obstruction by the Khartoum government. These individuals, these Muslim civilians, are fleeing systematic attacks by their own Government, Sudanese armed forces, and their militia allies, the ''janjaweed.''

The horrors which civilian families in Darfur are fleeing include the cold-blooded murder of unarmed civilians; pillage and burning of villages; organized, systematic rapes of women—wives, daughters, sisters; rape used as a deliberate weapon of terror and political control; and the deliberate destruction of farms, the irrigation systems, and food stockpiles on which this already impoverished region depends; in other words, deliberately manufactured starvation that will lead to the kind of real potential for genocide that we have seen in other places on the African Continent. We must stay alert. We must keep the focus of public opinion on this issue.

Last is a key point. Even though from 10,000 to as many as 30,000 civilians have died so far in Darfur since February, 2003, the final death numbers for 2004 and 2005 may prove far higher because of the actions that are being taken and the lack of ability for the international community to actually participate and provide assistance for the unbelievable inhumane conditions.

This is all in the context of a very difficult environment—underdeveloped, impassable roads, huge swings in the nature of the weather. It is an incredibly complex and debilitating human situation which needs to be brought to attention. While genocide may not yet have occurred in Darfur, the elements are in place. The possibility of such horrors should not be far from our minds. That is why I speak out about it on the Senate floor, and I will do it over and over. This needs to be made into something about which we have a positive sense of responsibility, both here in the United States and in the international community.

U.N. Secretary Kofi Annan has compared the genocide in Rwanda 10 years ago to events that are now unfolding. It will not be enough to go back and look, after the fact, to this kind of inhumanity to man.

We will have, later this year and next, an occasion to vow yet again, in the wake of another deliberately inflicted mass murder and disaster, to say: Never again. But we can do that now as opposed to after the fact. I hope all of us in this body, those of us who are part of the Foreign Relations Committee and are very focused on these issues, will make sure it stays a priority, although that is very hard in the complex world we have. So I hope by speaking out today and as we go forward that this Darfur situation will not fall off the radar screen.

This is a real risk of genocide evolving. I think it absolutely essential that our Government stand up, stand tall, be outspoken, make sure we are not tolerant of the developments that are so readily reported in that part of the world. It is important that we recognize it and keep it in the limelight so world public opinion can stop this kind of action before it happens.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

FAMILY OPPORTUNITY ACT OF 2003

Mr. GRASSLEY. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 295, S. 622.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 622) to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

(Strike the part shown in black brackets and insert the part shown in italic.)

S. 622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; TABLE OF CONTENTS.

[(a) SHORT TITLE.—This Act may be cited as the ''Family Opportunity Act of 2003'' or the ''Dylan Lee James Act''.

[(b) AMENDMENTS TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

[(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

[SEC. 2. OPPORTUNITY FOR FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.

[(a) STATE OPTION TO ALLOW FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.—

[(1) IN GENERAL.—Section 1902 (42 U.S.C. 1396a) is amended—

[(A) in subsection (a)(10)(A)(ii)—

[(i) by striking ''or'' at the end of subclause (XVII);

[(ii) by adding ''or'' at the end of subclause (XVIII); and

[(iii) by adding at the end the following new subclause:

[''(XIX) who are disabled children described in subsection (cc)(1);''; and

[(B) by adding at the end the following new subsection:

[''(cc)(1) Individuals described in this paragraph are individuals—

[''(A) who have not attained 18 years of age;

[''(B) who would be considered disabled under section 1614(a)(3)(C) but for having earnings or deemed income or resources (as determined under title XVI for children) that exceed the requirements for receipt of supplemental security income benefits; and

[''(C) whose family income does not exceed such income level as the State establishes and does not exceed—

[''(i) 250 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved; or

[''(ii) such higher percent of such poverty line as a State may establish, except that—

[''(I) any medical assistance provided to an individual whose family income exceeds 250 percent of such poverty line may only be provided with State funds; and

[''(II) no Federal financial participation shall be provided under section 1903(a) for any medical assistance provided to such an individual.''.

[(2) INTERACTION WITH EMPLOYER-SPONSORED FAMILY COVERAGE.—Section 1902(cc) (42 U.S.C. 1396a(cc)), as added by paragraph (1)(B), is amended by adding at the end the following new paragraph:

[''(2)(A) If an employer of a parent of an individual described in paragraph (1) offers family coverage under a group health plan (as defined in section 2791(a) of the Public Health Service Act), the State shall—

[''(i) require such parent to apply for, enroll in, and pay premiums for, such coverage as a condition of such parent's child being or remaining eligible for medical assistance under subsection (a)(10)(A)(ii)(XIX) if the parent is determined eligible for such coverage and the employer contributes at least 50 percent of the total cost of annual premiums for such coverage; and

[''(ii) if such coverage is obtained—

[''(I) subject to paragraph (2) of section 1916(h), reduce the premium imposed by the State under that section in an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and

[''(II) treat such coverage as a third party liability under subsection (a)(25).

