

110TH CONGRESS
2D SESSION

H. R. 6788

To amend title XXI of the Social Security Act to extend through fiscal year 2012 funding under the State Children's Health Insurance Program (SCHIP).

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2008

Mr. KUHLMAN of New York (for himself, Mr. KNOLLENBERG, Mrs. BIGGERT, Mr. DEAL of Georgia, Mr. CHABOT, Mr. ADERHOLT, Mr. WALDEN of Oregon, Mr. UPTON, Mr. PRICE of Georgia, Mr. GINGREY, Mrs. DRAKE, Mr. ROGERS of Michigan, Mr. BILIRAKIS, Ms. ROS-LEHTINEN, Mr. WALBERG, Mr. HAYES, Mr. MCCOTTER, Mr. BURGESS, Mr. HELLER of Nevada, Mr. LINCOLN DIAZ-BALART of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. EHLERS, Mrs. MUSGRAVE, Mr. SHAYS, Mr. BOUSTANY, Mrs. MYRICK, Mr. STEARNS, Mr. PICKERING, Mr. TIM MURPHY of Pennsylvania, Mr. SHIMKUS, Mr. RADANOVICH, Mr. ROSKAM, Mr. FERGUSON, Mr. KING of Iowa, Mr. WESTMORELAND, Mr. WHITFIELD of Kentucky, Mr. FEENEY, Mr. NEUGEBAUER, Mr. GRAVES, Ms. GINNY BROWN-WAITE of Florida, Mr. BARTON of Texas, Mrs. SCHMIDT, Mr. SMITH of Nebraska, Mr. MCKEON, Mr. HALL of Texas, Ms. FALLIN, Mr. KLINE of Minnesota, Mr. DAVIS of Kentucky, Mrs. BACHMANN, Mr. CAMP of Michigan, and Mr. TURNER) 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 extend through fiscal year 2012 funding under the State Children's Health Insurance Program (SCHIP).

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 “SCHIP Full Funding
3 Extension Act of 2008”.

4 **SEC. 2. EXTENDING SCHIP FUNDING THROUGH FISCAL**
5 **YEAR 2012.**

6 (a) THROUGH FISCAL YEAR 2012.—

7 (1) IN GENERAL.—Section 2104 of the Social
8 Security Act (42 U.S.C. 1397dd), as amended by
9 section 201 of the Medicare, Medicaid, and SCHIP
10 Extension Act of 2007 (Public Law 110–173), is
11 amended—

12 (A) in subsection (a)(11), by striking “and
13 2009” and inserting “, 2009, 2010, 2011, and
14 2012”; and

15 (B) in subsection (c)(4)(B), by striking
16 “through 2009” and inserting “through 2012”.

17 (2) AVAILABILITY OF EXTENDED FUNDING.—

18 Funds made available from any allotment made
19 from funds appropriated under subsection (a)(11) or
20 (c)(4)(B) of section 2104 of the Social Security Act
21 (42 U.S.C. 1397dd) for fiscal year 2009, 2010,
22 2011, or 2012 shall not be available for child health
23 assistance for items and services furnished after
24 September 30, 2012.

25 (b) EXTENSION OF TREATMENT OF QUALIFYING
26 STATES.—

1 (1) IN GENERAL.—Section 2105(g)(1)(A) of the
2 Social Security Act (42 U.S.C. 1397ee(g)(1)(A)), as
3 amended by section 201(b) of the Medicare, Med-
4 icaid, and SCHIP Extension Act of 2007 (Public
5 Law 110–173), is amended by striking “or 2009”
6 and inserting “2009, 2010, 2011, or 2012”.

7 (2) CONFORMING AMENDMENT.—Section
8 201(b) of such Public Law is amended by striking
9 paragraph (2).

10 (c) ADDITIONAL ALLOTMENTS TO MAINTAIN SCHIP
11 PROGRAMS THROUGH FISCAL YEAR 2012.—Section 2104
12 of the Social Security Act (42 U.S.C. 1397dd) is amended
13 by striking subsection (l) and inserting the following new
14 subsections:

15 “(l) ADDITIONAL ALLOTMENTS TO MAINTAIN
16 SCHIP PROGRAMS FOR FISCAL YEAR 2009.—

17 “(1) APPROPRIATION; ALLOTMENT AUTHOR-
18 ITY.—For the purpose of providing additional allot-
19 ments described in subparagraphs (A) and (B) of
20 paragraph (3), there is appropriated, out of any
21 money in the Treasury not otherwise appropriated,
22 such sums as may be necessary, not to exceed
23 \$2,000,000,000 for fiscal year 2009.

