, in the case of expendi-
 15 tures described in subparagraph (B), the Fed-
 16 eral medical assistance percentage (as defined
 17 in the first sentence of section 1905(b)))”; and

18 (B) by striking subparagraph (B) and in-
 19 serting the following:

20 “(B) for the provision of medical assist-
 21 ance that is attributable to expenditures de-
 22 scribed in section 1905(u)(4)(A);”.

23 (4) ADDITIONAL AMENDMENTS TO MEDICAID.—

24 (A) ELIGIBILITY OF A NEWBORN.—Section
 25 1902(e)(4) of the Social Security Act (42

1 U.S.C. 1396a(e)(4)) is amended in the first
 2 sentence by striking “so long as the child is a
 3 member of the woman’s household and the
 4 woman remains (or would remain if pregnant)
 5 eligible for such assistance”.

6 (B) APPLICATION OF QUALIFIED ENTITIES
 7 TO PRESUMPTIVE ELIGIBILITY FOR PREGNANT
 8 WOMEN UNDER MEDICAID.—Section 1920(b) of
 9 the Social Security Act (42 U.S.C. 1396r–1(b))
 10 is amended by adding at the end after and
 11 below paragraph (2) the following flush sen-
 12 tence:

13 “The term ‘qualified provider’ includes a qualified en-
 14 tity as defined in section 1920A(b)(3).”.

15 (b) SCHIP.—

16 (1) COVERAGE.—Title XXI of the Social Secu-
 17 rity Act (42 U.S.C. 1397aa et seq.) is amended by
 18 adding at the end the following:

19 **“SEC. 2111. OPTIONAL COVERAGE OF TARGETED LOW-IN-**
 20 **COME PREGNANT WOMEN.**

21 “(a) OPTIONAL COVERAGE.—Notwithstanding any
 22 other provision of this title, a State may provide for cov-
 23 erage, through an amendment to its State child health
 24 plan under section 2102, of pregnancy-related assistance
 25 for targeted low-income pregnant women in accordance

1 with this section, but only if the State meets the conditions
 2 described in section 1905(u)(4)(B).

3 “(b) DEFINITIONS.—For purposes of this title:

4 “(1) PREGNANCY-RELATED ASSISTANCE.—The
 5 term ‘pregnancy-related assistance’ has the meaning
 6 given the term child health assistance in section
 7 2110(a) as if any reference to targeted low-income
 8 children were a reference to targeted low-income
 9 pregnant women, except that the assistance shall be
 10 limited to services related to pregnancy (which in-
 11 clude prenatal, delivery, and postpartum services
 12 and services described in section 1905(a)(4)(C)) and
 13 to other conditions that may complicate pregnancy.

14 “(2) TARGETED LOW-INCOME PREGNANT
 15 WOMAN.—The term ‘targeted low-income pregnant
 16 woman’ means a woman—

17 “(A) during pregnancy and through the
 18 end of the month in which the 60-day period
 19 (beginning on the last day of her pregnancy)
 20 ends;

21 “(B) whose family income exceeds the ef-
 22 fective income level (expressed as a percent of
 23 the poverty line and considering applicable in-
 24 come disregards) that has been specified under
 25 subsection (a)(10)(A)(i)(III) or (l)(2)(A) of sec-

1 tion 1902, as of January 1, 2005, to be eligible
 2 for medical assistance as a pregnant woman
 3 under title XIX but does not exceed the income
 4 eligibility level established under the State child
 5 health plan under this title for a targeted low-
 6 income child; and

7 “(C) who satisfies the requirements of
 8 paragraphs (1)(A), (1)(C), (2), and (3) of sec-
 9 tion 2110(b).

10 “(c) REFERENCES TO TERMS AND SPECIAL
 11 RULES.—In the case of, and with respect to, a State pro-
 12 viding for coverage of pregnancy-related assistance to tar-
 13 geted low-income pregnant women under subsection (a),
 14 the following special rules apply:

15 “(1) Any reference in this title (other than in
 16 subsection (b)) to a targeted low-income child is
 17 deemed to include a reference to a targeted low-in-
 18 come pregnant woman.

19 “(2) Any such reference to child health assist-
 20 ance with respect to such women is deemed a ref-
 21 erence to pregnancy-related assistance.

22 “(3) Any such reference to a child is deemed a
 23 reference to a woman during pregnancy and the pe-
 24 riod described in subsection (b)(2)(A).

1 “(4) In applying section 2102(b)(3)(B), any
 2 reference to children found through screening to be
 3 eligible for medical assistance under the State med-
 4 icaid plan under title XIX is deemed a reference to
 5 pregnant women.

6 “(5) There shall be no exclusion of benefits for
 7 services described in subsection (b)(1) based on any
 8 preexisting condition and no waiting period (includ-
 9 ing any waiting period imposed to carry out section
 10 2102(b)(3)(C)) shall apply.

