

work to expand access to life-saving cardiac defibrillators, and my bill to freeze the Federal medical assistance percentage for 10 years to ensure that States continue to receive adequate Federal funding highlight this commitment.

I thank Mr. ROCKEFELLER, Mr. CRAIG, and Ms. LANDRIEU for cosponsoring this bill.

Please join me in supporting this bill to assist our States in the endeavor to serve these five-hundred-thousand-plus vulnerable children.

Mr. MCCONNELL. I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (S. 1894) was read the third time and passed, as follows:

S. 1894

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Access Foster Care Act of 2005".

SEC. 2. FOSTER CARE MAINTENANCE PAYMENTS TO PRIVATE FOR-PROFIT AGENCIES.

Section 472(b) of the Social Security Act (42 U.S.C. 672(b)) is amended by striking "nonprofit" each place it appears.

STATE HIGH RISK POOL FUNDING EXTENSION ACT OF 2005

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 181, H. R. 3204.

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

The legislative clerk read as follows:

A bill (H. R. 3204) to amend title XXVII of the Public Health Service Act to extend Federal funding for the establishment and operation of State high risk health insurance pools.

There being no objection, the Senate proceeded to consider the bill.

Mr. ENZI. Mr. President, I am pleased today to bring to the floor an amendment to H.R. 3204, The State High Risk Pool Funding Extension Act of 2005. The Senate companion, S. 288, sponsored by Senators GREGG and BAUCUS, was approved unanimously in February by the Health, Education, Labor, and Pensions Committee. A similar bill also unanimously passed the full Senate in the last Congress.

The amendment to H. R. 3204 that I bring before us today reflects much careful and bipartisan work, not only within the Senate, but with the House as well. After we pass this amendment and send it to the House, I expect our colleagues in that Chamber will approve it quickly, thus paving the way for a swift trip to the President's desk and into law.

This legislation extends and makes improvements in the Federal Health Insurance High Risk Pool Grant Pro-

gram originally enacted in 2002 as part of the Trade Adjustment Assistance Reform Act, TAA. This grant program provides critical assistance States both for the start-up of new risk pools and for the continued operation of existing ones.

State high risk pools are State-created nonprofit entities that provide access to health insurance for persons who are not covered under an employer plan or a government program, and whose medical profile makes it very difficult or impossible for them to find coverage in the individual insurance market.

These individuals are often the sickest and most vulnerable among us, and who, without access to high risk pools would otherwise fall through the cracks and be forced to bankrupt themselves onto the Medicaid rolls.

Nearly 200,000 people have purchased health insurance policies through high risk pools nationwide. In my home State of Wyoming more than 650 people have comprehensive health insurance thanks to the Wyoming Health Insurance Pool.

This insurance covers doctor visits, prescription drugs, home health visits, rehabilitation services, mental health, physical therapy, and maternity care. It is meaningful insurance coverage for people who would otherwise be uninsurable.

Under these programs, individuals pay capped premiums for their coverage, but such premiums generally cover only 50 to 60 percent of the total cost of their care. The rest of the expense must be made up by other revenues, typically through an annual assessment of insurance companies.

The current Federal Risk Pool Grant Program authorized up to \$40 million annually to help existing State high risk pools ease the steep losses requiring subsidies that they incur in these programs each year. Last year alone, total combined losses in State risk pools was more than \$539 billion, an increase of 12 percent over the previous year.

The legislation before us today would increase authorization for grants to existing risk pool programs from \$40 million to \$75 million per year through 2009. It would also extend through 2006 authorization for \$15 million annually for seed grants to States without risk pools that wish to establish them. Under this program, States would be eligible for grants of up to \$1 million for the creation and initial operation of a risk pool.

It is critical that Congress act swiftly on this important bill. Authorization for the current grant program expired at the end of fiscal year 2004, and all remaining funds will be exhausted upon the expiration of fiscal year 2005. Moreover, many State legislatures are assessing whether or not to move ahead with risk pool programs. Passage of this legislation would send the States a strong signal of continued and renewed Federal commitment to such programs.

In addition to extending and increasing authorization for Federal grant assistance, our legislation also makes a certain targeted improvements in how the Federal risk pool grants operate. For example, the bill would allow States a greater degree of flexibility in how they apply Federal grant dollars to their risk pool programs, and in the requirements for qualifying for grants. In part, this greater flexibility is an acknowledgement that State programs do vary and that a number of States are experimenting with new and innovative approaches in how they set up and administer their risk pool programs—approaches that in some cases may not fit easily into the Federal grant parameters as they are currently drafted.

