

116TH CONGRESS
1ST SESSION

H. R. 260

To extend the Medicaid Money Follows the Person Rebalancing demonstration, to extend protection for Medicaid recipients of home and community-based services against spousal impoverishment, to extend the Temporary Assistance for Needy Families program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 2019

Mr. PALLONE (for himself, Mr. WALDEN, and Mr. NEAL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To extend the Medicaid Money Follows the Person Rebalancing demonstration, to extend protection for Medicaid recipients of home and community-based services against spousal impoverishment, to extend the Temporary Assistance for Needy Families 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Medicaid Provisions
3 and TANF Extenders Act of 2019”.

4 **TITLE I—MEDICAID EXTENDERS**

5 **SEC. 101. EXTENSION OF MONEY FOLLOWS THE PERSON**
6 **REBALANCING DEMONSTRATION.**

7 (a) **GENERAL FUNDING.**—Section 6071(h) of the
8 Deficit Reduction Act of 2005 (42 U.S.C. 1396a note) is
9 amended—

10 (1) in paragraph (1)—

11 (A) in subparagraph (D), by striking
12 “and” after the semicolon;

13 (B) in subparagraph (E), by striking the
14 period at the end and inserting “; and”; and

15 (C) by adding at the end the following:

16 “(F) subject to paragraph (3),
17 \$112,000,000 for fiscal year 2019.”;

18 (2) in paragraph (2)—

19 (A) by striking “Amounts made” and in-
20 serting “Subject to paragraph (3), amounts
21 made”; and

22 (B) by striking “September 30, 2016” and
23 inserting “September 30, 2021”; and

24 (3) by adding at the end the following new
25 paragraph:

1 “(3) SPECIAL RULE FOR FY 2019.—Funds ap-
2 propriated under paragraph (1)(F) shall be made
3 available for grants to States only if such States
4 have an approved MFP demonstration project under
5 this section as of December 31, 2018.”.

6 (b) FUNDING FOR QUALITY ASSURANCE AND IM-
7 PROVEMENT; TECHNICAL ASSISTANCE; OVERSIGHT.—
8 Section 6071(f) of the Deficit Reduction Act of 2005 (42
9 U.S.C. 1396a note) is amended by striking paragraph (2)
10 and inserting the following:

11 “(2) FUNDING.—From the amounts appro-
12 priated under subsection (h)(1)(F) for fiscal year
13 2019, \$500,000 shall be available to the Secretary
14 for such fiscal year to carry out this subsection.”.

15 (c) TECHNICAL AMENDMENT.—Section 6071(b) of
16 the Deficit Reduction Act of 2005 (42 U.S.C. 1396a note)
17 is amended by adding at the end the following:

18 “(10) SECRETARY.—The term ‘Secretary’
19 means the Secretary of Health and Human Serv-
20 ices.”.

1 **SEC. 102. EXTENSION OF PROTECTION FOR MEDICAID RE-**
2 **CIPIENTS OF HOME AND COMMUNITY-BASED**
3 **SERVICES AGAINST SPOUSAL IMPOVERISH-**
4 **MENT.**

5 (a) IN GENERAL.—Section 2404 of Public Law 111–
6 148 (42 U.S.C. 1396r–5 note) is amended by striking “the
7 5-year period that begins on January 1, 2014,” and in-
8 serting “the period beginning on January 1, 2014, and
9 ending on March 31, 2019,”.

10 (b) RULE OF CONSTRUCTION.—

11 (1) PROTECTING STATE SPOUSAL INCOME AND
12 ASSET DISREGARD FLEXIBILITY UNDER WAIVERS
13 AND PLAN AMENDMENTS.—Nothing in section 2404
14 of Public Law 111–148 (42 U.S.C. 1396r–5 note) or
15 section 1924 of the Social Security Act (42 U.S.C.
16 1396r–5) shall be construed as prohibiting a State
17 from disregarding an individual’s spousal income
18 and assets under a State waiver or plan amendment
19 described in paragraph (2) for purposes of making
20 determinations of eligibility for home and commu-
21 nity-based services or home and community-based
22 attendant services and supports under such waiver
23 or plan amendment.

24 (2) STATE WAIVER OR PLAN AMENDMENT DE-
25 SCRIBED.—A State waiver or plan amendment de-
26 scribed in this paragraph is any of the following:

1 (A) A waiver or plan amendment to pro-
2 vide medical assistance for home and commu-
3 nity-based services under a waiver or plan
4 amendment under subsection (c), (d), or (i) of
5 section 1915 of the Social Security Act (42
6 U.S.C. 1396n) or under section 1115 of such
7 Act (42 U.S.C. 1315).