11 “(6) Subsection (a) of section 2103 (relating to
 12 required scope of health insurance coverage) shall
 13 not apply insofar as a State limits coverage to serv-
 14 ices described in subsection (b)(1) and the reference
 15 to such section in section 2105(a)(1)(C) is deemed
 16 not to require, in such case, compliance with the re-
 17 quirements of section 2103(a).

18 “(7) In applying section 2103(e)(3)(B) in the
 19 case of a pregnant woman provided coverage under
 20 this section, the limitation on total annual aggregate
 21 cost-sharing shall be applied to the entire family of
 22 such pregnant woman.

23 “(d) AUTOMATIC ENROLLMENT FOR CHILDREN
 24 BORN TO WOMEN RECEIVING PREGNANCY-RELATED AS-
 25 SISTANCE.—If a child is born to a targeted low-income

1 pregnant woman who was receiving pregnancy-related as-
 2 sistance under this section on the date of the child's birth,
 3 the child shall be deemed to have applied for child health
 4 assistance under the State child health plan and to have
 5 been found eligible for such assistance under such plan
 6 or to have applied for medical assistance under title XIX
 7 and to have been found eligible for such assistance under
 8 such title, as appropriate, on the date of such birth and
 9 to remain eligible for such assistance until the child at-
 10 tains 1 year of age. During the period in which a child
 11 is deemed under the preceding sentence to be eligible for
 12 child health or medical assistance, the child health or med-
 13 ical assistance eligibility identification number of the
 14 mother shall also serve as the identification number of the
 15 child, and all claims shall be submitted and paid under
 16 such number (unless the State issues a separate identifica-
 17 tion number for the child before such period expires).”.

18 (2) ADDITIONAL ALLOTMENTS FOR PROVIDING
 19 COVERAGE OF PREGNANT WOMEN.—

20 (A) IN GENERAL.—Section 2104 of the So-
 21 cial Security Act (42 U.S.C. 1397dd) is amend-
 22 ed by inserting after subsection (c) the fol-
 23 lowing:

24 “(d) ADDITIONAL ALLOTMENTS FOR PROVIDING
 25 COVERAGE OF PREGNANT WOMEN.—

1 “(1) APPROPRIATION; TOTAL ALLOTMENT.—

2 For the purpose of providing additional allotments
3 to States under this title, there is appropriated, out
4 of any money in the Treasury not otherwise appro-
5 priated, for each of fiscal years 2006 and 2007,
6 \$200,000,000.

7 “(2) STATE AND TERRITORIAL ALLOTMENTS.—

8 In addition to the allotments provided under sub-
9 sections (b) and (c), subject to paragraphs (3) and
10 (4), of the amount available for the additional allot-
11 ments under paragraph (1) for a fiscal year, the
12 Secretary shall allot to each State with a State child
13 health plan approved under this title—

14 “(A) in the case of such a State other than
15 a commonwealth or territory described in sub-
16 paragraph (B), the same proportion as the pro-
17 portion of the State’s allotment under sub-
18 section (b) (determined without regard to sub-
19 section (f)) to the total amount of the allot-
20 ments under subsection (b) for such States eli-
21 gible for an allotment under this paragraph for
22 such fiscal year; and

23 “(B) in the case of a commonwealth or ter-
24 ritory described in subsection (c)(3), the same
25 proportion as the proportion of the common-

1 wealth’s or territory’s allotment under sub-
2 section (c) (determined without regard to sub-
3 section (f)) to the total amount of the allot-
4 ments under subsection (c) for commonwealths
5 and territories eligible for an allotment under
6 this paragraph for such fiscal year.

7 “(3) USE OF ADDITIONAL ALLOTMENT.—Addi-
8 tional allotments provided under this subsection are
9 not available for amounts expended before October
10 1, 2005. Such amounts are available for amounts ex-
11 pended on or after such date for child health assist-
12 ance for targeted low-income children, as well as for
13 pregnancy-related assistance for targeted low-income
14 pregnant women.

15 “(4) NO PAYMENTS UNLESS ELECTION TO EX-
16 PAND COVERAGE OF PREGNANT WOMEN.—No pay-
17 ments may be made to a State under this title from
18 an allotment provided under this subsection unless
19 the State provides pregnancy-related assistance for
20 targeted low-income pregnant women under this
21 title, or provides medical assistance for pregnant
22 women under title XIX, whose family income ex-
23 ceeds the effective income level applicable under sub-
24 section (a)(10)(A)(i)(III) or (l)(2)(A) of section

1 1902 to a family of the size involved as of January
 2 1, 2005.”.

