

110TH CONGRESS
1ST SESSION

S. 2086

To amend title XXI of the Social Security Act to extend funding for 18 months for the State Children’s Health Insurance Program (SCHIP) and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 2007

Mr. LOTT 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 extend funding for 18 months for the State Children’s Health Insurance Program (SCHIP) 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. SHORT TITLE.**

4 This Act may be cited as the “SCHIP Extension Act
5 of 2007”.

6 **SEC. 2. EXTENSION OF SCHIP.**

7 Section 2104 of the Social Security Act (42 U.S.C.
8 1397dd) is amended—

9 (1) in subsection (a)—

1 (A) by striking “and” at the end of para-
2 graph (9);

3 (B) by striking the period at the end of
4 paragraph (10) and inserting a semicolon; and

5 (C) by adding at the end the following new
6 paragraph:

7 “(11) for fiscal year 2008, \$5,000,000,000; and

8 “(12) for the first 6 months of fiscal year 2009,
9 \$2,500,000,000.”; and

10 (2) in subsection (c)(4)(B), by striking “and
11 \$40,000,000 for fiscal year 2007” and inserting
12 “\$40,000,000 for each of fiscal years 2007 and
13 2008, and \$20,000,000 for the first 6 months of fis-
14 cal year 2009”.

15 **SEC. 3. ADDITIONAL ALLOTMENTS TO ADDRESS SCHIP**
16 **FUNDING SHORTFALLS FOR FISCAL YEAR**
17 **2008 AND FIRST 6 MONTHS OF FISCAL YEAR**
18 **2009.**

19 Section 2104 of the Social Security Act (42 U.S.C.
20 1397dd) is amended by adding at the end the following
21 new subsection:

22 “(i) AMOUNTS TO ELIMINATE FUNDING SHORT-
23 FALLS FOR FISCAL YEAR 2008 AND FIRST 6 MONTHS OF
24 FISCAL YEAR 2009.—

1 “(1) IN GENERAL.—From the amounts appro-
2 priated under paragraph (4) for a shortfall period
3 (as defined in paragraph (5)), the Secretary shall
4 allot to each shortfall State described in paragraph
5 (2) for such period such amount as the Secretary
6 determines will eliminate the estimated shortfall de-
7 scribed in paragraph (2) for the State for the short-
8 fall period.

9 “(2) SHORTFALL STATE DESCRIBED.—For pur-
10 poses of paragraph (1), a shortfall State described
11 in this paragraph for a shortfall period is a State
12 with a State child health plan approved under this
13 title for which the Secretary estimates, on the basis
14 of the most recent data available to the Secretary as
15 of a date (specified by the Secretary) during the
16 shortfall period, that the projected Federal expendi-
17 tures under such plan for the State for the shortfall
18 period will exceed the sum of—

19 “(A) the amount of the State’s allotments
20 for the two fiscal years ending before the short-
21 fall period that will not be expended by the end
22 of the more recent such fiscal year;

23 “(B) the amount of the State’s allotment
24 for the shortfall period; and

1 “(C) the amounts, if any, that are to be re-
2 distributed to the State during the shortfall pe-
3 riod in accordance with subsection (f).

4 “(3) PRORATION RULE.—If the amount avail-
5 able under paragraph (4) for a shortfall period is
6 less than the total amount of the estimated short-
7 falls determined by the Secretary under paragraph
8 (1) for such period, the amount of the estimated
9 shortfall for each shortfall State determined under
10 such paragraph for such period shall be reduced pro-
11 portionally.

12 “(4) APPROPRIATION; ALLOTMENT AUTHOR-
13 ITY.—For the purpose of providing additional allot-
14 ments to shortfall States under this subsection—

15 “(A) FISCAL YEAR 2008.—For the shortfall
16 period specified in paragraph (5)(A), there is
17 appropriated, out of any funds in the Treasury
18 not otherwise appropriated, such sums as are
19 necessary for such fiscal year, but not to exceed
20 \$1,500,000,000.

21 “(B) FIRST 6 MONTHS OF FISCAL YEAR
22 2009.—For the shortfall period specified in
23 paragraph (5)(B), there is appropriated, out of
24 any funds in the Treasury not otherwise appro-

1 priated, such sums as are necessary for such
2 period, but not to exceed \$1,100,000,000.

3 “(5) SHORTFALL PERIODS SPECIFIED.—For
4 purposes of this subsection, each of the following is
5 a ‘shortfall period’:

6 “(A) Fiscal year 2008.

7 “(B) The first 6 months of fiscal year
8 2009.”.

9 **SEC. 4. OPTION FOR QUALIFYING STATES TO RECEIVE THE**
10 **ENHANCED PORTION OF THE SCHIP MATCH-**
11 **ING RATE FOR MEDICAID COVERAGE OF CER-**
12 **TAIN CHILDREN.**

13 Section 2105(g) of the Social Security Act (42 U.S.C.
14 1397ee(g)) is amended—

15 (1) in paragraph (1)(A), by inserting “subject
16 to paragraph (4),” after “Notwithstanding any other
17 provision of law,”; and

18 (2) by adding at the end the following new
19 paragraph:

20 “(4) OPTION FOR ALLOTMENTS.—

21 “(A) PAYMENT OF ENHANCED PORTION OF
22 MATCHING RATE FOR CERTAIN EXPENDI-
23 TURES.—In the case of expenditures described
24 in subparagraph (B), a qualifying State (as de-
25 fined in paragraph (2)) may elect to be paid

1 from the State's allotment made under section
2 2104 for any fiscal year (beginning with fiscal
3 year 2008) (insofar as the allotment is available
4 to the State under subsections (e) and (i) of
5 such section) an amount each quarter equal to
6 the additional amount that would have been
7 paid to the State under title XIX with respect
8 to such expenditures if the enhanced FMAP (as
9 determined under subsection (b)) had been sub-
10 stituted for the Federal medical assistance per-
11 centage (as defined in section 1905(b)).

12 “(B) EXPENDITURES DESCRIBED.—For
13 purposes of subparagraph (A), the expenditures
14 described in this subparagraph are expenditures
15 made after the date of the enactment of this
16 paragraph and during the period in which funds
17 are available to the qualifying State for use
18 under subparagraph (A), for the provision of
19 medical assistance to individuals residing in the
20 State who are eligible for medical assistance
21 under the State plan under title XIX or under
22 a waiver of such plan and who have not at-
23 tained age 19, and whose family income equals
24 or exceeds 133 percent of the poverty line but

1 does not exceed the Medicaid applicable income
2 level.”.

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