[''(B) In the case of a parent to which subparagraph (A) applies, a State, subject to paragraph (1)(C)(ii), may provide for payment of any portion of the annual premium for such family coverage that the parent is required to pay. Any payments made by the State under this subparagraph shall be considered, for purposes of section 1903(a), to be payments for medical assistance.''.

[(b) STATE OPTION TO IMPOSE INCOME-RELATED PREMIUMS.—Section 1916 (42 U.S.C. 1396o) is amended—

[(1) in subsection (a), by striking ''subsection (g)'' and inserting ''subsections (g) and (h)''; and

[(2) by adding at the end the following new subsection:

[''(h)(1) With respect to disabled children provided medical assistance under section 1902(a)(10)(A)(ii)(XIX), subject to paragraph (2), a State may (in a uniform manner for such children) require the families of such children to pay monthly premiums set on a sliding scale based on family income.

[''(2) A premium requirement imposed under paragraph (1) may only apply to the extent that—

[''(A) the aggregate amount of such premium and any premium that the parent is

required to pay for family coverage under section 1902(cc)(2)(A)(i) does not exceed 5 percent of the family's income; and

[''(B) the requirement is imposed consistent with section 1902(cc)(2)(A)(ii)(I).

[''(3) A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of a child under section 1902(a)(10)(A)(ii)(XIX) for medical assistance under this title on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days from the date on which the premium became past due. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.''.

[(c) CONFORMING AMENDMENTS.—Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended in the matter preceding subparagraph (A), by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

[(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after October 1, 2005.

[SEC. 3. TREATMENT OF INPATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21 IN HOME OR COMMUNITY-BASED SERVICES WAIVERS.

[(a) IN GENERAL.—Section 1915(c) (42 U.S.C. 1396n(c)) is amended—

[(1) in paragraph (1)—

[(A) in the first sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded''; and

[(B) in the second sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21'' before the period;

[(2) in paragraph (2)(B), by striking ''or services in an intermediate care facility for the mentally retarded'' each place it appears and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21'';

[(3) in paragraph (2)(C)—

[(A) by inserting '', or who are determined to be likely to require inpatient psychiatric hospital services for individuals under age 21,'' after '', or intermediate care facility for the mentally retarded''; and

[(B) by striking ''or services in an intermediate care facility for the mentally retarded'' and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21''; and

[(4) in paragraph (7)(A)—

[(A) by inserting ''or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded,''; and

[(B) by inserting ''or who would require inpatient psychiatric hospital services for individuals under age 21'' before the period.

[(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to medical assistance provided on or after January 1, 2004.

[SEC. 4. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTERS.

[Section 501 (42 U.S.C. 701) is amended by adding at the end the following new subsection:

[''(c)(1)(A) For the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance for the development and support of family-to-family health information centers described in paragraph (2)—

[''(i) there is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated—

[''(I) $3,000,000 for fiscal year 2004;

[''(II) $4,000,000 for fiscal year 2005; and

[''(III) $5,000,000 for fiscal year 2006; and

[''(ii) there is authorized to be appropriated to the Secretary, $5,000,000 for each of fiscal years 2007 and 2008.

[''(B) Funds appropriated or authorized to be appropriated under subparagraph (A) shall—

[''(i) be in addition to amounts appropriated under subsection (a) and retained under section 502(a)(1) for the purpose of carrying out activities described in subsection (a)(2); and

[''(ii) remain available until expended.

[''(2) The family-to-family health information centers described in this paragraph are centers that—

[''(A) assist families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effectiveness, and improved health outcomes for such children;

[''(B) provide information regarding the health care needs of, and resources available for, children with disabilities or special health care needs;

[''(C) identify successful health delivery models for such children;

[''(D) develop with representatives of health care providers, managed care organizations, health care purchasers, and appropriate State agencies a model for collaboration between families of such children and health professionals;

[''(E) provide training and guidance regarding caring for such children;

[''(F) conduct outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals; and

[''(G) are staffed by families of children with disabilities or special health care needs who have expertise in Federal and State public and private health care systems and health professionals.

[''(3) The Secretary shall develop family-to-family health information centers described in paragraph (2) under this subsection in accordance with the following:

[''(A) With respect to fiscal year 2004, such centers shall be developed in not less than 25 States.

[''(B) With respect to fiscal year 2005, such centers shall be developed in not less than 40 States.

[''(C) With respect to fiscal year 2006, such centers shall be developed in not less than 50 States and the District of Columbia.

