

110TH CONGRESS
1ST SESSION

H. R. 3864

To amend title XXI of the Social Security Act to reauthorize the State Children’s Health Insurance Program through fiscal year 2012, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 17, 2007

Mr. CAMP of Michigan (for himself, Mr. HULSHOF, Mr. BOUSTANY, Mrs. MYRICK, Mr. LEWIS of Kentucky, and Ms. GRANGER) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XXI of the Social Security Act to reauthorize the State Children’s Health Insurance Program through fiscal year 2012, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Kids First Act”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. 5-Year reauthorization.

- Sec. 3. Allotments for the 50 States and the District of Columbia based on expenditures and numbers of low-income children.
- Sec. 4. Limitations on matching rates for populations other than low-income children or pregnant women covered through a section 1115 waiver.
- Sec. 5. Prohibition on new section 1115 waivers for coverage of adults other than pregnant women.
- Sec. 6. Standardization of determination of family income.
- Sec. 7. Grants for outreach and enrollment.
- Sec. 8. Improved State option for offering premium assistance for coverage through private plans.
- Sec. 9. Treatment of unborn children.
- Sec. 10. 50 percent matching rate for all Medicaid administrative costs.
- Sec. 11. Reduction in payments for Medicaid administrative costs to prevent duplication of such payments under TANF.
- Sec. 12. Maintaining limitation on eligibility for aliens.
- Sec. 13. Maintaining citizenship documentation requirements.
- Sec. 14. Effective date.

1 SEC. 2. 5-YEAR REAUTHORIZATION.

2 (a) INCREASE IN NATIONAL ALLOTMENT.—Section
 3 2104(a) of the Social Security Act (42 U.S.C. 1397dd(a))
 4 is amended—

5 (1) in paragraph (9), by striking “and” at the
 6 end;

7 (2) in paragraph (10), by striking the period at
 8 the end and inserting a semicolon; and

9 (3) by adding at the end the following:

10 “(11) for fiscal year 2008, \$7,000,000,000;

11 “(12) for fiscal year 2009, \$7,200,000,000;

12 “(13) for fiscal year 2010, \$7,600,000,000;

13 “(14) for fiscal year 2011, \$8,300,000,000; and

14 “(15) for fiscal year 2012, \$8,800,000,000.”.

15 (b) CONTINUATION OF ADDITIONAL ALLOTMENTS TO
 16 TERRITORIES.—Section 2104(c)(4)(B) of the Social Secu-
 17 rity Act (42 U.S.C. 1397dd(c)(4)(B)) is amended—

1 (1) by striking “and” after “2006,”; and
2 (2) by inserting before the period the following:
3 “, \$56,000,000 for fiscal year 2008, \$58,000,000
4 for fiscal year 2009, \$61,000,000 for fiscal year
5 2010, \$66,000,000 for fiscal year 2011, and
6 \$70,000,000 for fiscal year 2012”.

7 **SEC. 3. ALLOTMENTS FOR THE 50 STATES AND THE DIS-**
8 **TRICT OF COLUMBIA BASED ON EXPENDI-**
9 **TURES AND NUMBERS OF LOW-INCOME CHIL-**
10 **DREN.**

11 (a) IN GENERAL.—Section 2104 of the Social Secu-
12 rity Act (42 U.S.C. 1397dd) is amended by adding at the
13 end the following new subsection:

14 “(i) DETERMINATION OF ALLOTMENTS FOR THE 50
15 STATES AND THE DISTRICT OF COLUMBIA FOR FISCAL
16 YEARS 2008 THROUGH 2012.—

17 “(1) IN GENERAL.—Notwithstanding the pre-
18 ceding provisions of this subsection and subject to
19 paragraph (3), the Secretary shall allot to each sub-
20 section (b) State for each of fiscal years 2008
21 through 2012, the amount determined for the fiscal
22 year that is equal to the product of—

23 “(A) the amount available for allotment
24 under subsection (a) for the fiscal year, reduced
25 by the amount of allotments made under sub-

1 section (c) (determined without regard to para-
2 graph (4) thereof) for the fiscal year; and

3 “(B) the sum of the State allotment fac-
4 tors determined under paragraph (2) with re-
5 spect to the State and weighted in accordance
6 with subparagraph (B) of that paragraph for
7 the fiscal year.

8 “(2) STATE ALLOTMENT FACTORS.—

9 “(A) IN GENERAL.—For purposes of para-
10 graph (1)(B), the State allotment factors are
11 the following:

12 “(i) The ratio of the projected expend-
13 itures for targeted low-income children
14 under the State child health plan and preg-
15 nant women under a waiver of such plan
16 for the fiscal year to the sum of such pro-
17 jected expenditures for all States for the
18 fiscal year, multiplied by the applicable
19 percentage weight assigned under subpara-
20 graph (B).

21 “(ii) The ratio of the number of low-
22 income children who have not attained age
23 19 with no health insurance coverage in
24 the State, as determined by the Secretary
25 on the basis of the arithmetic average of

1 the number of such children for the 3 most
2 recent Annual Social and Economic Sup-
3 plements to the Current Population Survey
4 of the Bureau of the Census available be-
5 fore the beginning of the calendar year be-
6 fore such fiscal year begins, to the sum of
7 the number of such children determined
8 for all States for such fiscal year, multi-
9 plied by the applicable percentage weight
10 assigned under subparagraph (B).

11 “(iii) The ratio of the projected ex-
12 penditures for targeted low-income children
13 under the State child health plan and preg-
14 nant women under a waiver of such plan
15 for the preceding fiscal year to the sum of
16 such projected expenditures for all States
17 for such preceding fiscal year, multiplied
18 by the applicable percentage weight as-
19 signed under subparagraph (B).

20 “(iv) The ratio of the actual expendi-
21 tures for targeted low-income children
22 under the State child health plan and preg-
23 nant women under a waiver of such plan
24 for the second preceding fiscal year to the
25 sum of such actual expenditures for all

1 States for such second preceding fiscal
2 year, multiplied by the applicable percent-
3 age weight assigned under subparagraph
4 (B).

5 “(B) ASSIGNMENT OF WEIGHTS.—For
6 each of fiscal years 2008 through 2012, the fol-
7 lowing percentage weights shall be applied to
8 the ratios determined under subparagraph (A)
9 for each such fiscal year:

10 “(i) 40 percent for the ratio deter-
11 mined under subparagraph (A)(i).