24 “(2) SHORTFALL STATES DESCRIBED.—For
25 purposes of paragraph (3), a shortfall State de-

1 scribed in this paragraph is a State with a State
2 child health plan approved under this title for which
3 the Secretary estimates, on the basis of the most re-
4 cent data available to the Secretary, that the Fed-
5 eral share amount of the projected expenditures
6 under such plan for such State for fiscal year 2009
7 will exceed the sum of—

8 “(A) the amount of the State’s allotments
9 for each of fiscal years 2007 and 2008 that will
10 not be expended by the end of fiscal year 2008;

11 “(B) the amount, if any, that is to be re-
12 distributed to the State during fiscal year 2009
13 in accordance with subsection (i); and

14 “(C) the amount of the State’s allotment
15 for fiscal year 2009.

16 “(3) ALLOTMENTS.—In addition to the allot-
17 ments provided under subsections (b) and (c), sub-
18 ject to paragraph (4), of the amount available for
19 the additional allotments under paragraph (1) for
20 fiscal year 2009, the Secretary shall allot—

21 “(A) to each shortfall State described in
22 paragraph (2) not described in subparagraph
23 (B), such amount as the Secretary determines
24 will eliminate the estimated shortfall described
25 in such paragraph for the State; and

1 “(B) to each commonwealth or territory
2 described in subsection (c)(3), an amount equal
3 to the percentage specified in subsection (c)(2)
4 for the commonwealth or territory multiplied by
5 1.05 percent of the sum of the amounts deter-
6 mined for each shortfall State under subpara-
7 graph (A).

8 “(4) PRORATION RULE.—If the amounts avail-
9 able for additional allotments under paragraph (1)
10 are less than the total of the amounts determined
11 under subparagraphs (A) and (B) of paragraph (3),
12 the amounts computed under such subparagraphs
13 shall be reduced proportionally.

14 “(5) RETROSPECTIVE ADJUSTMENT.—The Sec-
15 retary may adjust the estimates and determinations
16 made to carry out this subsection as necessary on
17 the basis of the amounts reported by States not
18 later than November 30, 2008, on CMS Form 64 or
19 CMS Form 21, as the case may be, and as approved
20 by the Secretary.

21 “(6) ONE-YEAR AVAILABILITY; NO REDISTRIBU-
22 TION OF UNEXPENDED ADDITIONAL ALLOTMENTS.—
23 Notwithstanding subsections (e) and (f), amounts al-
24 lotted to a State pursuant to this subsection for fis-
25 cal year 2009, subject to paragraph (5), shall only

1 remain available for expenditure by the State
2 through September 30, 2009. Any amounts of such
3 allotments that remain unexpended as of such date
4 shall not be subject to redistribution under sub-
5 section (f).

6 “(m) ADDITIONAL ALLOTMENTS TO MAINTAIN
7 SCHIP PROGRAMS FOR FISCAL YEAR 2010.—

8 “(1) APPROPRIATION; ALLOTMENT AUTHOR-
9 ITY.—For the purpose of providing additional allot-
10 ments described in subparagraphs (A) and (B) of
11 paragraph (3), there is appropriated, out of any
12 money in the Treasury not otherwise appropriated,
13 such sums as may be necessary, not to exceed
14 \$3,000,000,000 for fiscal year 2010.

15 “(2) SHORTFALL STATES DESCRIBED.—For
16 purposes of paragraph (3), a shortfall State de-
17 scribed in this paragraph is a State with a State
18 child health plan approved under this title for which
19 the Secretary estimates, on the basis of the most re-
20 cent data available to the Secretary, that the Fed-
21 eral share amount of the projected expenditures
22 under such plan for such State for fiscal year 2010
23 will exceed the sum of—

1 “(A) the amount of the State’s allotments
2 for each of fiscal years 2008 and 2009 that will
3 not be expended by the end of fiscal year 2009;

4 “(B) the amount, if any, that is to be re-
5 distributed to the State during fiscal year 2010
6 in accordance with subsection (f); and

7 “(C) the amount of the State’s allotment
8 for fiscal year 2010.

9 “(3) ALLOTMENTS.—In addition to the allot-
10 ments provided under subsections (b) and (c), sub-
11 ject to paragraph (4), of the amount available for
12 the additional allotments under paragraph (1) for
13 fiscal year 2010, the Secretary shall allot—

14 “(A) to each shortfall State described in
15 paragraph (2) not described in subparagraph
16 (B) such amount as the Secretary determines
17 will eliminate the estimated shortfall described
18 in such paragraph for the State; and

19 “(B) to each commonwealth or territory
20 described in subsection (c)(3), an amount equal
21 to the percentage specified in subsection (c)(2)
22 for the commonwealth or territory multiplied by
23 1.05 percent of the sum of the amounts deter-
24 mined for each shortfall State under subpara-
25 graph (A).