8 (B) A plan amendment to provide medical
9 assistance for home and community-based serv-
10 ices for individuals by reason of being deter-
11 mined eligible under section 1902(a)(10)(C) of
12 such Act (42 U.S.C. 1396a(a)(10)(C)) or by
13 reason of section 1902(f) of such Act (42
14 U.S.C. 1396a(f)) or otherwise on the basis of a
15 reduction of income based on costs incurred for
16 medical or other remedial care under which the
17 State disregarded the income and assets of the
18 individual's spouse in determining the initial
19 and ongoing financial eligibility of an individual
20 for such services in place of the spousal improv-
21 erishment provisions applied under section 1924
22 of such Act (42 U.S.C. 1396r-5).

23 (C) A plan amendment to provide medical
24 assistance for home and community-based at-

1 tendant services and supports under section
2 1915(k) of such Act (42 U.S.C. 1396n(k)).

3 **SEC. 103. REDUCTION IN FMAP AFTER 2020 FOR STATES**
4 **WITHOUT ASSET VERIFICATION PROGRAM.**

5 Section 1940 of the Social Security Act (42 U.S.C.
6 1396w) is amended by adding at the end the following
7 new subsection:

8 “(k) REDUCTION IN FMAP AFTER 2020 FOR NON-
9 COMPLIANT STATES.—

10 “(1) IN GENERAL.—With respect to a calendar
11 quarter beginning on or after January 1, 2021, the
12 Federal medical assistance percentage otherwise de-
13 termined under section 1905(b) for a non-compliant
14 State shall be reduced—

15 “(A) for calendar quarters in 2021 and
16 2022, by 0.12 percentage points;

17 “(B) for calendar quarters in 2023, by
18 0.25 percentage points;

19 “(C) for calendar quarters in 2024, by
20 0.35 percentage points; and

21 “(D) for calendar quarters in 2025 and
22 each year thereafter, by 0.5 percentage points.

23 “(2) NON-COMPLIANT STATE DEFINED.—For
24 purposes of this subsection, the term ‘non-compliant
25 State’ means a State—

1 “(A) that is one of the 50 States or the
2 District of Columbia;

3 “(B) with respect to which the Secretary
4 has not approved a State plan amendment sub-
5 mitted under subsection (a)(2); and

6 “(C) that is not operating, on an ongoing
7 basis, an asset verification program in accord-
8 ance with this section.”.

9 **SEC. 104. MEDICAID IMPROVEMENT FUND.**

10 Section 1941(b)(1) of the Social Security Act (42
11 U.S.C. 1396w-1(b)(1)) is amended by striking
12 “\$31,000,000” and inserting “\$6,000,000”.

13 **SEC. 105. BUDGETARY EFFECTS.**

14 (a) STATUTORY PAYGO SCORECARDS.—The budg-
15 etary effects of this title shall not be entered on either
16 PAYGO scorecard maintained pursuant to section 4(d) of
17 the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C.
18 933(d)).

19 (b) SENATE PAYGO SCORECARDS.—The budgetary
20 effects of this title shall not be entered on any PAYGO
21 scorecard maintained for purposes of section 4106 of H.
22 Con. Res. 71 (115th Congress).

23 (c) CLASSIFICATION OF BUDGETARY EFFECTS.—
24 Notwithstanding Rule 3 of the Budget Scorekeeping
25 Guidelines set forth in the joint explanatory statement of

1 the committee of conference accompanying Conference Re-
 2 port 105–217 and section 250(c)(8) of the Balanced
 3 Budget and Emergency Deficit Control Act of 1985, the
 4 budgetary effects of this title shall not be estimated—

5 (1) for purposes of section 251 of the Balanced
 6 Budget and Emergency Deficit Control Act of 1985;
 7 and

8 (2) for purposes of paragraph (4)(C) of section
 9 3 of the Statutory Pay-As-You-Go Act of 2010 as
 10 being included in an appropriation Act.

11 (d) PAYGO ANNUAL REPORT.—For the purposes of
 12 the annual report issued pursuant to section 5 of the Stat-
 13 utory Pay-As-You-Go Act of 2010 (2 U.S.C. 934) after
 14 adjournment of the second session of the 115th Congress,
 15 and for determining whether a sequestration order is nec-
 16 essary under such section, the debit for the budget year
 17 on the 5-year scorecard, if any, and the 10-year scorecard,
 18 if any, shall be deducted from such scorecard in 2019 and
 19 added to such scorecard in 2020.