12 “(ii) 5 percent for the ratio deter-
13 mined under subparagraph (A)(ii).

14 “(iii) 50 percent for the ratio deter-
15 mined under subparagraph (A)(iii).

16 “(iv) 5 percent for the ratio deter-
17 mined under subparagraph (A)(iv).

18 “(C) DETERMINATION OF PROJECTED AND
19 ACTUAL EXPENDITURES.—For purposes of sub-
20 paragraph (A):

21 “(i) PROJECTED EXPENDITURES.—

22 The projected expenditures described in
23 clauses (i) and (iii) of such subparagraph
24 with respect to a fiscal year shall be deter-
25 mined on the basis of amounts reported by

1 States to the Secretary on the May 15th
2 submission of Form CMS-37 and Form
3 CMS-21B submitted not later than June
4 30th of the fiscal year preceding such year.

5 “(ii) ACTUAL EXPENDITURES.—The
6 actual expenditures described in clause (iv)
7 of such subparagraph with respect to a
8 second preceding fiscal year shall be deter-
9 mined on the basis of amounts reported by
10 States to the Secretary on Form CMS-64
11 and Form CMS-21 submitted not later
12 than November 30 of the preceding fiscal
13 year.”.

14 (b) 2-YEAR AVAILABILITY OF ALLOTMENTS; EX-
15 PENDITURES COUNTED AGAINST OLDEST ALLOT-
16 MENTS.—Section 2104(e) of the Social Security Act (42
17 U.S.C. 1397dd(e)) is amended to read as follows:

18 “(e) AVAILABILITY OF AMOUNTS ALLOTTED.—

19 “(1) IN GENERAL.—Except as provided in the
20 succeeding paragraphs of this subsection, amounts
21 allotted to a State pursuant to this section—

22 “(A) for each of fiscal years 1998 through
23 2007, shall remain available for expenditure by
24 the State through the end of the second suc-
25 ceeding fiscal year; and

1 “(B) for each of fiscal years 2008 through
2 2012, shall remain available for expenditure by
3 the State only through the end of the suc-
4 ceeding fiscal year for which such amounts are
5 allotted.

6 “(2) ELIMINATION OF REDISTRIBUTION OF AL-
7 LOTMENTS NOT EXPENDED WITHIN 3 YEARS.—Not-
8 withstanding subsection (f), amounts allotted to a
9 State under this section for fiscal years beginning
10 with fiscal year 2008 that remain unexpended as of
11 the end of the second succeeding fiscal year shall not
12 be redistributed to other States and shall revert to
13 the Treasury on October 1 of the third succeeding
14 fiscal year.

15 “(3) RULE FOR COUNTING EXPENDITURES
16 AGAINST FISCAL YEAR ALLOTMENTS.—Expenditures
17 under the State child health plan made on or after
18 October 1, 2007, shall be counted against allotments
19 for the earliest fiscal year for which funds are avail-
20 able for expenditure under this subsection.”.

21 (c) CONFORMING AMENDMENTS.—

22 (1) Section 2104(b)(1) of the Social Security
23 Act (42 U.S.C. 1397dd(b)(1)) is amended by strik-
24 ing “subsection (d)” and inserting “the succeeding
25 subsections of this section”.

1 (2) Section 2104(f) of such Act (42 U.S.C.
2 1397dd(f)) is amended by striking “The” and in-
3 serting “Subject to subsection (e)(2), the”.

4 **SEC. 4. LIMITATIONS ON MATCHING RATES FOR POPU-**
5 **LATIONS OTHER THAN LOW-INCOME CHIL-**
6 **DREN OR PREGNANT WOMEN COVERED**
7 **THROUGH A SECTION 1115 WAIVER.**

8 (a) **LIMITATION ON PAYMENTS.**—Section 2105(c) of
9 the Social Security Act (42 U.S.C. 1397ee(c)) is amended
10 by adding at the end the following new paragraph:

11 “(8) **LIMITATIONS ON MATCHING RATE FOR**
12 **POPULATIONS OTHER THAN TARGETED LOW-INCOME**
13 **CHILDREN OR PREGNANT WOMEN COVERED**
14 **THROUGH A SECTION 1115 WAIVER.**—For child
15 health assistance or health benefits coverage fur-
16 nished in any fiscal year beginning with fiscal year
17 2008:

18 “(A) **FMAP APPLIED TO PAYMENTS FOR**
19 **COVERAGE OF CHILDREN OR PREGNANT WOMEN**
20 **COVERED THROUGH A SECTION 1115 WAIVER**
21 **ENROLLED IN THE STATE CHILD HEALTH PLAN**
22 **ON THE DATE OF ENACTMENT OF THE KIDS**
23 **FIRST ACT AND WHOSE GROSS FAMILY INCOME**
24 **IS DETERMINED TO EXCEED THE INCOME ELI-**
25 **GIBILITY LEVEL SPECIFIED FOR A TARGETED**

1 LOW-INCOME CHILD.—Notwithstanding sub-
2 sections (b)(1)(B) and (d) of section 2110, in
3 the case of any individual described in sub-
4 section (c) of section 105 of the Kids First Act
5 who the State elects to continue to provide child
6 health assistance for under the State child
7 health plan in accordance with the requirements
8 of such subsection, the Federal medical assist-
9 ance percentage (as determined under section
10 1905(b) without regard to clause (4) of such
11 section) shall be substituted for the enhanced
12 FMAP under subsection (a)(1) with respect to
13 such assistance.

14 “(B) FMAP APPLIED TO PAYMENTS ONLY
15 FOR NONPREGNANT CHILDLESS ADULTS AND
16 PARENTS AND CARETAKER RELATIVES EN-
17 ROLLED UNDER A SECTION 1115 WAIVER ON
18 THE DATE OF ENACTMENT OF THE STATE
19 CHILDREN’S HEALTH INSURANCE PROGRAM RE-
20 AUTHORIZATION OF 2007.—The Federal medical
21 assistance percentage (as determined under sec-
22 tion 1905(b) without regard to clause (4) of
23 such section) shall be substituted for the en-
24 hanced FMAP under subsection (a)(1) with re-
25 spect to payments for child health assistance or

1 health benefits coverage provided under the
2 State child health plan for any of the following:

3 “(i) PARENTS OR CARETAKER REL-
4 ATIVES ENROLLED UNDER A WAIVER ON
5 THE DATE OF ENACTMENT OF THE STATE
6 CHILDREN’S HEALTH INSURANCE PRO-
7 GRAM REAUTHORIZATION OF 2007.—A non-
8 pregnant parent or a nonpregnant care-
9 taker relative of a targeted low-income
10 child who is enrolled in the State child
11 health plan under a waiver, experimental,
12 pilot, or demonstration project on the date
13 of enactment of the Kids First Act and
14 whose family income does not exceed the
15 income eligibility applied under such waiv-
16 er with respect to that population on such
17 date.