[''(4) The provisions of this title that are applicable to the funds made available to the Secretary under section 502(a)(1) apply in the same manner to funds made available to the Secretary under paragraph (1)(A).

[''(5) For purposes of this subsection, the term 'State' means each of the 50 States and the District of Columbia.''.

[SEC. 5. RESTORATION OF MEDICAID ELIGIBILITY FOR CERTAIN SSI BENEFICIARIES.

[(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended—

[(1) by inserting ''(aa)'' after ''(II)'';

[(2) by striking '') and'' and inserting ''and'';

[(3) by striking ''section or who are'' and inserting ''section), (bb) who are''; and

[(4) by inserting before the comma at the end the following: '', or (cc) who are under 21 years of age and with respect to whom supplemental security income benefits would be paid under title XVI if subparagraphs (A) and (B) of section 1611(c)(7) were applied without regard to the phrase 'the first day of the month following'''.

[(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance for items and services furnished on or after the first day of the first calendar quarter that begins after the date of enactment of this Act.]

SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Family Opportunity Act of 2003'' or the ''Dylan Lee James Act''.

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

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

SEC. 2. OPPORTUNITY FOR FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.

(a) STATE OPTION TO ALLOW FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.—

(1) IN GENERAL.—Section 1902 (42 U.S.C. 1396a) is amended—

(A) in subsection (a)(10)(A)(ii)—

(i) by striking ''or'' at the end of subclause (XVII);

(ii) by adding ''or'' at the end of subclause (XVIII); and

(iii) by adding at the end the following new subclause:

''(XIX) who are disabled children described in subsection (cc)(1);''; and

(B) by adding at the end the following new subsection:

''(cc)(1) Individuals described in this paragraph are individuals—

''(A) who have not attained 18 years of age;

''(B) who would be considered disabled under section 1614(a)(3)(C) but for having earnings or deemed income or resources (as determined under title XVI for children) that exceed the requirements for receipt of supplemental security income benefits; and

''(C) whose family income does not exceed such income level as the State establishes and does not exceed—

''(i) 250 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved; or

''(ii) such higher percent of such poverty line as a State may establish, except that—

''(I) any medical assistance provided to an individual whose family income exceeds 250 percent of such poverty line may only be provided with State funds; and

''(II) no Federal financial participation shall be provided under section 1903(a) for any medical assistance provided to such an individual.''.

(2) INTERACTION WITH EMPLOYER-SPONSORED FAMILY COVERAGE.—Section 1902(cc) (42 U.S.C. 1396a(cc)), as added by paragraph (1)(B), is amended by adding at the end the following new paragraph:

''(2)(A) If an employer of a parent of an individual described in paragraph (1) offers family coverage under a group health plan (as defined in section 2791(a) of the Public Health Service Act), the State shall—

''(i) require such parent to apply for, enroll in, and pay premiums for, such coverage as a condition of such parent's child being or remaining eligible for medical assistance under subsection (a)(10)(A)(ii)(XIX) if the parent is determined eligible for such coverage and the employer contributes at least 50 percent of the total cost of annual premiums for such coverage; and

''(ii) if such coverage is obtained—

''(I) subject to paragraph (2) of section 1916(h), reduce the premium imposed by the State under that section in an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and

''(II) treat such coverage as a third party liability under subsection (a)(25).

''(B) In the case of a parent to which subparagraph (A) applies, a State, subject to paragraph (1)(C)(ii), may provide for payment of any portion of the annual premium for such family coverage that the parent is required to pay. Any payments made by the State under this subparagraph shall be considered, for purposes of section 1903(a), to be payments for medical assistance.''.

(b) STATE OPTION TO IMPOSE INCOME-RELATED PREMIUMS.—Section 1916 (42 U.S.C. 1396o) is amended—

(1) in subsection (a), by striking ''subsection (g)'' and inserting ''subsections (g) and (h)''; and

(2) by adding at the end the following new subsection:

''(h)(1) With respect to disabled children provided medical assistance under section 1902(a)(10)(A)(ii)(XIX), subject to paragraph (2), a State may (in a uniform manner for such children) require the families of such children to pay monthly premiums set on a sliding scale based on family income.

''(2) A premium requirement imposed under paragraph (1) may only apply to the extent that—

''(A) the aggregate amount of such premium and any premium that the parent is required to pay for family coverage under section 1902(cc)(2)(A)(i) does not exceed 5 percent of the family's income; and

''(B) the requirement is imposed consistent with section 1902(cc)(2)(A)(ii)(I).

''(3) A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of a child under section 1902(a)(10)(A)(ii)(XIX) for medical assistance under this title on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days from the date on which the premium became past due. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.''.

(c) CONFORMING AMENDMENT.—Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended in the matter preceding subparagraph (A), by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after October 1, 2005.

