

110TH CONGRESS
1ST SESSION

S. 1022

To amend title XXI of the Social Security Act to eliminate the remainder of funding shortfalls for the State Children's Health Insurance Program (SCHIP) for fiscal year 2007, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 29, 2007

Mr. CHAMBLISS (for himself and Mr. ISAKSON) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title XXI of the Social Security Act to eliminate the remainder of funding shortfalls for the State Children's Health Insurance Program (SCHIP) for fiscal year 2007, 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,*

3 **SECTION 1. ELIMINATION OF REMAINDER OF SCHIP FUND-**
4 **ING SHORTFALLS FOR FISCAL YEAR 2007.**

5 (a) IN GENERAL.—Section 2104(h) of the Social Se-
6 curity Act (42 U.S.C. 1397dd(h)), as added by section
7 201(a) of the National Institutes of Health Reform Act
8 of 2006, is amended—

1 (1) by redesignating paragraphs (4) through
2 (7) as paragraphs (5) through (8), respectively;

3 (2) by inserting after paragraph (3), the fol-
4 lowing:

5 “(4) ADDITIONAL AMOUNTS TO ELIMINATE RE-
6 MAINDER OF FISCAL YEAR 2007 FUNDING SHORT-
7 FALLS.—

8 “(A) ALLOTMENT AUTHORITY.—From the
9 amounts made available under subparagraph
10 (D) for additional allotments under this para-
11 graph, subject to subparagraph (C), the Sec-
12 retary shall allot to each remaining shortfall
13 State described in subparagraph (B) such
14 amount as the Secretary determines will elimi-
15 nate the estimated shortfall described in such
16 subparagraph for the State for fiscal year 2007.

17 “(B) REMAINING SHORTFALL STATE DE-
18 SCRIBED.—For purposes of subparagraph (A),
19 a remaining shortfall State is a State with a
20 State child health plan approved under this title
21 for which the Secretary estimates, on the basis
22 of the most recent data available to the Sec-
23 retary as of March 31, 2007, that the projected
24 Federal expenditures under such plan for the

1 State for fiscal year 2007 will exceed the sum
2 of—

3 “(i) the amount of the State’s allot-
4 ments for each of fiscal years 2005 and
5 2006 that will not be expended by the end
6 of fiscal year 2006;

7 “(ii) the amount of the State’s allot-
8 ment for fiscal year 2007; and

9 “(iii) the amounts, if any, that are to
10 be redistributed to the State during fiscal
11 year 2007 in accordance with paragraphs
12 (1) and (2).

13 “(C) PRORATION RULE.—If the amount
14 available under subparagraph (D) is less than
15 the total amount of the estimated shortfalls de-
16 termined by the Secretary under subparagraph
17 (A), the amount of the allotment for each re-
18 maining shortfall State determined under such
19 subparagraph shall be reduced proportionally.

20 “(D) APPROPRIATION; ALLOTMENT AU-
21 THORITY.—For the purpose of providing addi-
22 tional allotments to remaining shortfall States
23 under this paragraph there is appropriated, out
24 of any funds in the Treasury not otherwise ap-
25 propriated, such sums as are necessary for fis-

1 cal year 2007, not to exceed \$750,000,000.
2 Amounts appropriated pursuant to the pre-
3 ceding sentence are designated as an emergency
4 requirement pursuant to section 402 of H. Con.
5 Res. 95 (109th Congress).”.

6 (b) CONFORMING AMENDMENTS.—Such section is
7 further amended—

8 (1) in paragraph (1)(B), by striking “para-
9 graph (4)(B)” and inserting “paragraph (5)(B)”;

10 (2) in paragraph (2)—

11 (A) in the paragraph heading, by striking
12 “REMAINDER OF REDUCTION” and inserting
13 “PART”;

14 (B) in subparagraph (A), by striking
15 “paragraph (5)(B)” and inserting “paragraph
16 (6)(B)”;

17 (C) in subparagraph (B), by striking
18 “paragraph (4)(B)” and inserting “paragraph
19 (5)(B)”;

20 (3) in paragraph (5) (as redesignated by sub-
21 section (a)(1))—

22 (A) in subparagraph (A), by inserting “or
23 allotted” after “redistributed”; and

24 (B) in subparagraph (B)—

1 (i) by inserting “or allotted” after
2 “redistributed”;

3 (ii) by striking “To the” and inserting
4 the following:

5 “(i) IN GENERAL.—Subject to clause
6 (ii), to the”; and

7 (iii) by adding at the end the fol-
8 lowing new clause:

9 “(ii) EXCEPTION FOR REMAINING
10 SHORTFALL STATES WITH LOWEST THIRD
11 RANKING OF UNINSURED CHILDREN.—
12 Only with respect to the amounts allotted
13 under paragraph (4) to a remaining short-
14 fall State described in subparagraph (B) of
15 such paragraph, clause (i) shall not apply
16 to any such State that, on the basis of the
17 most recent American Community Survey
18 of the Bureau of the Census (or, until such
19 data is available, on the basis of the 3
20 most recent Annual Social and Economic
21 Supplements of the Current Population
22 Survey of the Bureau of the Census),
23 ranks in the lowest $\frac{1}{3}$ of States in terms
24 of the State’s percentage of low-income
25 children without health insurance.”;

1 (4) in subparagraph (6)(A) (as so redesignig-
 2 nated), by striking “and (3)” and inserting “(3),
 3 and (4)”; and

4 (5) in paragraph (7) (as so redesignated)—

5 (A) in the first sentence—

6 (i) by inserting “or allotted” after
 7 “redistributed”; and

8 (ii) by inserting “or allotments” after
 9 “redistributions”; and

10 (B) in the second sentence, by striking
 11 “and (3), in accordance with paragraph (5)”
 12 and inserting “(3), and (4) in accordance with
 13 paragraph (6)”.

14 **SEC. 2. EXTENSION OF SSI ASSET VERIFICATION DEM-**
 15 **ONSTRATION TO MEDICAID.**

16 (a) IN GENERAL.—Subject to subsection (b), the Sec-
 17 retary of Health and Human Services shall collaborate
 18 with the Commissioner of Social Security to provide for
 19 the use, for purposes of verifying financial eligibility for
 20 medical assistance under State plans under title XIX of
 21 the Social Security Act (42 U.S.C. 1396 et seq.), of the
 22 system administered by the Commissioner (under section
 23 1631(e)(1)(B)(ii) of such Act (42 U.S.C.
 24 1383(e)(1)(B)(ii)) under which the Commissioner may ob-
 25 tain information held by financial institutions in order to

1 verify eligibility for benefits under title XVI of such Act
2 (42 U.S.C. 1381 et seq.).

3 (b) LIMITATION.—For purposes of this section, use
4 of the system described in subsection (a), and the informa-
5 tion obtained through such system, shall be limited to de-
6 terminations of eligibility for medical assistance in States
7 in which such system is being used by the Commissioner
8 to verify eligibility for benefits under such title XVI.

9 (c) SHARING BY COMMISSIONER OF INFORMATION
10 OBTAINED FROM FINANCIAL INSTITUTIONS.—Notwith-
11 standing the Right to Financial Privacy Act of 1978 (12
12 U.S.C. 3401 et seq.) or any other provision of law, infor-
13 mation obtained by the Commissioner from financial insti-
14 tutions under the system described in subsection (a) may,
15 for purposes of carrying out this section, be shared with
16 the agencies of States specified in subsection (b) which
17 are administering the plans of such States under title XIX
18 of the Social Security Act.

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