18 “(ii) NONPREGNANT CHILDLESS
19 ADULTS ENROLLED UNDER A WAIVER ON
20 SUCH DATE.—A nonpregnant childless
21 adult enrolled in the State child health
22 plan under a waiver, experimental, pilot, or
23 demonstration project described in section
24 6102(c)(3) of the Deficit Reduction Act of
25 2005 (42 U.S.C. 1397gg note) on the date

1 of enactment of the Kids First Act and
2 whose family income does not exceed the
3 income eligibility applied under such waiver
4 er with respect to that population on such
5 date.

6 “(iii) NO REPLACEMENT ENROLL-
7 EES.—Nothing in clauses (i) or (ii) shall
8 be construed as authorizing a State to pro-
9 vide child health assistance or health bene-
10 fits coverage under a waiver described in
11 either such clause to a nonpregnant parent
12 or a nonpregnant caretaker relative of a
13 targeted low-income child, or a nonpreg-
14 nant childless adult, who is not enrolled
15 under the waiver on the date of enactment
16 of the Kids First Act.

17 “(C) NO FEDERAL PAYMENT FOR ANY
18 NEW NONPREGNANT ADULT ENROLLEES OR
19 FOR SUCH ENROLLEES WHO NO LONGER SAT-
20 ISFY INCOME ELIGIBILITY REQUIREMENTS.—
21 Payment shall not be made under this section
22 for child health assistance or other health bene-
23 fits coverage provided under the State child
24 health plan or under a waiver under section
25 1115 for any of the following:

1 “(i) PARENTS OR CARETAKER REL-
2 ATIVES UNDER A SECTION 1115 WAIVER
3 APPROVED AFTER THE DATE OF ENACT-
4 MENT OF THE STATE CHILDREN’S HEALTH
5 INSURANCE PROGRAM REAUTHORIZATION
6 OF 2007.—A nonpregnant parent or a non-
7 pregnant caretaker relative of a targeted
8 low-income child under a waiver, experi-
9 mental, pilot, or demonstration project
10 that is approved on or after the date of en-
11 actment of the Kids First Act.

12 “(ii) PARENTS, CARETAKER REL-
13 ATIVES, AND NONPREGNANT CHILDLESS
14 ADULTS WHOSE FAMILY INCOME EXCEEDS
15 THE INCOME ELIGIBILITY LEVEL SPECI-
16 FIED UNDER A SECTION 1115 WAIVER AP-
17 PROVED PRIOR TO THE STATE CHILDREN’S
18 HEALTH INSURANCE PROGRAM REAUTHOR-
19 IZATION OF 2007.—Any nonpregnant par-
20 ent or a nonpregnant caretaker relative of
21 a targeted low-income child whose family
22 income exceeds the income eligibility level
23 referred to in subparagraph (B)(i), and
24 any nonpregnant childless adult whose

1 family income exceeds the income eligibility
2 level referred to in subparagraph (B)(ii).

3 “(iii) NONPREGNANT CHILDLESS
4 ADULTS, PARENTS, OR CARETAKER REL-
5 ATIVES NOT ENROLLED UNDER A SECTION
6 1115 WAIVER ON THE DATE OF ENACT-
7 MENT OF THE STATE CHILDREN’S HEALTH
8 INSURANCE PROGRAM REAUTHORIZATION
9 OF 2007.—Any nonpregnant parent or a
10 nonpregnant caretaker relative of a tar-
11 geted low-income child who is not enrolled
12 in the State child health plan under a sec-
13 tion 1115 waiver, experimental, pilot, or
14 demonstration project referred to in sub-
15 paragraph (B)(i) on the date of enactment
16 of the Kids First Act, and any nonpreg-
17 nant childless adult who is not enrolled in
18 the State child health plan under a section
19 1115 waiver, experimental, pilot, or dem-
20 onstration project referred to in subpara-
21 graph (B)(ii)(I) on such date.

22 “(D) DEFINITION OF CARETAKER REL-
23 ATIVE.—In this subparagraph, the term ‘care-
24 taker relative’ has the meaning given that term
25 for purposes of carrying out section 1931.

1 “(E) **RULE OF CONSTRUCTION.**—Nothing
2 in this paragraph shall be construed as imply-
3 ing that payments for coverage of populations
4 for which the Federal medical assistance per-
5 centage (as so determined) is to be substituted
6 for the enhanced FMAP under subsection
7 (a)(1) in accordance with this paragraph are to
8 be made from funds other than the allotments
9 determined for a State under section 2104.”.

10 (b) **CONFORMING AMENDMENT.**—Section 2105(a)(1)
11 of the Social Security Act (42 U.S.C. 1397dd(a)(1)) is
12 amended, in the matter preceding subparagraph (A), by
13 inserting “or subsection (c)(8)” after “subparagraph
14 (B)”.

15 **SEC. 5. PROHIBITION ON NEW SECTION 1115 WAIVERS FOR**
16 **COVERAGE OF ADULTS OTHER THAN PREG-**
17 **NANT WOMEN.**

18 (a) **IN GENERAL.**—Section 2107(f) of the Social Se-
19 curity Act (42 U.S.C. 1397gg(f)) is amended—

20 (1) by striking “, the Secretary” and inserting
21 “:

22 “(1) The Secretary”; and

23 (2) by adding at the end the following new
24 paragraphs:

1 “(2) The Secretary may not approve, extend,
2 renew, or amend a waiver, experimental, pilot, or
3 demonstration project with respect to a State after
4 the date of enactment of the Kids First Act that
5 would allow funds made available under this title to
6 be used to provide child health assistance or other
7 health benefits coverage for any other adult other
8 than a pregnant woman whose family income does
9 not exceed the income eligibility level specified for a
10 targeted low-income child in that State under a
11 waiver or project approved as of such date.