SEC. 3. TREATMENT OF INPATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21 IN HOME OR COMMUNITY-BASED SERVICES WAIVERS.

(a) IN GENERAL.—Section 1915(c) (42 U.S.C. 1396n(c)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded''; and

(B) in the second sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21'' before the period;

(2) in paragraph (2)(B), by striking ''or services in an intermediate care facility for the mentally retarded'' each place it appears and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21'';

(3) in paragraph (2)(C)—

(A) by inserting '', or who are determined to be likely to require inpatient psychiatric hospital services for individuals under age 21,'' after '', or intermediate care facility for the mentally retarded''; and

(B) by striking ''or services in an intermediate care facility for the mentally retarded'' and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21''; and

(4) in paragraph (7)(A)—

(A) by inserting ''or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded,''; and

(B) by inserting ''or who would require inpatient psychiatric hospital services for individuals under age 21'' before the period.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to medical assistance provided on or after October 1, 2004.

SEC. 4. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTERS.

Section 501 (42 U.S.C. 701) is amended by adding at the end the following new subsection:

''(c)(1)(A) For the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance for the development and support of family-to-family health information centers described in paragraph (2)—

''(i) there is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated—

''(I) $3,000,000 for fiscal year 2005;

''(II) $4,000,000 for fiscal year 2006; and

''(III) $5,000,000 for fiscal year 2007; and

''(ii) there is authorized to be appropriated to the Secretary, $5,000,000 for each of fiscal years 2008 and 2009.

''(B) Funds appropriated or authorized to be appropriated under subparagraph (A) shall—

''(i) be in addition to amounts appropriated under subsection (a) and retained under section 502(a)(1) for the purpose of carrying out activities described in subsection (a)(2); and

''(ii) remain available until expended.

''(2) The family-to-family health information centers described in this paragraph are centers that—

''(A) assist families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effectiveness, and improved health outcomes for such children;

''(B) provide information regarding the health care needs of, and resources available for, children with disabilities or special health care needs;

''(C) identify successful health delivery models for such children;

''(D) develop with representatives of health care providers, managed care organizations, health care purchasers, and appropriate State agencies a model for collaboration between families of such children and health professionals;

''(E) provide training and guidance regarding caring for such children;

''(F) conduct outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals; and

''(G) are staffed by families of children with disabilities or special health care needs who have expertise in Federal and State public and private health care systems and health professionals.

''(3) The Secretary shall develop family-to-family health information centers described in paragraph (2) in accordance with the following:

''(A) With respect to fiscal year 2004, such centers shall be developed in not less than 25 States.

''(B) With respect to fiscal year 2005, such centers shall be developed in not less than 40 States.

''(C) With respect to fiscal year 2006, such centers shall be developed in all States.

''(4) The provisions of this title that are applicable to the funds made available to the Secretary under section 502(a)(1) apply in the same manner to funds made available to the Secretary under paragraph (1)(A).

''(5) For purposes of this subsection, the term 'State' means each of the 50 States and the District of Columbia.''.

SEC. 5. RESTORATION OF MEDICAID ELIGIBILITY FOR CERTAIN SSI BENEFICIARIES.

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended—

(1) by inserting ''(aa)'' after ''(II)'';

(2) by striking '') and'' and inserting ''and'';

(3) by striking ''section or who are'' and inserting ''section), (bb) who are''; and

(4) by inserting before the comma at the end the following: '', or (cc) who are under 21 years of age and with respect to whom supplemental security income benefits would be paid under title XVI if subparagraphs (A) and (B) of section 1611(c)(7) were applied without regard to the phrase 'the first day of the month following' ''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance for items and services furnished on or after October 1, 2004.

Mr. GRASSLEY. Mr. President, today, I come to the floor to talk about a bill of great significance to me. The Family Opportunity Act is a bill that I first introduced with Senator KENNEDY in the 106th Congress.

This bill promotes family, work, and opportunity. Every day, across the country, thousands of families struggle to obtain affordable and appropriate health care coverage for children with special health care needs, including children with conditions such as autism, mental retardation, cerebral palsy, developmental delays, or mental illness. Over the course of the last three Congresses, this bill has enjoyed strong bipartisan support.

Low and middle income parents who have employer sponsored family health care coverage and children with disabilities often find that their private insurance does not adequately cover the array of services that are critical to their child's well-being, such as mental health services, personal care services, durable medical equipment, special nutritional supplements, and respite care. Because Medicaid, our Nation's health care program for low-income individuals, offers the type of comprehensive care that best meets the needs of children with disabilities, it can become a lifeline on which many parents depend. Yet, Medicaid is a safety net program and one must be impoverished in order to be eligible. This presents a terrible choice for many low and middle income families who have a

child with special health care needs: they must choose between work or impoverishment. Or, in the worst cases, parents consider the devastating choice of relinquishing custody for an out-of-home placement so their child can obtain services they so desperately need.