20 **TITLE II—TANF AND TECHNICAL** 21 **CORRECTIONS**

22 **SEC. 201. TANF PROGRAM EXTENSIONS.**

23 (a) FAMILY ASSISTANCE GRANTS.—Section
 24 403(a)(1) of the Social Security Act (42 U.S.C. 603(a)(1))

1 is amended in each of subparagraphs (A) and (C) by striking
2 ing “2017 and 2018” and inserting “2019 and 2020”.

3 (b) HEALTHY MARRIAGE PROMOTION AND RESPON-
4 SIBLE FATHERHOOD GRANTS.—Section 403(a)(2)(D) of
5 such Act (42 U.S.C. 603(a)(2)(D)) is amended—

6 (1) by striking “2017 and 2018” and inserting
7 “2019 and 2020”; and

8 (2) by striking “for fiscal year 2017 or 2018”.

9 (c) CONTINGENCY FUND.—Section 403(b)(2) of such
10 Act (42 U.S.C. 603(b)(2)) is amended by striking “fiscal
11 year 2018” and inserting “each of fiscal years 2019 and
12 2020”.

13 (d) TRIBAL FAMILY ASSISTANCE GRANTS.—Para-
14 graphs (1)(A) and (2)(A) of section 412(a) of such Act
15 (42 U.S.C. 612(a)) are each amended by striking “2017
16 and 2018” and inserting “2019 and 2020”.

17 (e) CHILD CARE.—Section 418(a)(3) of such Act (42
18 U.S.C. 618(a)(3)) is amended by striking “2017 and
19 2018” and inserting “2019 and 2020”.

20 (f) GRANTS TO THE TERRITORIES.—Section
21 1108(b)(2) of such Act (42 U.S.C. 1308(b)(2)) is amend-
22 ed by striking “2017 and 2018” and inserting “2019 and
23 2020”.

1 **SEC. 202. MEASURING AND UNDERSTANDING OUTCOMES.**

2 (a) IN GENERAL.—Section 411(a) of the Social Secu-
3 rity Act (42 U.S.C. 611(a)) is amended by redesignating
4 paragraph (7) as paragraph (8) and inserting after para-
5 graph (6) the following:

6 “(7) REPORT ON ENGAGEMENT, EMPLOYMENT
7 AND OUTCOMES.—

8 “(A) REPORTING AGREEMENT.—Each
9 State and the Secretary shall enter into an
10 agreement specifying the manner by which the
11 information and data described in this para-
12 graph shall be collected and reported to the
13 Secretary beginning in fiscal year 2020.

14 “(i) OUTCOMES FOR EXITING RECIPI-
15 ENTS.—Information and data regarding
16 families who formerly received assistance
17 and included a work-eligible individual
18 (disaggregated by type of family, reason
19 for exit, and participation in work activi-
20 ties during the preceding fiscal year) under
21 the State program funded under this part
22 or under any State program funded with
23 qualified State expenditures (as defined in
24 section 409(a)(7)(B)(i)), with respect to
25 the following:

1 “(I) The percentage with at least
2 1 formerly work-eligible individual em-
3 ployed during the 2nd quarter after
4 exiting from the program.

5 “(II) The percentage with at
6 least 1 formerly work-eligible indi-
7 vidual employed during the 4th quar-
8 ter after exiting from the program.

9 “(III) The median earnings when
10 at least 1 formerly work-eligible indi-
11 vidual is employed during the 2d
12 quarter after exiting from the pro-
13 gram.

14 “(IV) The percentage with at
15 least 1 formerly work-eligible indi-
16 vidual employed during any of the
17 first 4 quarters after exiting from the
18 program.

19 “(V) The distribution of income
20 and earnings, including relative to
21 poverty and deep poverty, for each of
22 the first 4 quarters ending after the
23 quarter of exit from assistance.

1 “(VI) The percentage who, at the
2 time of exit from the program, were
3 subject to the following:

4 “(aa) A penalty under sec-
5 tion 407(e).

6 “(bb) A sanction or penalty
7 described in section 404 or 408.

8 “(cc) A penalty or sanction
9 not described in item (aa) or
10 (bb).

11 “(ii) ENGAGEMENT AND EMPLOY-
12 MENT OF CURRENT RECIPIENTS.—

13 “(I) WORK-ELIGIBLE INDIVID-
14 UALS.—In the case of current work-el-
15 igible individuals under the State pro-
16 gram funded under this part or under
17 any State program funded with quali-
18 fied State expenditures (as defined in
19 section 409(a)(7)(B)(i)), the following
20 information relative to the current
21 quarter being reported:

22 “(aa) Earnings in each of
23 the 4 quarters immediately pre-
24 ceding the quarter.

