

107TH CONGRESS  
1ST SESSION

# H. R. 3414

To provide certain temporary increases in the Federal medical assistance percentage (FMAP) under the Medicaid Program for fiscal year 2002 to help States finance increases in enrollment due to rising unemployment and to prevent reductions in health insurance coverage due to State budget crises.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2001

Mr. KING (for himself, Mr. BROWN of Ohio, Mr. WALSH, Mr. DINGELL, Mr. HOUGHTON, Mr. WAXMAN, Mrs. KELLY, Mr. BONIOR, Mr. SWEENEY, Mr. NADLER, Mr. QUINN, Mr. PALLONE, Mr. GRUCCI, Mrs. CAPPS, Mr. SERRANO, Mrs. MALONEY of New York, Mr. BOUCHER, Mr. TOWNS, Mr. BARRETT of Wisconsin, Mr. McNULTY, Mr. FARR of California, Mr. ACKERMAN, Mr. STENHOLM, Mr. ISRAEL, Mr. SHOWS, Mr. ENGEL, Mrs. MCCARTHY of New York, Mr. GREEN of Texas, Mr. STRICKLAND, Mr. GILMAN, Mr. ALLEN, Mr. HINCHEY, Mr. STUPAK, Ms. LEE, Mr. RANGEL, Mr. REYNOLDS, Mrs. LOWEY, Mr. WEINER, Mr. CROWLEY, Ms. VELÁZQUEZ, Mr. MCHUGH, and Mr. FOLEY) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To provide certain temporary increases in the Federal medical assistance percentage (FMAP) under the Medicaid Program for fiscal year 2002 to help States finance increases in enrollment due to rising unemployment and to prevent reductions in health insurance coverage due to State budget crises.

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 “State Budget Relief  
5 Act of 2001”.

6 **SEC. 2. TEMPORARY INCREASES OF MEDICAID FMAP FOR**  
7 **FISCAL YEAR 2002.**

8        (a) PERMITTING MAINTENANCE OF FISCAL YEAR  
9 2001 FMAP.—Notwithstanding any other provision of  
10 law, but subject to subsection (d), if the FMAP deter-  
11 mined without regard to this section for a State for fiscal  
12 year 2002 is less than the FMAP as so determined for  
13 fiscal year 2001, the FMAP for the State for fiscal year  
14 2001 shall be substituted for the State’s FMAP for fiscal  
15 year 2002, before the application of this section.

16        (b) GENERAL 2 PERCENTAGE POINT INCREASE.—  
17 Notwithstanding any other provision of law, but subject  
18 to subsections (d) and (e), for each State for each calendar  
19 quarter in fiscal year 2002, the FMAP (taking into ac-  
20 count the application of subsection (a)) shall be increased  
21 by 2 percentage points.

22        (c) FURTHER INCREASE FOR STATES WITH HIGH  
23 UNEMPLOYMENT RATES.—

24            (1) IN GENERAL.—Notwithstanding any other  
25 provision of law, but subject to subsections (d) and

1 (e), if a State is a high unemployment State for a  
2 calendar quarter in fiscal year 2002, then the  
3 FMAP for that State for that calendar quarter and  
4 for any subsequent calendar quarter in such fiscal  
5 year regardless of whether the State continues to be  
6 high unemployment State for that subsequent cal-  
7 endar quarter shall be increased (after the applica-  
8 tion of subsections (a) and (b)) by 2.5 percentage  
9 points.

10 (2) HIGH UNEMPLOYMENT STATE.—For pur-  
11 poses of this subsection, a State is a high unemploy-  
12 ment State for a calendar quarter if, for any 3 con-  
13 secutive month period beginning on or after June  
14 2001 and ending with the second month before the  
15 beginning of the calendar quarter, the State has an  
16 average seasonally adjusted unemployment rate that  
17 exceeds the average weighted unemployment rate  
18 during such period. Such unemployment rates for  
19 such months shall be determined based on publica-  
20 tions of the Bureau of Labor Statistics of the De-  
21 partment of Labor.

22 (3) AVERAGE WEIGHTED UNEMPLOYMENT RATE  
23 DEFINED.—For purposes of paragraph (2), the “av-  
24 erage weighted unemployment rate” for a period  
25 is—

1           (A) the sum of the seasonally adjusted  
2           number of unemployed civilians in each State  
3           and the District of Columbia for the period, di-  
4           vided by

5           (B) the sum of the civilian labor force in  
6           each State and the District of Columbia for the  
7           period.

8           (d) SCOPE OF APPLICATION.—The increases in the  
9           FMAP for a State under this section shall apply only for  
10          purposes of title XIX of the Social Security Act and shall  
11          not apply with respect to—

12           (1) disproportionate share hospital payments  
13          described in section 1923 of such Act; and

14           (2) payments under titles IV and XXI of such  
15          Act.

16          (e) STATE ELIGIBILITY.—A State is eligible for an  
17          increase in its FMAP under subsection (b) or (c) or an  
18          increase in a cap amount under subsection (f) only if the  
19          eligibility under its State plan under title XIX of the So-  
20          cial Security Act (including any waiver under such title  
21          or under section 1115 of such Act) is no more restrictive  
22          than the eligibility under such plan (or waiver) as in effect  
23          on October 1, 2001.

24          (f) ONE-YEAR INCREASE IN CAP ON MEDICAID PAY-  
25          MENTS TO TERRITORIES.—Notwithstanding any other

1 provision of law, but subject to section (e), with respect  
2 to fiscal year 2002, the amounts otherwise determined for  
3 Puerto Rico, the Virgin Islands, Guam, the Northern Mar-  
4 iana Islands, and American Samoa under subsections (f)  
5 and (g)(2) of section 1108 of the Social Security Act (42  
6 U.S.C 1308) shall each be increased by 9 percent of such  
7 amounts.

8 (g) DEFINITIONS.—For purposes of this section:

9 (1) FMAP.—The term “FMAP” means the  
10 Federal medical assistance percentage, as defined in  
11 section 1905(b) of the Social Security Act (42  
12 U.S.C. 1396d(b)).

13 (2) STATE.—The term “State” has the mean-  
14 ing given such term for purposes of title XIX of the  
15 Social Security Act.

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