12 “(3) The Secretary may not approve, extend,
13 renew, or amend a waiver, experimental, pilot, or
14 demonstration project with respect to a State after
15 the date of enactment of the Kids First Act that
16 would waive or modify the requirements of section
17 2105(e)(8).”.

18 (b) CLARIFICATION OF AUTHORITY FOR COVERAGE
19 OF PREGNANT WOMEN.—Section 2106 of the Social Secu-
20 rity Act (42 U.S.C. 1397ff) is amended by adding at the
21 end the following new subsection:

22 “(f) NO AUTHORITY TO COVER PREGNANT WOMEN
23 THROUGH STATE PLAN.—For purposes of this title, a
24 State may provide assistance to a pregnant woman under
25 the State child health plan only—

1 “(1) by virtue of a waiver under section 1115;

2 or

3 “(2) through the application of sections 457.10,
4 457.350(b)(2), 457.622(c)(5), and 457.626(a)(3) of
5 title 42, Code of Federal Regulations (as in effect on
6 the date of enactment of the Kids First Act).”.

7 (c) ASSURANCE OF NOTICE TO AFFECTED ENROLL-
8 EES.—The Secretary of Health and Human Services shall
9 establish procedures to ensure that States provide ade-
10 quate public notice for parents, caretaker relatives, and
11 nonpregnant childless adults whose eligibility for child
12 health assistance or health benefits coverage under a waiv-
13 er under section 1115 of the Social Security Act will be
14 terminated as a result of the amendments made by sub-
15 section (a), and that States otherwise adhere to regula-
16 tions of the Secretary relating to procedures for termi-
17 nating waivers under section 1115 of the Social Security
18 Act.

19 **SEC. 6. STANDARDIZATION OF DETERMINATION OF FAMILY**
20 **INCOME.**

21 (a) ELIGIBILITY BASED ON GROSS INCOME.—

22 (1) IN GENERAL.—Section 2110 of the Social
23 Security Act (42 U.S.C. 1397jj) is amended by add-
24 ing at the end the following new subsection:

1 “(d) STANDARDIZATION OF DETERMINATION OF
2 FAMILY INCOME.—A State shall determine family income
3 for purposes of determining income eligibility for child
4 health assistance or other health benefits coverage under
5 the State child health plan (or under a waiver of such plan
6 under section 1115) solely on the basis of the gross income
7 (as defined by the Secretary) of the family.”.

8 (2) PROHIBITION ON WAIVER OF REQUIRE-
9 MENTS.—Section 2107(f) (42 U.S.C. 1397gg(f)), as
10 amended by section 5(a), is amended by adding at
11 the end the following new paragraph:

12 “(4) The Secretary may not approve a waiver,
13 experimental, pilot, or demonstration project with re-
14 spect to a State after the date of enactment of the
15 Kids First Act that would waive or modify the re-
16 quirements of section 2110(d) (relating to deter-
17 mining income eligibility on the basis of gross in-
18 come) and regulations promulgated to carry out
19 such requirements.”.

20 (b) REGULATIONS.—Not later than 90 days after the
21 date of enactment of this Act, the Secretary of Health and
22 Human Services shall promulgate interim final regulations
23 defining gross income for purposes of section 2110(d) of
24 the Social Security Act, as added by subsection (a).

1 (c) APPLICATION TO CURRENT ENROLLEES.—The
2 interim final regulations promulgated under subsection (b)
3 shall not be used to determine the income eligibility of any
4 individual enrolled in a State child health plan under title
5 XXI of the Social Security Act on the date of enactment
6 of this Act before the date on which such eligibility of the
7 individual is required to be redetermined under the plan
8 as in effect on such date. In the case of any individual
9 enrolled in such plan on such date who, solely as a result
10 of the application of subsection (d) of section 2110 of the
11 Social Security Act (as added by subsection (a)) and the
12 regulations promulgated under subsection (b), is deter-
13 mined to be ineligible for child health assistance under the
14 State child health plan, a State may elect, subject to sub-
15 stitution of the Federal medical assistance percentage for
16 the enhanced FMAP under section 2105(c)(8)(A) of the
17 Social Security Act (as added by section 4(a)), to continue
18 to provide the individual with such assistance for so long
19 as the individual otherwise would be eligible for such as-
20 sistance and the individual's family income, if determined
21 under the income and resource standards and methodolo-
22 gies applicable under the State child health plan on Sep-
23 tember 30, 2007, would not exceed the income eligibility
24 level applicable to the individual under the State child
25 health plan.

1 **SEC. 7. GRANTS FOR OUTREACH AND ENROLLMENT.**

2 (a) GRANTS.—Title XXI of the Social Security Act
3 (42 U.S.C. 1397aa et seq.) is amended by adding at the
4 end the following:

5 **“SEC. 2111. GRANTS TO IMPROVE OUTREACH AND ENROLL-**
6 **MENT.**

7 “(a) OUTREACH AND ENROLLMENT GRANTS; NA-
8 TIONAL CAMPAIGN.—

9 “(1) IN GENERAL.—From the amounts appro-
10 priated for a fiscal year under subsection (f), subject
11 to paragraph (2), the Secretary shall award grants
12 to eligible entities to conduct outreach and enroll-
13 ment efforts that are designed to increase the enroll-
14 ment and participation of eligible children under this
15 title and title XIX.

16 “(2) 10 PERCENT SET ASIDE FOR NATIONAL
17 ENROLLMENT CAMPAIGN.—An amount equal to 10
18 percent of such amounts for the fiscal year shall be
19 used by the Secretary for expenditures during the
20 fiscal year to carry out a national enrollment cam-
21 paign in accordance with subsection (g).

22 “(b) AWARD OF GRANTS.—

23 “(1) PRIORITY FOR AWARDING.—

24 “(A) IN GENERAL.—In awarding grants
25 under subsection (a), the Secretary shall give
26 priority to eligible entities that—

1 “(i) propose to target geographic
2 areas with high rates of—

3 “(I) eligible but unenrolled chil-
4 dren, including such children who re-
5 side in rural areas; or

6 “(II) racial and ethnic minorities
7 and health disparity populations, in-
8 cluding those proposals that address
9 cultural and linguistic barriers to en-
10 rollment; and

11 “(ii) submit the most demonstrable
12 evidence required under paragraphs (1)
13 and (2) of subsection (c).