The Family Opportunity Act helps families to address the needs of children with disabilities. Some Members of the Senate have voiced concerns over the years about the cost of this bill and the expansion of the Medicaid program. Senator NICKLES and I have had many long discussions about the goals of this legislation. I greatly respect his position and I appreciate the thoughtful and productive debate that I have been able to have with him. This bill would never have gotten to this point without his help and I wholeheartedly thank him for his willingness to work through his concerns with me. The Family Opportunity Act will cover families up to 250 percent of the Federal poverty level. This is less than coverage up to 600 percent of the Federal poverty level in my original bill. Senator NICKLES and I have worked over the years to reach this compromise.

At Senator NICKLES request, language has been added to this bill that clearly conveys the intention of Senator KENNEDY and me that States who choose the FOA optional eligibility category will receive Medicaid match and not S–CHIP match for children covered under the Family Opportunity Act. The legislation before us allows States the option of having families eligible for FOA pay up to 7.5 percent of their income for their premium. These family contributions are affordable and help to insure that children with disabilities have the access that they need.

Senator NICKLES expressed to me another concern. While States will have the option to cover families above 250 percent of the Federal poverty level with 100 percent State dollars, States need to decide how they want to spend their dollars. They should also be aware that it is not the role of the Federal Government to help them when times are financially tough. Last May, the Congress provided States with $20 billion in State fiscal relief. Ten billion went directly to Medicaid to address the rising costs in Medicaid. Over 60 percent of the spending in Medicaid is for optional services. The Family Opportunity Act is an optional service, and as much as I want States to take up this Medicaid option for children with disabilities, I want to let States know that they need to be responsible when expanding their Medicaid programs in good and bad budget times.

Senator NICKLES and I have reached a good and fair compromise and I thank him for traveling this long road with me. As he can tell you, the Family Opportunity Act is one of my highest priorities. Over the past 4 years, I have worked closely with Senator KENNEDY and Representative PETE SESSIONS to advance this important legislation on behalf of thousands of families who need our help. I thank them both for their efforts along with the thousands of children and families who have been tireless advocates for this legislation.

Mr. KENNEDY. Mr. President, it is an honor to join my colleague Senator GRASSLEY today in completing Senate passage of the Family Opportunity Act—so that once and for all, we can remove the barriers to quality and affordable health care for children with disabilities. Barriers that prevent families from staying together and staying employed. And prevent their children from growing up to live independent lives and become fully contributing members of their communities.

Many parents and leaders in communities throughout the country have worked long and hard and well to help us reach this milestone. They are parents, family members, citizens, and advocates. They are our friends, neighbors and colleagues. They showed us how we are failing families with severely disabled children by not giving them access to the health care they need to stay home and live in their community and compelled us to act. We have worked together for four long years to develop this legislation and to all of them I say, thank you for helping us to move this necessary legislation forward. You have been fearless and tireless warriors for justice.

When we think of disabled children we tend to think of children who are disabled from birth. But fewer than 10 percent of all children with disabilities are born with their disabilities. A bicycle accident or a serious fall or a serious illness can suddenly disable the healthiest child. Currently, more than 9 percent of children in this country have significant disabilities. Many do not have access to even the most basic health services they need to maintain their health status because their families cannot afford to pay for them. To obtain vital health services for their children, families are being forced to become poor, stay poor, or to do the unthinkable—put their children in institutions or even give up custody of their children—all so their children can qualify for the health coverage available under Medicaid.

In a survey of 20 States, families of special needs children reported they have turned down jobs, turned down raises, and turned down overtime—all so their child can stay eligible for Medicaid through the Social Security Income Program. The lack of adequate health care in our country today continues to force these families into poverty in order to obtain the care they need for their disabled children.

The bill we are considering today may be the most important legislation we pass this Congress. It will close the health care gap for the nation's most vulnerable population, and enable families of disabled children to be equal partners in the American dream. It will tear down artificial barriers to success which have stood for far too long. This bill will change lives.

This bill will change the life of 13-year-old Alice in Oklahoma, who was disabled because of multiple dystrophy. Under this bill she will now be able to get personal assistance to live at home with her family and go to her neighborhood school.

This bill will change the life of Johnny in Indiana, who has severe mental illness and needs multiple mental health therapies and drugs. His mother will no longer be forced to give up custody of Johnny in order to secure the treatment he needs. Her goals of staying a productive citizen and keeping her son at home will no longer be denied—because her son will have access to the health care and supports he needs.