1 “(bb) Standard measures of
2 employment, earnings, receipt of
3 assistance, and participation in
4 work activities (as defined in sec-
5 tion 407(d)) in each of the first
6 4 quarters following the quarter.

7 “(II) ALL RECIPIENTS.—The
8 percentage of recipients of assistance
9 under the State program funded
10 under this part or under any State
11 program funded with qualified State
12 expenditures (as defined in section
13 409(a)(7)(B)(i)) who have not at-
14 tained 24 years of age and who obtain
15 a high school degree or its recognized
16 equivalent while receiving the assist-
17 ance.

18 “(B) STATISTICAL ADJUSTMENT MODEL
19 FOR EMPLOYMENT OUTCOMES.—The Secretary,
20 in consultation with the Secretary of Labor and
21 relevant experts, shall develop recommendations
22 by March 1, 2020, on how to establish and dis-
23 seminate an objective statistical model that will
24 allow the Secretary to make adjustments to the
25 data reported pursuant to subclauses (I)

1 through (IV) of subparagraph (A)(i) of this
 2 paragraph, based on economic conditions and
 3 the characteristics of participants. To the ex-
 4 tent practicable, the recommendations shall be
 5 compatible with the statistical adjustment
 6 model developed under section
 7 116(b)(3)(A)(viii) of the Workforce Innovation
 8 and Opportunity Act (29 U.S.C.
 9 3141(b)(3)(A)(viii)) and, with respect to a
 10 State, the State adjusted levels of performance
 11 established for the State under that section.”.

12 **SEC. 203. TECHNICAL CORRECTIONS TO DATA EXCHANGE**
 13 **STANDARDS TO IMPROVE PROGRAM COORDI-**
 14 **NATION.**

15 (a) IN GENERAL.—Section 411(d) of the Social Secu-
 16 rity Act (42 U.S.C. 611(d)) is amended to read as follows:

17 “(d) DATA EXCHANGE STANDARDS FOR IMPROVED
 18 INTEROPERABILITY.—

19 “(1) DESIGNATION.—The Secretary shall, in
 20 consultation with an interagency work group estab-
 21 lished by the Office of Management and Budget and
 22 considering State government perspectives, by rule,
 23 designate data exchange standards to govern, under
 24 this part—

1 “(A) necessary categories of information
2 that State agencies operating programs under
3 State plans approved under this part are re-
4 quired under applicable Federal law to elec-
5 tronically exchange with another State agency;
6 and

7 “(B) Federal reporting and data exchange
8 required under applicable Federal law.

9 “(2) REQUIREMENTS.—The data exchange
10 standards required by paragraph (1) shall, to the ex-
11 tent practicable—

12 “(A) incorporate a widely accepted, non-
13 proprietary, searchable, computer-readable for-
14 mat, such as the eXtensible Markup Language;

15 “(B) contain interoperable standards devel-
16 oped and maintained by intergovernmental
17 partnerships, such as the National Information
18 Exchange Model;

19 “(C) incorporate interoperable standards
20 developed and maintained by Federal entities
21 with authority over contracting and financial
22 assistance;

23 “(D) be consistent with and implement ap-
24 plicable accounting principles;

1 “(E) be implemented in a manner that is
 2 cost-effective and improves program efficiency
 3 and effectiveness; and

4 “(F) be capable of being continually up-
 5 graded as necessary.

6 “(3) RULE OF CONSTRUCTION.—Nothing in
 7 this subsection shall be construed to require a
 8 change to existing data exchange standards found to
 9 be effective and efficient.”.

10 (b) EFFECTIVE DATE.—Not later than the date that
 11 is 24 months after the date of the enactment of this sec-
 12 tion, the Secretary of Health and Human Services shall
 13 issue a proposed rule that—

14 (1) identifies federally required data exchanges,
 15 include specification and timing of exchanges to be
 16 standardized, and address the factors used in deter-
 17 mining whether and when to standardize data ex-
 18 changes; and

19 (2) specifies State implementation options and
 20 describes future milestones.

21 **SEC. 204. UNEMPLOYMENT INSURANCE TECHNICAL COR-**
 22 **RECTIONS.**

23 Section 306(a) of the Social Security Act (42 U.S.C.
 24 506(a)) is amended—

1 (1) by striking “individuals” and inserting
2 “claimants of regular compensation, including claim-
3 ants”; and

4 (2) by inserting a comma after “section
5 303(j)”.

○