14 “(B) 10 PERCENT SET ASIDE FOR OUT-
15 REACH TO INDIAN CHILDREN.—An amount
16 equal to 10 percent of the funds appropriated
17 under subsection (f) for a fiscal year shall be
18 used by the Secretary to award grants to In-
19 dian Health Service providers and urban Indian
20 organizations receiving funds under title V of
21 the Indian Health Care Improvement Act (25
22 U.S.C. 1651 et seq.) for outreach to, and en-
23 rollment of, children who are Indians.

24 “(2) 2-YEAR AVAILABILITY.—A grant awarded
25 under this section for a fiscal year shall remain

1 available for expenditure through the end of the suc-
2 ceeding fiscal year.

3 “(c) APPLICATION.—An eligible entity that desires to
4 receive a grant under subsection (a) shall submit an appli-
5 cation to the Secretary in such form and manner, and con-
6 taining such information, as the Secretary may decide.
7 Such application shall include—

8 “(1) evidence demonstrating that the entity in-
9 cludes members who have access to, and credibility
10 with, ethnic or low-income populations in the com-
11 munities in which activities funded under the grant
12 are to be conducted;

13 “(2) evidence demonstrating that the entity has
14 the ability to address barriers to enrollment, such as
15 lack of awareness of eligibility, stigma concerns and
16 punitive fears associated with receipt of benefits,
17 and other cultural barriers to applying for and re-
18 ceiving child health assistance or medical assistance;

19 “(3) specific quality or outcomes performance
20 measures to evaluate the effectiveness of activities
21 funded by a grant awarded under this section; and

22 “(4) an assurance that the eligible entity
23 shall—

1 “(A) conduct an assessment of the effec-
2 tiveness of such activities against the perform-
3 ance measures;

4 “(B) cooperate with the collection and re-
5 porting of enrollment data and other informa-
6 tion in order for the Secretary to conduct such
7 assessments.

8 “(C) in the case of an eligible entity that
9 is not the State, provide the State with enroll-
10 ment data and other information as necessary
11 for the State to make necessary projections of
12 eligible children and pregnant women.

13 “(d) SUPPLEMENT, NOT SUPPLANT.—Federal funds
14 awarded under this section shall be used to supplement,
15 not supplant, non-Federal funds that are otherwise avail-
16 able for activities funded under this section.

17 “(e) DEFINITIONS.—In this section:

18 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
19 tity’ means any of the following:

20 “(A) A State with an approved child health
21 plan under this title.

22 “(B) A local government.

23 “(C) An Indian tribe or tribal consortium,
24 a tribal organization, an urban Indian organiza-
25 tion receiving funds under title V of the Indian

1 Health Care Improvement Act (25 U.S.C. 1651
2 et seq.), or an Indian Health Service provider.

3 “(D) A Federal health safety net organiza-
4 tion.

5 “(E) A State, national, local, or commu-
6 nity-based public or nonprofit private organiza-
7 tion.

8 “(F) A faith-based organization or con-
9 sortia, to the extent that a grant awarded to
10 such an entity is consistent with the require-
11 ments of section 1955 of the Public Health
12 Service Act (42 U.S.C. 300x-65) relating to a
13 grant award to non-governmental entities.

14 “(G) An elementary or secondary school.

15 “(H) A national, local, or community-based
16 public or nonprofit private organization, includ-
17 ing organizations that use community health
18 workers or community-based doula programs.

19 “(2) FEDERAL HEALTH SAFETY NET ORGANI-
20 ZATION.—The term ‘Federal health safety net orga-
21 nization’ means—

22 “(A) a federally-qualified health center (as
23 defined in section 1905(l)(2)(B));

1 “(B) a hospital defined as a disproportio-
2 nate share hospital for purposes of section
3 1923;

4 “(C) a covered entity described in section
5 340B(a)(4) of the Public Health Service Act
6 (42 U.S.C. 256b(a)(4)); and

7 “(D) any other entity or consortium that
8 serves children under a federally-funded pro-
9 gram, including the special supplemental nutri-
10 tion program for women, infants, and children
11 (WIC) established under section 17 of the Child
12 Nutrition Act of 1966 (42 U.S.C. 1786), the
13 head start and early head start programs under
14 the Head Start Act (42 U.S.C. 9801 et seq.),
15 the school lunch program established under the
16 Richard B. Russell National School Lunch Act,
17 and an elementary or secondary school.

18 “(3) INDIANS; INDIAN TRIBE; TRIBAL ORGANI-
19 ZATION; URBAN INDIAN ORGANIZATION.—The terms
20 ‘Indian’, ‘Indian tribe’, ‘tribal organization’, and
21 ‘urban Indian organization’ have the meanings given
22 such terms in section 4 of the Indian Health Care
23 Improvement Act (25 U.S.C. 1603).

24 “(4) COMMUNITY HEALTH WORKER.—The term
25 ‘community health worker’ means an individual who

1 promotes health or nutrition within the community
2 in which the individual resides—

3 “(A) by serving as a liaison between com-
4 munities and health care agencies;

5 “(B) by providing guidance and social as-
6 sistance to community residents;

7 “(C) by enhancing community residents’
8 ability to effectively communicate with health
9 care providers;

10 “(D) by providing culturally and linguis-
11 tically appropriate health or nutrition edu-
12 cation;

13 “(E) by advocating for individual and com-
14 munity health or nutrition needs; and

15 “(F) by providing referral and followup
16 services.

17 “(f) APPROPRIATION.—

18 “(1) IN GENERAL.—There is appropriated, out
19 of any money in the Treasury not otherwise appro-
20 priated, for the purpose of awarding grants under
21 this section—

22 “(A) \$100,000,000 for each of fiscal years
23 2008 and 2009;

24 “(B) \$75,000,000 for each of fiscal years
25 2010 and 2011; and

1 “(C) \$50,000,000 for fiscal year 2012.

2 “(2) GRANTS IN ADDITION TO OTHER AMOUNTS
3 PAID.—Amounts appropriated and paid under the
4 authority of this section shall be in addition to
5 amounts appropriated under section 2104 and paid
6 to States in accordance with section 2105, including
7 with respect to expenditures for outreach activities
8 in accordance with subsections (a)(1)(D)(iii) and
9 (c)(2)(C) of that section.