This bill will change the life of Abby in Massachusetts, who is 6 years old and has mental retardation. Her parents are very concerned about her future. Already, she has been denied coverage by two health insurance firms because of the diagnosis of mental retardation. Without Medicaid, her parents would be bankrupted by her current medical bills. Now Abby and her family will have a fair opportunity to work and prosper.

The Family Opportunity Act will make health insurance coverage more widely available for children with significant disabilities, by giving families opportunities to buy health care coverage through Medicaid. It will provide States with greater flexibility to enable children with mental health disabilities to obtain the health services they need in order to live at home and in their communities. It will establish Family to Family Information Centers in each State to assist families in meeting the unique health care needs of their disabled children.

The passage of the Work Incentives Improvement Act in 1999 demonstrated our commitment to give adults with disabilities the right to lead independent and productive lives, without giving up their health care. It's time for Congress to show the same commitment to children with disabilities and pass the Family Opportunity Act.

These families aren't looking for a hand out—just a helping hand. Today, the Senate will move one step closer to providing it to them.

Mr. GRASSLEY. Mr. President, I ask unanimous consent the substitute amendment at the desk be agreed to, the committee-reported substitute as amended be agreed to, the bill as amended be read a third time and passed, the motions to reconsider be laid upon the table en bloc, and that any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3119) was agreed to, as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Family Opportunity Act of 2004'' or the ''Dylan Lee James Act''.

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

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

SEC. 2. OPPORTUNITY FOR FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.

(a) STATE OPTION TO ALLOW FAMILIES OF DISABLED CHILDREN TO PURCHASE MEDICAID COVERAGE FOR SUCH CHILDREN.—

(1) IN GENERAL.—Section 1902 (42 U.S.C. 1396a) is amended—

(A) in subsection (a)(10)(A)(ii)—

(i) by striking ''or'' at the end of subclause (XVII);

(ii) by adding ''or'' at the end of subclause (XVIII); and

(iii) by adding at the end the following new subclause:

''(XIX) who are disabled children described in subsection (cc)(1);''; and

(B) by adding at the end the following new subsection:

''(cc)(1) Individuals described in this paragraph are individuals—

''(A) who have not attained 18 years of age;

''(B) who would be considered disabled under section 1614(a)(3)(C) but for having earnings or deemed income or resources (as determined under title XVI for children) that exceed the requirements for receipt of supplemental security income benefits; and

''(C) whose family income does not exceed such income level as the State establishes and does not exceed—

''(i) 250 percent of the poverty line (as defined in section 2110(c)(5)) applicable to a family of the size involved; or

''(ii) such higher percent of such poverty line as a State may establish, except that—

''(I) any medical assistance provided to an individual whose family income exceeds 250 percent of such poverty line may only be provided with State funds; and

''(II) no Federal financial participation shall be provided under section 1903(a) for any medical assistance provided to such an individual.''.

(2) INTERACTION WITH EMPLOYER-SPONSORED FAMILY COVERAGE.—Section 1902(cc) (42 U.S.C. 1396a(cc)), as added by paragraph (1)(B), is amended by adding at the end the following new paragraph:

''(2)(A) If an employer of a parent of an individual described in paragraph (1) offers family coverage under a group health plan (as defined in section 2791(a) of the Public Health Service Act), the State shall—

''(i) require such parent to apply for, enroll in, and pay premiums for, such coverage as a condition of such parent's child being or remaining eligible for medical assistance under subsection (a)(10)(A)(ii)(XIX) if the parent is determined eligible for such coverage and the employer contributes at least 50 percent of the total cost of annual premiums for such coverage; and

''(ii) if such coverage is obtained—

''(I) subject to paragraph (2) of section 1916(h), reduce the premium imposed by the State under that section in an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and

''(II) treat such coverage as a third party liability under subsection (a)(25).

''(B) In the case of a parent to which subparagraph (A) applies, a State, subject to paragraph (1)(C)(ii), may provide for payment of any portion of the annual premium for such family coverage that the parent is required to pay. Any payments made by the State under this subparagraph shall be considered, for purposes of section 1903(a), to be payments for medical assistance.''.

(b) STATE OPTION TO IMPOSE INCOME-RELATED PREMIUMS.—Section 1916 (42 U.S.C. 1396o) is amended—

(1) in subsection (a), by striking ''subsection (g)'' and inserting ''subsections (g) and (h)''; and

(2) by adding at the end the following new subsection:

''(h)(1) With respect to disabled children provided medical assistance under section 1902(a)(10)(A)(ii)(XIX), subject to paragraph (2), a State may (in a uniform manner for such children) require the families of such children to pay monthly premiums set on a sliding scale based on family income.