The legislation also makes some adjustments in the way grant funds are allocated, such that each State will now receive a sufficient incentive to establish or improve its high risk pool. At the same time, the revised allocation system recognizes that some states have greater numbers of uninsured than others, and provides extra assistance to States that operate the largest risk pools.

The bill also includes a new bonus pool that can be tapped by States to offer lower premiums or improved benefits in connection with their high-risk pool, rather than requiring that all funds go to help defray operational losses. Up to one third of State's annual grant award could be used for this purpose.

The legislation before us today is the same as that which drew unanimous and bipartisan support in our committee, both in this Congress and the last. It would extend and improve a program that has helped thousands of medically vulnerable Americans maintain lifesaving health coverage and avoid potentially devastating financial ruin. It is an important part of this Congress's comprehensive efforts to make health care and health insurance more affordable and accessible for everyone.

I commend Senators GREGG and BAUCUS for their effective leadership on this important legislation, and to our committee's ranking member, Senator KENNEDY, for his hard work and commitment. I urge all of my colleagues to join me in giving this much needed legislation our full support.

Finally, credit should go as well to a number of current and past Senate staff, some of whom have worked for several years to bring this bill to fruition. We greatly appreciate the work of many, including David Bowen, David Fisher, Kim Monk, Stephen Northrup, Andrew Patzman, Stacey Sachs, Conwell Smith, and Vince Ventimiglia.

I urge the Senate to give this much needed legislation the strong support it deserves.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Enzi amendment at the desk be agreed to, the bill, as amended, be read a third

time and passed, the motions to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 2142) was agreed to, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "State High Risk Pool Funding Extension Act of 2005".

SEC. 2. EXTENSION OF FUNDING FOR OPERATION OF STATE HIGH RISK HEALTH INSURANCE POOLS.

Section 2745 of the Public Health Service Act (42 U.S.C. 300gg-45) is amended to read as follows:

"SEC. 2745. RELIEF FOR HIGH RISK POOLS.

"(a) SEED GRANTS TO STATES.—The Secretary shall provide from the funds appropriated under subsection (d)(1)(A) a grant of up to \$1,000,000 to each State that has not created a qualified high risk pool as of the date of enactment of the State High Risk Pool Funding Extension Act of 2005 for the State's costs of creation and initial operation of such a pool.

"(b) GRANTS FOR OPERATIONAL LOSSES.—
"(1) IN GENERAL.—In the case of a State that has established a qualified high risk pool that—

"(A) restricts premiums charged under the pool to no more than 200 percent of the premium for applicable standard risk rates;

"(B) offers a choice of two or more coverage options through the pool; and

"(C) has in effect a mechanism reasonably designed to ensure continued funding of losses incurred by the State in connection with operation of the pool after the end of the last fiscal year for which a grant is provided under this paragraph;

the Secretary shall provide, from the funds appropriated under paragraphs (1)(B)(i) and (2)(A) of subsection (d) and allotted to the State under paragraph (2), a grant for the losses incurred by the State in connection with the operation of the pool.

"(2) ALLOTMENT.—Subject to paragraph (4), the amounts appropriated under paragraphs (1)(B)(i) and (2)(A) of subsection (d) for a fiscal year shall be allotted and made available to the States (or the entities that operate the high risk pool under applicable State law) that qualify for a grant under paragraph (1) as follows:

"(A) An amount equal to 40 percent of such appropriated amount for the fiscal year shall be allotted in equal amounts to each qualifying State that is one of the 50 States or the District of Columbia and that applies for a grant under this subsection.

"(B) An amount equal to 30 percent of such appropriated amount for the fiscal year shall be allotted among qualifying States that apply for such a grant so that the amount allotted to such a State bears the same ratio to such appropriated amount as the number of uninsured individuals in the State bears to the total number of uninsured individuals (as determined by the Secretary) in all qualifying States that so apply.

"(C) An amount equal to 30 percent of such appropriated amount for the fiscal year shall be allotted among qualifying States that apply for such a grant so that the amount allotted to a State bears the same ratio to such appropriated amount as the number of individuals enrolled in health care coverage through the qualified high risk pool of the State bears to the total number of individuals so enrolled through qualified high risk pools (as determined by the Secretary) in all qualifying States that so apply.

"(3) SPECIAL RULE FOR POOLS CHARGING HIGHER PREMIUMS.—In the case of a qualified high risk pool of a State which charges premiums that exceed 150 percent of the premium for applicable standard risks, the State shall use at least 50 percent of the amount of the grant provided to the State to carry out this subsection to reduce premiums for enrollees.

"(4) LIMITATION FOR TERRITORIES.—In no case shall the aggregate amount allotted and made available under paragraph (2) for a fiscal year to States that are not the 50 States or the District of Columbia exceed \$1,000,000.