10 “(g) NATIONAL ENROLLMENT CAMPAIGN.—From
11 the amounts made available under subsection (a)(2) for
12 a fiscal year, the Secretary shall develop and implement
13 a national enrollment campaign to improve the enrollment
14 of underserved child populations in the programs estab-
15 lished under this title and title XIX. Such campaign may
16 include—

17 “(1) the establishment of partnerships with the
18 Secretary of Education and the Secretary of Agri-
19 culture to develop national campaigns to link the eli-
20 gibility and enrollment systems for the assistance
21 programs each Secretary administers that often
22 serve the same children;

23 “(2) the integration of information about the
24 programs established under this title and title XIX

1 in public health awareness campaigns administered
2 by the Secretary;

3 “(3) increased financial and technical support
4 for enrollment hotlines maintained by the Secretary
5 to ensure that all States participate in such hotlines;

6 “(4) the establishment of joint public awareness
7 outreach initiatives with the Secretary of Education
8 and the Secretary of Labor regarding the impor-
9 tance of health insurance to building strong commu-
10 nities and the economy;

11 “(5) the development of special outreach mate-
12 rials for Native Americans or for individuals with
13 limited English proficiency; and

14 “(6) such other outreach initiatives as the Sec-
15 retary determines would increase public awareness of
16 the programs under this title and title XIX.”.

17 (b) NONAPPLICATION OF ADMINISTRATIVE EXPENDI-
18 TURES CAP.—Section 2105(c)(2) of the Social Security
19 Act (42 U.S.C. 1397ee(c)(2)) is amended by adding at the
20 end the following:

21 “(C) NONAPPLICATION TO EXPENDITURES
22 FOR OUTREACH AND ENROLLMENT.—The limi-
23 tation under subparagraph (A) shall not apply
24 with respect to expenditures for outreach activi-
25 ties under section 2102(c)(1), or for enrollment

1 activities, for children eligible for child health
 2 assistance under the State child health plan or
 3 medical assistance under the State plan under
 4 title XIX.”.

5 **SEC. 8. IMPROVED STATE OPTION FOR OFFERING PRE-**
 6 **MIUM ASSISTANCE FOR COVERAGE**
 7 **THROUGH PRIVATE PLANS.**

8 (a) IN GENERAL.—Section 2105(c) of the Social Se-
 9 curity Act (42 U.S.C. 1397ee(c)), as amended by section
 10 4(a) is amended by adding at the end the following:

11 “(9) ADDITIONAL STATE OPTION FOR OFFER-
 12 ING PREMIUM ASSISTANCE.—

13 “(A) IN GENERAL.—Subject to the suc-
 14 ceeding provisions of this paragraph, a State
 15 may elect to offer a premium assistance subsidy
 16 (as defined in subparagraph (C)) for qualified
 17 employer sponsored coverage (as defined in sub-
 18 paragraph (B)) to all targeted low-income chil-
 19 dren who are eligible for child health assistance
 20 under the plan and have access to such cov-
 21 erage in accordance with the requirements of
 22 this paragraph.

23 “(B) QUALIFIED EMPLOYER SPONSORED
 24 COVERAGE.—

1 “(i) IN GENERAL.—In this paragraph,
2 the term ‘qualified employer sponsored cov-
3 erage’ means a group health plan or health
4 insurance coverage offered through an em-
5 ployer that is—

6 “(I) substantially equivalent to
7 the benefits coverage in a benchmark
8 benefit package described in section
9 2103(b) or benchmark-equivalent cov-
10 erage that meets the requirements of
11 section 2103(a)(2);

12 “(II) made similarly available to
13 all of the employer’s employees and
14 for which the employer makes a con-
15 tribution to the premium that is not
16 less for employees receiving a pre-
17 mium assistance subsidy under any
18 option available under the State child
19 health plan under this title or the
20 State plan under title XIX to provide
21 such assistance than the employer
22 contribution provided for all other em-
23 ployees; and

24 “(III) cost-effective, as deter-
25 mined under clause (ii).

1 “(ii) COST-EFFECTIVENESS.—A group
2 health plan or health insurance coverage
3 offered through an employer shall be con-
4 sidered to be cost-effective if—

5 “(I) the marginal premium cost
6 to purchase family coverage through
7 the employer is less than the State
8 cost of providing child health assist-
9 ance through the State child health
10 plan for all the children in the family
11 who are targeted low-income children;
12 or

13 “(II) the marginal premium cost
14 between individual coverage and pur-
15 chasing family coverage through the
16 employer is not greater than 175 per-
17 cent of the cost to the State to pro-
18 vide child health assistance through
19 the State child health plan for a tar-
20 geted low-income child.

21 “(iii) HIGH DEDUCTIBLE HEALTH
22 PLANS INCLUDED.—The term ‘qualified
23 employer sponsored coverage’ includes a
24 high deductible health plan (as defined in
25 section 223(c)(2) of the Internal Revenue

1 Code of 1986) purchased through a health
2 savings account (as defined under section
3 223(d) of such Code).

4 “(C) PREMIUM ASSISTANCE SUBSIDY.—

5 “(i) IN GENERAL.—In this paragraph,
6 the term ‘premium assistance subsidy’
7 means, with respect to a targeted low-in-
8 come child, the amount equal to the dif-
9 ference between the employee contribution
10 required for enrollment only of the em-
11 ployee under qualified employer sponsored
12 coverage and the employee contribution re-
13 quired for enrollment of the employee and
14 the child in such coverage, less any appli-
15 cable premium cost-sharing applied under
16 the State child health plan, subject to the
17 annual aggregate cost-sharing limit applied
18 under section 2103(e)(3)(B).

19 “(ii) STATE PAYMENT OPTION.—Sub-
20 ject to clause (iii), a State may provide a
21 premium assistance subsidy directly to an
22 employer or as reimbursement to an em-
23 ployee for out-of-pocket expenditures.

24 “(iii) REQUIREMENT FOR DIRECT
25 PAYMENT TO EMPLOYEE.—A State shall

1 not pay a premium assistance subsidy di-
2 rectly to the employee, unless the State has
3 established procedures to ensure that the
4 targeted low-income child on whose behalf
5 such payments are made are actually en-
6 rolled in the qualified employer sponsored
7 coverage.

8 “(iv) TREATMENT AS CHILD HEALTH
9 ASSISTANCE.—Expenditures for the provi-
10 sion of premium assistance subsidies shall
11 be considered child health assistance de-
12 scribed in paragraph (1)(C) of subsection
13 (a) for purposes of making payments
14 under that subsection.

