

110TH CONGRESS  
1ST SESSION

# S. 787

To impose a 2-year moratorium on implementation of a proposed rule relating to the Federal-State financial partnerships under Medicaid and the State Children's Health Insurance Program.

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IN THE SENATE OF THE UNITED STATES

MARCH 7, 2007

Mr. MARTINEZ introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To impose a 2-year moratorium on implementation of a proposed rule relating to the Federal-State financial partnerships under Medicaid and the State Children's Health Insurance Program.

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

3       **SECTION 1. MORATORIUM ON IMPLEMENTATION OF PRO-**  
4                       **POSED RULE RELATING TO THE FEDERAL-**  
5                       **STATE FINANCIAL PARTNERSHIPS UNDER**  
6                       **MEDICAID AND SCHIP.**

7       (a) FINDINGS.—Congress makes the following find-  
8       ings:

1           (1) The proposed rule published on January 18,  
2           2007, on pages 2236 through 2258 of volume 72,  
3           Federal Register (relating to parts 433, 447, and  
4           457 of title 42, Code of Federal Regulations) would  
5           significantly change the Federal-State financial part-  
6           nership under the Medicaid and the State Children’s  
7           Health Insurance Programs by—

8                   (A) imposing a cost limit on payments  
9                   made under such programs to governmentally-  
10                  operated providers;

11                  (B) limiting the permissible sources of the  
12                  non-Federal shares required under such pro-  
13                  grams and the types of entities permitted to  
14                  contribute to such shares; and

15                  (C) imposing new requirements on partici-  
16                  pating providers under such programs.

17           (2) More time is needed to determine how the  
18           proposed rule would impact States, particularly with  
19           respect to those States with Medicaid or State Chil-  
20           dren’s Health Insurance Programs that are oper-  
21           ating under financing arrangements that have been  
22           approved by the Secretary of Health and Human  
23           Services through the waiver process established  
24           under section 1115 of the Social Security Act and  
25           have been properly following the intent and purpose

1 pose for which such funding arrangements were es-  
2 tablished.

3 (3) Permitting the proposed rule to take effect  
4 without allowing sufficient time for further study of  
5 the effect of the implementation of the rule could  
6 have a negative impact for States, particularly  
7 States with Medicaid or State Children's Health In-  
8 surance Programs operating under financing ar-  
9 rangements that would be affected by such rule and  
10 that have been approved by the Secretary of Health  
11 and Human Services through the section 1115 waiv-  
12 er process.

13 (b) MORATORIUM ON IMPLEMENTATION.—Notwith-  
14 standing any other provision of law, the proposed rule  
15 published on January 18, 2007, on pages 2236 through  
16 2258 of volume 72, Federal Register (relating to parts  
17 433, 447, and 457 of title 42, Code of Federal Regula-  
18 tions), shall not take effect before September 1, 2009.

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