''(2) A premium requirement imposed under paragraph (1) may only apply to the extent that—

''(A) in the case of a disabled child described in that paragraph whose family income does not exceed 250 percent of the poverty line, the aggregate amount of such premium and any premium that the parent is required to pay for family coverage under section 1902(cc)(2)(A)(i) does not exceed 7.5 percent of the family's income; and

''(B) the requirement is imposed consistent with section 1902(cc)(2)(A)(ii)(I).

''(3) A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of a child under section 1902(a)(10)(A)(ii)(XIX) for medical assistance under this title on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days from the date on which the premium became past due. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.''.

(c) CONFORMING AMENDMENT.—Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended in the matter preceding subparagraph (A), by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

(d) RULE OF CONSTRUCTION.—Notwithstanding any other provision of law, nothing in the amendments made by this section shall be construed as permitting the application of the enhanced FMAP (as defined in section 2105(b) of the Social Security Act (42 U.S.C. 1397ee(b)) to expenditures that are attributable to disabled children provided medical assistance under section 1902(a)(10)(A)(ii)(XIX) of such Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIX)) (as added by subsection (a) of this section).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to medical assistance for items and services furnished on or after October 1, 2006.

SEC. 3. TREATMENT OF INPATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21 IN HOME OR COMMUNITY-BASED SERVICES WAIVERS.

(a) IN GENERAL.—Section 1915(c) (42 U.S.C. 1396n(c)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded''; and

(B) in the second sentence, by inserting '', or would require inpatient psychiatric hospital services for individuals under age 21'' before the period;

(2) in paragraph (2)(B), by striking ''or services in an intermediate care facility for the mentally retarded'' each place it appears and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21'';

(3) in paragraph (2)(C)—

(A) by inserting '', or who are determined to be likely to require inpatient psychiatric hospital services for individuals under age 21,'' after '', or intermediate care facility for the mentally retarded''; and

(B) by striking ''or services in an intermediate care facility for the mentally retarded'' and inserting ''services in an intermediate care facility for the mentally retarded, or inpatient psychiatric hospital services for individuals under age 21''; and

(4) in paragraph (7)(A)—

(A) by inserting ''or would require inpatient psychiatric hospital services for individuals under age 21,'' after ''intermediate care facility for the mentally retarded,''; and

(B) by inserting ''or who would require inpatient psychiatric hospital services for individuals under age 21'' before the period.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to medical assistance provided on or after October 1, 2006.

SEC. 4. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTERS.

Section 501 (42 U.S.C. 701) is amended by adding at the end the following new subsection:

''(c)(1)(A) For the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance for the development and support of family-to-family health information centers described in paragraph (2)—

''(i) there is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated—

''(I) $3,000,000 for fiscal year 2006;

''(II) $4,000,000 for fiscal year 2007; and

''(III) $5,000,000 for fiscal year 2008; and

''(ii) there is authorized to be appropriated to the Secretary, $5,000,000 for each of fiscal years 2009 and 2010.

''(B) Funds appropriated or authorized to be appropriated under subparagraph (A) shall—

''(i) be in addition to amounts appropriated under subsection (a) and retained under section 502(a)(1) for the purpose of carrying out activities described in subsection (a)(2); and

''(ii) remain available until expended.

''(2) The family-to-family health information centers described in this paragraph are centers that—

''(A) assist families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effectiveness, and improved health outcomes for such children;

''(B) provide information regarding the health care needs of, and resources available

for, children with disabilities or special health care needs;

''(C) identify successful health delivery models for such children;

''(D) develop with representatives of health care providers, managed care organizations, health care purchasers, and appropriate State agencies a model for collaboration between families of such children and health professionals;

''(E) provide training and guidance regarding caring for such children;

''(F) conduct outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals; and

''(G) are staffed by families of children with disabilities or special health care needs who have expertise in Federal and State public and private health care systems and health professionals.

''(3) The Secretary shall develop family-to-family health information centers described in paragraph (2) in accordance with the following:

''(A) With respect to fiscal year 2006, such centers shall be developed in not less than 25 States.

''(B) With respect to fiscal year 2007, such centers shall be developed in not less than 40 States.

''(C) With respect to fiscal year 2008, such centers shall be developed in all States.

''(4) The provisions of this title that are applicable to the funds made available to the Secretary under section 502(a)(1) apply in the same manner to funds made available to the Secretary under paragraph (1)(A).

''(5) For purposes of this subsection, the term 'State' means each of the 50 States and the District of Columbia.''.

SEC. 5. RESTORATION OF MEDICAID ELIGIBILITY FOR CERTAIN SSI BENEFICIARIES.

