

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3729

To amend titles XIX and XXI of the Social Security Act to improve the health benefits coverage of infants and children under the Medicaid and State children's health insurance program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2002

Mr. STRICKLAND (for himself, Mr. NEY, Ms. DEGETTE, Mrs. MORELLA, Mr. CROWLEY, Ms. WATERS, Mr. McNULTY, Mr. BLAGOJEVICH, Mr. TOWNS, Mr. WYNN, Mr. WAXMAN, Mr. SCHIFF, Mr. PASCRELL, Mr. GREEN of Texas, Mr. STUPAK, Mr. FROST, Ms. ESHOO, Mr. RUSH, Mr. EVANS, Mr. DOOLEY of California, Mr. CONYERS, Mr. OWENS, Mrs. CHRISTENSEN, Mr. CAPUANO, Mr. LAFALCE, and Mr. BRADY of Pennsylvania) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend titles XIX and XXI of the Social Security Act to improve the health benefits coverage of infants and children under the Medicaid and State children's health insurance program, 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; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Start Healthy, Stay Healthy Act”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—START HEALTHY

Sec. 101. Enhanced Federal medicaid match for States that opt to continuously enroll infants during the first year of life without regard to the mother’s eligibility status.

Sec. 102. Optional coverage of low-income, uninsured pregnant women under a State child health plan.

Sec. 103. Increase in SCHIP income eligibility.

TITLE II—STAY HEALTHY

Sec. 201. Enhanced Federal medicaid match for increased expenditures for medical assistance for children.

Sec. 202. Increase in SCHIP appropriations.

Sec. 203. Optional coverage of children through age 20 under the medicaid program and SCHIP.

3 **TITLE I—START HEALTHY**

4 **SEC. 101. ENHANCED FEDERAL MEDICAID MATCH FOR**  
 5 **STATES THAT OPT TO CONTINUOUSLY EN-**  
 6 **ROLL INFANTS DURING THE FIRST YEAR OF**  
 7 **LIFE WITHOUT REGARD TO THE MOTHER’S**  
 8 **ELIGIBILITY STATUS.**

9 (a) STATE OPTION.—Section 1902(e)(4) of the Social  
 10 Security Act (42 U.S.C. 1396a(e)(4)) is amended by add-  
 11 ing at the end the following new sentence: “A State may  
 12 elect (through a State plan amendment) to apply the first  
 13 sentence of this paragraph without regard to the require-  
 14 ments that the child remain a member of the woman’s  
 15 household and the woman remains (or would remain if  
 16 pregnant) eligible for medical assistance.”.

1 (b) ENHANCED FMAP.—The first sentence of sec-  
2 tion 1905(b) of the Social Security Act (42 U.S.C.  
3 1396d(b)) is amended—

4 (1) by inserting “(A)” after “only”; and

5 (2) by inserting “, or (B) on the basis of a  
6 State election made under the third sentence of sec-  
7 tion 1902(e)(4)” before the period.

8 (c) EFFECTIVE DATE.—The amendments made by  
9 this section apply to medical assistance provided on or  
10 after October 1, 2002.

11 **SEC. 102. OPTIONAL COVERAGE OF LOW-INCOME, UNIN-**  
12 **SURED PREGNANT WOMEN UNDER A STATE**  
13 **CHILD HEALTH PLAN.**

14 (a) IN GENERAL.—Title XXI of the Social Security  
15 Act (42 U.S.C. 1397aa et seq.) is amended by adding at  
16 the end the following new section:

17 **“SEC. 2111. OPTIONAL COVERAGE OF LOW-INCOME, UNIN-**  
18 **SURED PREGNANT WOMEN.**

19 “(a) OPTIONAL COVERAGE.—Notwithstanding any  
20 other provision of this title, a State child health plan  
21 (whether implemented under this title or title XIX) may  
22 provide for coverage of pregnancy-related assistance for  
23 targeted low-income pregnant women in accordance with  
24 this section, but only if the State has established an in-  
25 come eligibility level under section 1902(l)(2)(A) for

1 women described in section 1902(l)(1)(A) that is 185 per-  
2 cent of the income official poverty line.

3 “(b) DEFINITIONS.—For purposes of this section:

4 “(1) PREGNANCY-RELATED ASSISTANCE.—The  
5 term ‘pregnancy-related assistance’ has the meaning  
6 given the term child health assistance in section  
7 2110(a) as if any reference to targeted low-income  
8 children were a reference to targeted low-income  
9 pregnant women, except that the assistance shall be  
10 limited to services related to pregnancy (which in-  
11 clude prenatal, delivery, and postpartum services)  
12 and to other conditions that may complicate preg-  
13 nancy.

14 “(2) TARGETED LOW-INCOME PREGNANT  
15 WOMAN.—The term ‘targeted low-income pregnant  
16 woman’ has the meaning given the term targeted  
17 low-income child in section 2110(b) as if any ref-  
18 erence to a child were deemed a reference to a  
19 woman during pregnancy and through the end of the  
20 month in which the 60-day period (beginning on the  
21 last day of her pregnancy) ends.