15 “(v) STATE OPTION TO REQUIRE AC-
16 CEPTANCE OF SUBSIDY.—A State may
17 condition the provision of child health as-
18 sistance under the State child health plan
19 for a targeted low-income child on the re-
20 ceipt of a premium assistance subsidy for
21 enrollment in qualified employer sponsored
22 coverage if the State determines the provi-
23 sion of such a subsidy to be more cost-ef-
24 fective in accordance with subparagraph
25 (B)(ii).

1 “(vi) NOT TREATED AS INCOME.—
2 Notwithstanding any other provision of
3 law, a premium assistance subsidy pro-
4 vided in accordance with this paragraph
5 shall not be treated as income to the child
6 or the parent of the child for whom such
7 subsidy is provided.

8 “(D) NO REQUIREMENT TO PROVIDE SUP-
9 PLEMENTAL COVERAGE FOR BENEFITS AND AD-
10 DITIONAL COST-SHARING PROTECTION PRO-
11 VIDED UNDER THE STATE CHILD HEALTH
12 PLAN.—

13 “(i) IN GENERAL.—A State that
14 elects the option to provide a premium as-
15 sistance subsidy under this paragraph shall
16 not be required to provide a targeted low-
17 income child enrolled in qualified employer
18 sponsored coverage with supplemental cov-
19 erage for items or services that are not
20 covered, or are only partially covered,
21 under the qualified employer sponsored
22 coverage or cost-sharing protection other
23 than the protection required under section
24 2103(e)(3)(B).

1 “(ii) NOTICE OF COST-SHARING RE-
2 QUIREMENTS.—A State shall provide a tar-
3 geted low-income child or the parent of
4 such a child (as appropriate) who is pro-
5 vided with a premium assistance subsidy in
6 accordance with this paragraph with notice
7 of the cost-sharing requirements and limi-
8 tations imposed under the qualified em-
9 ployer sponsored coverage in which the
10 child is enrolled upon the enrollment of the
11 child in such coverage and annually there-
12 after.

13 “(iii) RECORD KEEPING REQUIRE-
14 MENTS.—A State may require a parent of
15 a targeted low-income child that is enrolled
16 in qualified employer-sponsored coverage to
17 bear the responsibility for keeping track of
18 out-of-pocket expenditures incurred for
19 cost-sharing imposed under such coverage
20 and to notify the State when the limit on
21 such expenditures imposed under section
22 2103(e)(3)(B) has been reached for a year
23 from the effective date of enrollment for
24 such year.

1 “(iv) STATE OPTION FOR REIMBURSE-
2 MENT.—A State may retroactively reim-
3 burse a parent of a targeted low-income
4 child for out-of-pocket expenditures in-
5 curred after reaching the 5 percent cost-
6 sharing limitation imposed under section
7 2103(e)(3)(B) for a year.

8 “(E) 6-MONTH WAITING PERIOD RE-
9 QUIRED.—A State shall impose at least a 6-
10 month waiting period from the time an indi-
11 vidual is enrolled in private health insurance
12 prior to the provision of a premium assistance
13 subsidy for a targeted low-income child in ac-
14 cordance with this paragraph.

15 “(F) NON APPLICATION OF WAITING PE-
16 RIOD FOR ENROLLMENT IN THE STATE MED-
17 ICAID PLAN OR THE STATE CHILD HEALTH
18 PLAN.—A targeted low-income child provided a
19 premium assistance subsidy in accordance with
20 this paragraph who loses eligibility for such
21 subsidy shall not be treated as having been en-
22 rolled in private health insurance coverage for
23 purposes of applying any waiting period im-
24 posed under the State child health plan or the

1 State plan under title XIX for the enrollment of
2 the child under such plan.

3 “(G) ASSURANCE OF SPECIAL ENROLL-
4 MENT PERIOD UNDER GROUP HEALTH PLANS
5 IN CASE OF ELIGIBILITY FOR PREMIUM SUB-
6 SIDY ASSISTANCE.—No payment shall be made
7 under subsection (a) for amounts expended for
8 the provision of premium assistance subsidies
9 under this paragraph unless a State provides
10 assurances to the Secretary that the State has
11 in effect laws requiring a group health plan, a
12 health insurance issuer offering group health
13 insurance coverage in connection with a group
14 health plan, and a self-funded health plan, to
15 permit an employee who is eligible, but not en-
16 rolled, for coverage under the terms of the plan
17 (or a child of such an employee if the child is
18 eligible, but not enrolled, for coverage under
19 such terms) to enroll for coverage under the
20 terms of the plan if the employee’s child be-
21 comes eligible for a premium assistance subsidy
22 under this paragraph.

23 “(H) NO EFFECT ON PREVIOUSLY AP-
24 PROVED PREMIUM ASSISTANCE PROGRAMS.—
25 Nothing in this paragraph shall be construed as

1 limiting the authority of a State to offer pre-
2 mium assistance under section 1906, a waiver
3 described in paragraph (2)(B) or (3), a waiver
4 approved under section 1115, or other authority
5 in effect on June 28, 2007.

6 “(I) NOTICE OF AVAILABILITY.—A State
7 shall—

8 “(i) include on any application or en-
9 rollment form for child health assistance a
10 notice of the availability of premium assist-
11 ance subsidies for the enrollment of tar-
12 geted low-income children in qualified em-
13 ployer sponsored coverage;

14 “(ii) provide, as part of the applica-
15 tion and enrollment process under the
16 State child health plan, information de-
17 scribing the availability of such subsidies
18 and how to elect to obtain such a subsidy;
19 and

20 “(iii) establish such other procedures
21 as the State determines necessary to en-
22 sure that parents are informed of the
23 availability of such subsidies under the
24 State child health plan.”.

1 (b) APPLICATION TO MEDICAID.—Section 1906 of
2 the Social Security Act (42 U.S.C. 1396e) is amended by
3 inserting after subsection (c) the following:

4 “(d) The provisions of section 2105(c)(9) shall apply
5 to a child who is eligible for medical assistance under the
6 State plan in the same manner as such provisions apply
7 to a targeted low-income child under a State child health
8 plan under title XXI. Section 1902(a)(34) shall not apply
9 to a child who is provided a premium assistance subsidy
10 under the State plan in accordance with the preceding sen-
11 tence.”.