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended—

(1) by inserting ''(aa)'' after ''(II)'';

(2) by striking '') and'' and inserting ''and'';

(3) by striking ''section or who are'' and inserting ''section), (bb) who are''; and

(4) by inserting before the comma at the end the following: '', or (cc) who are under 21 years of age and with respect to whom supplemental security income benefits would be paid under title XVI if subparagraphs (A) and (B) of section 1611(c)(7) were applied without regard to the phrase 'the first day of the month following' ''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to medical assistance for items and services furnished on or after January 1, 2006.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time and passed.

EXECUTIVE SESSION

NOMINATION OF JOHN D. NEGROPONTE, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO IRAQ

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The legislative clerk read the nomination of John D. Negroponte, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iraq.

The PRESIDING OFFICER. There is 5½ hours equally divided. Who yields time?

The Senator from Indiana.

Mr. LUGAR. Mr. President, I direct a parliamentary inquiry to the Chair. Would the Chair describe at the outset of this debate the unanimous consent agreement and the allocation of 5½ hours of time?

The PRESIDING OFFICER. The 5½ hours for debate is equally divided between the chairman and the ranking member of the committee.

Mr. LUGAR. Mr. President, I yield myself as much time as I require.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LUGAR. Mr. President, today the Senate considers the nomination of Ambassador John Negroponte to be U.S. Ambassador to Iraq. This position will clearly be one of the most consequential ambassadorships in American history. The Ambassador to Iraq not only will be called upon to lead an estimated 1,700 embassy personnel—1,000 Americans from as many as 15 different agencies of our Federal Government, and 700 Iraqis—but he will also be the focal point of international efforts to secure and reconstruct Iraq and to provide the developing Iraqi government with the opportunity to achieve responsible nationhood.

American credibility in the world, progress in the war on terrorism, relationships with our allies, and the future of the Middle East depend on a positive outcome in Iraq. What happens there during the next 18 months almost certainly will determine whether we can begin to redirect the Middle East toward a more productive and peaceful future beyond the grip of terrorist influences. Helping the Iraqi people achieve a secure, independent state is a vital United States national security priority that requires the highest level of national commitment. With so much at stake, I am pleased the President has nominated a veteran diplomat and manager to lead the American presence in Iraq.

Ambassador John Negroponte has served as U.S. Ambassador to Honduras, to Mexico, and to the Philippines. He has also served as an Assistant Secretary of State and Deputy Assistant for National Security Affairs under President Ronald Reagan. He has been the U.S. Ambassador to the United Nations since September 18, 2001, 7 days after the September 11 attacks. The contacts and credibility he has developed at the United Nations will be invaluable.

If we are to be successful in Iraq, the United Nations and the international community must play a more central role. The United Nations' involvement can help us generate greater international participation, improve the political legitimacy of the interim Iraqi government, and take the American face off of the occupation of Iraq. The appointment of an ambassador who occupies such a high and visible post underscores for our coalition partners and the Iraqis that the American commitment to Iraq is strong and we mean to succeed.

In April, the Foreign Relations Committee held three hearings to examine whether American and Iraqi authorities are ready for the transition to Iraqi sovereignty on June 30. These hearings greatly advanced our understanding of the situation in Iraq and answered many questions. We will hold additional hearings this month to monitor developments and to illuminate for the American people the challenges and responsibility we face in Iraq.

The President and other leaders, including Members of Congress, must communicate with the American people about our plan in Iraq. American lives will continue to be at risk in Iraq, and substantial American resources will continue to be spent there for the foreseeable future. I am convinced that the confidence and commitment demonstrated by the pronouncement of a flexible but detailed plan for Iraq is necessary for our success, and such a plan would prove to our allies and to Iraqis that we have a strategy and we are committed to making it work. If we cannot provide this clarity, we risk the loss of support of the American people, the loss of potential contributions from our allies, and the disillusionment of Iraqis.

During Foreign Relations Committee hearings, I posed six detailed questions as a way of fleshing out a plan for Iraq. Answers to these questions would constitute a coherent transition strategy.

We discussed issues surrounding Ambassador Brahimi's efforts, the status of American Armed Forces in Iraq after the transition, the role of the U.N. Security Council resolutions, plans for elections, the composition of the U.S. Embassy, efforts to provide security for its personnel, and how we intend to pay for the continued U.S. involvement in Iraq.

Under Secretary of State Mark Grossman testified about the reporting of engaging the interim Iraq government as soon as it is selected. We cannot simply turn on the lights in the Embassy on June 30 and expect everything to go well. We must be rehearsing with Iraqi authorities and our coalition partners on how decisionmaking and administrative power will be distributed and exercised.

It is critical, therefore, that Ambassador Negroponte and his team be in place at the earliest possible moment. For this reason, the Foreign Relations Committee made a bipartisan decision to take up Ambassador Negroponte's nomination in an expedited fashion. Processing the diplomatic nomination often requires weeks and sometimes months from the time the President announces it. Through the diligent efforts of the State Department and our