22 “(c) REFERENCES TO TERMS AND SPECIAL  
23 RULES.—In the case of, and with respect to, a State pro-  
24 viding for coverage of pregnancy-related assistance to tar-

1 geted low-income pregnant women under subsection (a),  
2 the following special rules apply:

3           “(1) Any reference in this title (other than sub-  
4           section (b)) to a targeted low income child is deemed  
5           to include a reference to a targeted low-income preg-  
6           nant woman.

7           “(2) Any such reference to child health assist-  
8           ance with respect to such women is deemed a ref-  
9           erence to pregnancy-related assistance.

10           “(3) Any such reference to a child is deemed a  
11           reference to a woman during pregnancy and the pe-  
12           riod described in subsection (b)(2).

13           “(4) The medicaid applicable income level is  
14           deemed a reference to the income level established  
15           under section 1902(l)(2)(A).

16           “(5) Subsection (a) of section 2103 (relating to  
17           required scope of health insurance coverage) shall  
18           not apply insofar as a State limits coverage to serv-  
19           ices described in subsection (b)(1) and the reference  
20           to such section in section 2105(a)(1) is deemed not  
21           to require, in such case, compliance with the require-  
22           ments of section 2103(a).

23           “(6) There shall be no exclusion of benefits for  
24           services described in subsection (b)(1) based on any  
25           pre-existing condition and no waiting period (includ-

1 ing any waiting period imposed to carry out section  
2 2102(b)(3)(C)) shall apply.

3 “(d) NO IMPACT ON ALLOTMENTS.—Nothing in this  
4 section shall be construed as affecting the amount of any  
5 initial allotment provided to a State under section  
6 2104(b).

7 “(e) APPLICATION OF FUNDING RESTRICTIONS.—  
8 The coverage under this section (and the funding of such  
9 coverage) is subject to the restrictions of section 2105(e).

10 “(f) AUTOMATIC ENROLLMENT FOR CHILDREN  
11 BORN TO WOMEN RECEIVING PREGNANCY-RELATED AS-  
12 SISTANCE.—Notwithstanding any other provision of this  
13 title or title XIX, if a child is born to a targeted low-in-  
14 come pregnant woman who was receiving pregnancy-re-  
15 lated assistance under this section on the date of the chil-  
16 dren’s birth, the child shall be deemed to have applied for  
17 child health assistance under the State child health plan  
18 and to have been found eligible for such assistance under  
19 such plan (or, in the case of a State that provides such  
20 assistance through the provision of medical assistance  
21 under a plan under title XIX, to have applied for medical  
22 assistance under such title and to have been found eligible  
23 for such assistance under such title) on the date of such  
24 birth and to remain eligible for such assistance until the  
25 child attains 1 year of age. During the period in which

1 a child is deemed under the preceding sentence to be eligi-  
2 ble for child health or medical assistance, the child health  
3 or medical assistance eligibility identification number of  
4 the mother shall also serve as the identification number  
5 of the child, and all claims shall be submitted and paid  
6 under such number (unless the State issues a separate  
7 identification number for the child before such period ex-  
8 pires).”.

9 (b) STATE OPTION TO USE ENHANCED FMAP AND  
10 SCHIP ALLOTMENT FOR COVERAGE OF ADDITIONAL  
11 PREGNANT WOMEN UNDER THE MEDICAID PROGRAM.—  
12 Section 1905 of the Social Security Act (42 U.S.C. 1396d)  
13 is amended—

14 (1) in the fourth sentence of subsection (b), by  
15 inserting “and in the case of a State plan that meets  
16 the condition described in subsections (u)(1) and  
17 (u)(4)(A), with respect to expenditures described in  
18 subsection (u)(4)(B) for the State for a fiscal year”  
19 after “for a fiscal year,”; and

20 (2) in subsection (u)—

21 (A) by redesignating paragraph (4) as  
22 paragraph (5); and

23 (B) by inserting after paragraph (3) the  
24 following new paragraph:

1       “(4)(A) The condition described in this subparagraph  
2 for a State plan is that the plan has established an income  
3 level under section 1902(l)(2)(A) with respect to individ-  
4 uals described in section 1902(l)(1)(A) that is 185 percent  
5 of the income official poverty line.

6       “(B) For purposes of subsection (b), the expenditures  
7 described in this paragraph are expenditures for medical  
8 assistance for women described in section 1902(l)(1)(A)  
9 whose income exceeds the income level established for such  
10 women under section 1902(l)(2)(A)(i) as of the date of  
11 the enactment of this paragraph but does not exceed 185  
12 percent of the income official poverty line.”.