12 **SEC. 9. TREATMENT OF UNBORN CHILDREN.**

13 (a) CODIFICATION OF CURRENT REGULATIONS.—
14 Section 2110(c)(1) of the Social Security Act (42 U.S.C.
15 1397jj(c)(1)) is amended by striking the period at the end
16 and inserting the following: “, and includes, at the option
17 of a State, an unborn child. For purposes of the previous
18 sentence, the term ‘unborn child’ means a member of the
19 species *Homo sapiens*, at any stage of development, who
20 is carried in the womb.”.

21 (b) CLARIFICATIONS REGARDING COVERAGE OF
22 MOTHERS.—Section 2103 (42 U.S.C. 1397cc) is amended
23 by adding at the end the following new subsection:

24 “(g) CLARIFICATIONS REGARDING AUTHORITY TO
25 PROVIDE POSTPARTUM SERVICES AND MATERNAL

1 HEALTH CARE.—Any State that provides child health as-
2 sistance to an unborn child under the option described in
3 section 2110(c)(1) may—

4 “(1) continue to provide such assistance to the
5 mother, as well as postpartum services, through the
6 end of the month in which the 60-day period (begin-
7 ning on the last day of pregnancy) ends; and

8 “(2) in the interest of the child to be born, have
9 flexibility in defining and providing services to ben-
10 efit either the mother or unborn child consistent
11 with the health of both.”.

12 **SEC. 10. 50 PERCENT MATCHING RATE FOR ALL MEDICAID**
13 **ADMINISTRATIVE COSTS.**

14 Section 1903(a) of the Social Security Act (42 U.S.C.
15 1396b(a)) is amended—

16 (1) by striking paragraph (2);

17 (2) by redesignating paragraph (3)(E) as para-
18 graph (2) and re-locating and indenting it appro-
19 priately;

20 (3) in paragraph (2), as so redesignated, by re-
21 redesignating clauses (i) and (ii) as subparagraphs (A)
22 and (B), and indenting them appropriately;

23 (4) by striking paragraphs (3) and (4);

24 (5) in paragraph (5), by striking “which are at-
25 tributable to the offering, arranging, and fur-

1 nishing” and inserting “which are for the medical
2 assistance costs of furnishing”;

3 (6) by striking paragraph (6);

4 (7) in paragraph (7), by striking “subject to
5 section 1919(g)(3)(B),”; and

6 (8) by redesignating paragraphs (5) and (7) as
7 paragraphs (3) and (4), respectively.

8 **SEC. 11. REDUCTION IN PAYMENTS FOR MEDICAID ADMIN-**
9 **ISTRATIVE COSTS TO PREVENT DUPLICATION**
10 **OF SUCH PAYMENTS UNDER TANF.**

11 Section 1903 of the Social Security Act (42 U.S.C.
12 1396b) is amended—

13 (1) in subsection (a)(7), by striking “section
14 1919(g)(3)(B)” and inserting “subsection (h)”;

15 (2) in subsection (a)(2)(D) by inserting “, sub-
16 ject to subsection (g)(3)(C) of such section” after
17 “as are attributable to State activities under section
18 1919(g)”;

19 (3) by adding after subsection (g) the following
20 new subsection:

21 “(h) REDUCTION IN PAYMENTS FOR ADMINISTRA-
22 TIVE COSTS TO PREVENT DUPLICATION OF PAYMENTS
23 UNDER TITLE IV.—Beginning with the calendar quarter
24 commencing October 1, 2007, the Secretary shall reduce
25 the amount paid to each State under subsection (a)(7) for

1 each quarter by an amount equal to $\frac{1}{4}$ of the annualized
2 amount determined for the Medicaid program under sec-
3 tion 16(k)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C.
4 2025(k)(2)(B)).”.

5 **SEC. 12. MAINTAINING LIMITATION ON ELIGIBILITY FOR**
6 **ALIENS.**

7 Nothing in this Act shall be construed as changing
8 the limitations imposed under title IV of the Personal Re-
9 sponsibility and Work Opportunity Reconciliation Act of
10 1996 on eligibility of aliens for medical or child health as-
11 sistance benefits.

12 **SEC. 13. MAINTAINING CITIZENSHIP DOCUMENTATION RE-**
13 **QUIREMENTS.**

14 Nothing in this Act shall be construed as changing
15 the citizenship documentation requirements under the
16 Medicaid program under title XIX of the Social Security
17 Act, as originally provided under the amendments made
18 by section 6036 of the Deficit Reduction Act of 2005 and
19 as subsequently amended.

20 **SEC. 14. EFFECTIVE DATE.**

21 (a) IN GENERAL.—Subject to subsection (b), the
22 amendments made by this Act shall take effect as if en-
23 acted on October 1, 2007.

24 (b) DELAY IF STATE LEGISLATION REQUIRED.—In
25 the case of a State child health plan under title XXI of

1 the Social Security Act or a waiver of such plan under
2 section 1115 of such Act which the Secretary of Health
3 and Human Services determines requires State legislation
4 (other than legislation appropriating funds) in order for
5 the plan or waiver to meet the additional requirements im-
6 posed by the amendments made by this Act, the State
7 child health plan or waiver shall not be regarded as failing
8 to comply with the requirements of such title XXI solely
9 on the basis of its failure to meet such additional require-
10 ments before the first day of the first calendar quarter
11 beginning after the close of the first regular session of the
12 State legislature that begins after the date of the enact-
13 ment of this Act. For purposes of the previous sentence,
14 in the case of a State that has a 2-year legislative session,
15 each year of such session shall be deemed to be a separate
16 regular session of the State legislature.

17 (c) CONTINGENT EFFECTIVE DATE FOR SCHIP
18 FUNDING FOR FISCAL YEAR 2008.—Notwithstanding any
19 other provision of law, if funds are appropriated under any
20 law (other than this Act) to provide allotments to States
21 under title XXI of the Social Security Act for all (or any
22 portion) of fiscal year 2008—

23 (1) any amounts that are so appropriated that
24 are not so allotted and obligated before the date of
25 the enactment of this Act are rescinded; and

1 (2) any amount provided for such title XXI al-
2 lotments to a State under this Act (and the amend-
3 ments made by this Act) for such fiscal year shall
4 be reduced by the amount of such appropriations so
5 allotted and obligated before such date.

○