"(c) BONUS GRANTS FOR SUPPLEMENTAL CONSUMER BENEFITS.—

"(1) IN GENERAL.—In the case of a State that is one of the 50 States or the District of Columbia, that has established a qualified high risk pool, and that is receiving a grant under subsection (b)(1), the Secretary shall provide, from the funds appropriated under paragraphs (1)(B)(ii) and (2)(B) of subsection (d) and allotted to the State under paragraph (3), a grant to be used to provide supplemental consumer benefits to enrollees or potential enrollees (or defined subsets of such enrollees or potential enrollees) in qualified high risk pools.

"(2) BENEFITS.—A State shall use amounts received under a grant under this subsection to provide one or more of the following benefits:

"(A) Low-income premium subsidies.

"(B) A reduction in premium trends, actual premiums, or other cost-sharing requirements.

"(C) An expansion or broadening of the pool of individuals eligible for coverage, such as through eliminating waiting lists, increasing enrollment caps, or providing flexibility in enrollment rules.

"(D) Less stringent rules, or additional waiver authority, with respect to coverage of pre-existing conditions.

"(E) Increased benefits.

"(F) The establishment of disease management programs.

"(3) ALLOTMENT; LIMITATION.—The Secretary shall allot funds appropriated under paragraphs (1)(B)(ii) and (2)(B) of subsection (d) among States qualifying for a grant under paragraph (1) in a manner specified by the Secretary, but in no case shall the amount so allotted to a State for a fiscal year exceed 10 percent of the funds so appropriated for the fiscal year.

"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit a State that, on the date of the enactment of the State High Risk Pool Funding Extension Act of 2005, is in the process of implementing a program to provide benefits of the type described in paragraph (2), from being eligible for a grant under this subsection.

"(d) FUNDING.—

"(1) APPROPRIATION FOR FISCAL YEAR 2006.—There are authorized to be appropriated and there are appropriated for fiscal year 2006—

"(A) \$15,000,000 to carry out subsection (a); and

"(B) \$75,000,000, of which, subject to paragraph (4)—

"(i) two-thirds of the amount appropriated shall be made available for allotments under subsection (b)(2); and

"(ii) one-third of the amount appropriated shall be made available for allotments under subsection (c)(3).

"(2) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 2007 THROUGH 2010.—There are authorized to be appropriated \$75,000,000 for each of fiscal years 2007 through 2010, of which, subject to paragraph (4)—

"(A) two-thirds of the amount appropriated for a fiscal year shall be made available for allotments under subsection (b)(2); and

"(B) one-third of the amount appropriated for a fiscal year shall be made available for allotments under subsection (c)(3).

"(3) AVAILABILITY.—Funds appropriated for purposes of carrying out this section for a fiscal year shall remain available for obligation through the end of the following fiscal year.

"(4) REALLOTMENT.—If, on June 30 of each fiscal year for which funds are appropriated under paragraph (1)(B) or (2), the Secretary determines that all the amounts so appropriated are not allotted or otherwise made available to States, such remaining amounts shall be allotted and made available under subsection (b) among States receiving grants under subsection (b) for the fiscal year based upon the allotment formula specified in such subsection.

"(5) NO ENTITLEMENT.—Nothing in this section shall be construed as providing a State with an entitlement to a grant under this section.

"(e) APPLICATIONS.—To be eligible for a grant under this section, a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(f) ANNUAL REPORT.—The Secretary shall submit to Congress an annual report on grants provided under this section. Each such report shall include information on the distribution of such grants among States and the use of grant funds by States.

"(g) DEFINITIONS.—In this section:

"(1) QUALIFIED HIGH RISK POOL.—

"(A) IN GENERAL.—The term 'qualified high risk pool' has the meaning given such term in section 2744(c)(2), except that a State may elect to meet the requirement of subparagraph (A) of such section (insofar as it requires the provision of coverage to all eligible individuals) through providing for the enrollment of eligible individuals through an acceptable alternative mechanism (as defined for purposes of section 2744) that includes a high risk pool as a component.

"(2) STANDARD RISK RATE.—The term 'standard risk rate' means a rate—

"(A) determined under the State high risk pool by considering the premium rates charged by other health insurers offering health insurance coverage to individuals in the insurance market served;

"(B) that is established using reasonable actuarial techniques; and

"(C) that reflects anticipated claims experience and expenses for the coverage involved.

"(3) STATE.—The term 'State' means any of the 50 States and the District of Columbia and includes Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands."

The bill (H. R. 3204), as amended, was read the third time and passed.

ORDERS FOR THURSDAY, OCTOBER 20, 2005

Mr. McCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, October 20. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of H.R. 3058, the Transportation-Treasury appropriations bill.

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