3 (B) CONFORMING AMENDMENTS.—Section
 4 2104 of the Social Security Act (42 U.S.C.
 5 1397dd) is amended—

6 (i) in subsection (a), in the matter
 7 preceding paragraph (1), by inserting
 8 “subject to subsection (d),” after “under
 9 this section,”;

10 (ii) in subsection (b)(1), by inserting
 11 “and subsection (d)” after “Subject to
 12 paragraph (4)”;

13 (iii) in subsection (c)(1), by inserting
 14 “subject to subsection (d),” after “for a
 15 fiscal year,”.

16 (3) PRESUMPTIVE ELIGIBILITY UNDER TITLE
 17 XXI.—

18 (A) APPLICATION TO PREGNANT
 19 WOMEN.—Section 2107(e)(1)(D) of the Social
 20 Security Act (42 U.S.C. 1397gg(e)(1)) is
 21 amended to read as follows:

22 “(D) Sections 1920 and 1920A (relating to
 23 presumptive eligibility).”.

24 (B) EXCEPTION FROM LIMITATION ON AD-
 25 MINISTRATIVE EXPENSES.—Section 2105(c)(2)

of the Social Security Act (42 U.S.C. 1397ee(c)(2)) is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR PRESUMPTIVE ELIGIBILITY EXPENDITURES.—The limitation under subparagraph (A) on expenditures shall not apply to expenditures attributable to the application of section 1920 or 1920A (pursuant to section 2107(e)(1)(D)), regardless of whether the child or pregnant woman is determined to be ineligible for the program under this title or title XIX.”.

(4) ADDITIONAL AMENDMENTS TO TITLE XXI.—

(A) NO COST-SHARING FOR PREGNANCY-RELATED SERVICES.—Section 2103(e)(2) of the Social Security Act (42 U.S.C. 1397cc(e)(2)) is amended—

(i) in the heading, by inserting “OR PREGNANCY-RELATED SERVICES” after “PREVENTIVE SERVICES”; and

(ii) by inserting before the period at the end the following: “or for pregnancy-related services”.

1 (B) NO WAITING PERIOD.—Section
 2 2102(b)(1)(B) of the Social Security Act (42
 3 U.S.C. 1397bb(b)(1)(B)) is amended—

4 (i) by striking “, and” at the end of
 5 clause (i) and inserting a semicolon;

6 (ii) by striking the period at the end
 7 of clause (ii) and inserting “; and”; and

8 (iii) by adding at the end the fol-
 9 lowing:

10 “(iii) may not apply a waiting period
 11 (including a waiting period to carry out
 12 paragraph (3)(C)) in the case of a targeted
 13 low-income pregnant woman.”.

14 (c) EFFECTIVE DATE.—The amendments made by
 15 this section apply to items and services furnished on or
 16 after October 1, 2005, without regard to whether regula-
 17 tions implementing such amendments have been promul-
 18 gated.

19 **SEC. 3. COORDINATION WITH THE MATERNAL AND CHILD**
 20 **HEALTH PROGRAM.**

21 (a) IN GENERAL.—Section 2102(b)(3) of the Social
 22 Security Act (42 U.S.C. 1397bb(b)(3)) is amended—

23 (1) in subparagraph (D), by striking “and” at
 24 the end;

1 (2) in subparagraph (E), by striking the period
2 and inserting “; and”; and

3 (3) by adding at the end the following new sub-
4 paragraph:

5 “(F) that operations and activities under
6 this title are developed and implemented in con-
7 sultation and coordination with the program op-
8 erated by the State under title V in areas in-
9 cluding outreach and enrollment, benefits and
10 services, service delivery standards, public
11 health and social service agency relationships,
12 and quality assurance and data reporting.”.

13 (b) CONFORMING MEDICAID AMENDMENT.—Section
14 1902(a)(11) of such Act (42 U.S.C. 1396a(a)(11)) is
15 amended—

16 (1) by striking “and” before “(C)”; and

17 (2) by inserting before the semicolon at the end
18 the following: “, and (D) provide that operations and
19 activities under this title are developed and imple-
20 mented in consultation and coordination with the
21 program operated by the State under title V in areas
22 including outreach and enrollment, benefits and
23 services, service delivery standards, public health
24 and social service agency relationships, and quality
25 assurance and data reporting”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section take effect on January 1, 2006.

3 **SEC. 4. INCREASE IN SCHIP INCOME ELIGIBILITY.**

4 (a) DEFINITION OF LOW-INCOME CHILD.—Section
5 2110(c)(4) of the Social Security Act (42 U.S.C. 42
6 U.S.C. 1397jj(c)(4)) is amended by striking “200” and
7 inserting “250”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to child health assistance provided,
10 and allotments determined under section 2104 of the So-
11 cial Security Act (42 U.S.C. 1397dd) for fiscal years be-
12 ginning with fiscal year 2006.

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