1 “(4) PRORATION RULE.—If the amounts avail-
2 able for additional allotments under paragraph (1)
3 are less than the total of the amounts determined
4 under subparagraphs (A) and (B) of paragraph (3),
5 the amounts computed under such subparagraphs
6 shall be reduced proportionally.

7 “(5) RETROSPECTIVE ADJUSTMENT.—The Sec-
8 retary may adjust the estimates and determinations
9 made to carry out this subsection as necessary on
10 the basis of the amounts reported by States not
11 later than November 30, 2010, on CMS Form 64 or
12 CMS Form 21, as the case may be, and as approved
13 by the Secretary.

14 “(6) AVAILABILITY; NO REDISTRIBUTION OF
15 UNEXPENDED ADDITIONAL ALLOTMENTS.—Notwith-
16 standing subsections (e) and (f), amounts allotted to
17 a State pursuant to this subsection for fiscal year
18 2010, subject to paragraph (5), shall only remain
19 available for expenditure by the State through Sep-
20 tember 30, 2010. Any amounts of such allotments
21 that remain unexpended as of such date shall not be
22 subject to redistribution under subsection (f).

23 “(n) APPLICATION TO FISCAL YEARS 2011 AND
24 2012.—

1 “(1) IN GENERAL.—Subject to paragraph (2),
2 subsection (m) shall apply to each of fiscal years
3 2011 and 2012 in the same manner such subsection
4 applies to fiscal year 2010.

5 “(2) APPLICATION.—In applying subsection (m)
6 under paragraph (1) with respect to—

7 “(A) fiscal year 2011—

8 “(i) each reference to a year or date
9 in such subsection shall be deemed a ref-
10 erence to the following year or to one year
11 after such date, respectively; and

12 “(ii) the reference to ‘\$3,000,000,000’
13 in paragraph (1) of such subsection shall
14 be deemed a reference to ‘\$4,000,000,000’;
15 and

16 “(B) fiscal year 2012—

17 “(i) each reference to a year or date
18 in such subsection shall be deemed a ref-
19 erence to the second following year or to
20 two year after such date, respectively; and

21 “(ii) the reference to ‘\$3,000,000,000’
22 in paragraph (1) of such subsection shall
23 be deemed a reference to
24 ‘\$5,000,000,000’.”.

1 **SEC. 3. OPTION FOR QUALIFYING STATES TO RECEIVE THE**
2 **ENHANCED PORTION OF THE SCHIP MATCH-**
3 **ING RATE FOR MEDICAID COVERAGE OF CER-**
4 **TAIN CHILDREN.**

5 Section 2105(g) of the Social Security Act (42 U.S.C.
6 1397ee(g)) is amended—

7 (1) in paragraph (1)(A), by inserting “subject
8 to paragraph (4),” after “Notwithstanding any other
9 provision of law,”; and

10 (2) by adding at the end the following new
11 paragraph:

12 “(4) OPTION FOR CERTAIN ALLOTMENTS.—

13 “(A) PAYMENT OF ENHANCED PORTION OF
14 MATCHING RATE FOR CERTAIN EXPENDI-
15 TURES.—In the case of expenditures described
16 in subparagraph (B), a qualifying State (as de-
17 fined in paragraph (2)) may elect to be paid
18 from the State’s allotment made under section
19 2104 for any fiscal year (beginning with fiscal
20 year 2009) (insofar as the allotment is available
21 to the State under subsection (e) of such sec-
22 tion) an amount each quarter equal to the addi-
23 tional amount that would have been paid to the
24 State under title XIX with respect to such ex-
25 penditures if the enhanced FMAP (as deter-
26 mined under subsection (b)) had been sub-

1 stituted for the Federal medical assistance per-
2 centage (as defined in section 1905(b)).

3 “(B) EXPENDITURES DESCRIBED.—For
4 purposes of subparagraph (A), the expenditures
5 described in this subparagraph are expenditures
6 made after the date of the enactment of this
7 paragraph and during the period in which funds
8 are available to the qualifying State for use
9 under subparagraph (A), for the provision of
10 medical assistance to individuals residing in the
11 State who are eligible for medical assistance
12 under the State plan under title XIX or under
13 a waiver of such plan and who have not at-
14 tained age 19, and whose family income equals
15 or exceeds 133 percent of the poverty line but
16 does not exceed the Medicaid applicable income
17 level.”.

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