13       (c) NO WAITING PERIODS OR COST-SHARING.—

14           (1) NO WAITING PERIOD.—Section  
15       2102(b)(1)(B) of the Social Security Act (42 U.S.C.  
16       1397bb(b)(1)(B)) is amended—

17           (A) by striking “, and” at the end of  
18       clause (i) and inserting a semicolon;

19           (B) by striking the period at the end of  
20       clause (ii) and inserting “; and”; and

21           (C) by adding at the end the following new  
22       clause:

23           “(iii) may not apply a waiting period  
24       (including a waiting period to carry out  
25       paragraph (3)(C)) in the case of a targeted

1 low-income pregnant woman, if the State  
2 provides for coverage of pregnancy-related  
3 assistance for such women in accordance  
4 with section 2111.”.

5 (2) NO COST-SHARING FOR PREGNANCY-RE-  
6 LATED BENEFITS.—Section 2103(e)(2) of such Act  
7 (42 U.S.C. 1397cc(e)(2)) is amended—

8 (A) in the heading, by inserting “AND  
9 PREGNANCY-RELATED SERVICES” after “PRE-  
10 VENTIVE SERVICES”; and

11 (B) by inserting before the period at the  
12 end the following: “or for pregnancy-related  
13 services, if the State provides for coverage of  
14 pregnancy-related assistance for targeted low-  
15 income pregnant women in accordance section  
16 2111”.

17 (d) PRESUMPTIVE ELIGIBILITY.—

18 (1) IN GENERAL.—Section  
19 1920A(b)(3)(A)(i)(III) of the Social Security Act  
20 (42 U.S.C. 1396r–1a(b)(3)(A)(i)(III)) is amended  
21 by inserting “a child care resource and referral  
22 agency,” after “a State or tribal child support en-  
23 forcement agency,”.

24 (2) APPLICATION TO PRESUMPTIVE ELIGIBILITY  
25 FOR PREGNANT WOMEN UNDER MEDICAID.—Section

1 1920(b) of the Social Security Act (42 U.S.C.  
2 1396r-1(b)) is amended by adding at the end after  
3 and below paragraph (2) the following flush sen-  
4 tence:

5 “The term ‘qualified provider’ includes a qualified entity  
6 as defined in section 1920A(b)(3).”.

7 (3) APPLICATION UNDER TITLE XXI.—

8 (A) IN GENERAL.—Section 2107(e)(1)(D)  
9 of the Social Security Act (42 U.S.C.  
10 1397gg(e)(1)) is amended to read as follows:

11 “(D) Sections 1920 and 1920A (relating to  
12 presumptive eligibility).”.

13 (B) EXCEPTION FROM LIMITATION ON AD-  
14 MINISTRATIVE EXPENSES.—Section 2105(e)(2)  
15 of the Social Security Act (42 U.S.C.  
16 1397ee(c)(2)) is amended by adding at the end  
17 the following new subparagraph:

18 “(C) EXCEPTION FOR PRESUMPTIVE ELI-  
19 GIBILITY EXPENDITURES.—The limitation  
20 under subparagraph (A) on expenditures shall  
21 not apply to expenditures attributable to the  
22 application of section 1920 or 1920A (pursuant  
23 to section 2107(e)(1)(D)), regardless of whether  
24 the child or pregnant woman is determined to

1           be ineligible for the program under this title or  
2           title XIX.”.

3           (e) PROGRAM COORDINATION WITH THE MATERNAL  
4 AND CHILD HEALTH PROGRAM (TITLE V).—

5           (1) IN GENERAL.—Section 2102(b)(3) of the  
6 Social Security Act (42 U.S.C. 1397bb(b)(3)) is  
7 amended—

8           (A) in subparagraph (D), by striking  
9 “and” at the end;

10           (B) in subparagraph (E), by striking the  
11 period and inserting “; and”; and

12           (C) by adding at the end the following new  
13 subparagraph:

14           “(F) that operations and activities under  
15 this title are developed and implemented in con-  
16 sultation and coordination with the program op-  
17 erated by the State under title V in areas in-  
18 cluding outreach and enrollment, benefits and  
19 services, service delivery standards, public  
20 health and social service agency relationships,  
21 and quality assurance and data reporting.”.

22           (2) CONFORMING MEDICAID AMENDMENT.—  
23 Section 1902(a)(11) of such Act (42 U.S.C.  
24 1396a(a)(11)) is amended—

25           (A) by striking “and” before “(C)”; and

1           (B) by inserting before the semicolon at  
2           the end the following: “, and (D) provide that  
3           operations and activities under this title are de-  
4           veloped and implemented in consultation and  
5           coordination with the program operated by the  
6           State under title V in areas including outreach  
7           and enrollment, benefits and services, service  
8           delivery standards, public health and social  
9           service agency relationships, and quality assur-  
10          ance and data reporting”.

11          (3) EFFECTIVE DATE.—The amendments made  
12          by this subsection take effect on January 1, 2003.

13          (f) APPLICATION OF ANNUAL AGGREGATE COST-  
14          SHARING LIMIT.—Section 2103(e)(3)(B) of the Social Se-  
15          curity Act (42 U.S.C. 1397cc(e)(3)(B)) is amended by  
16          adding at the end the following new sentence: “In the case  
17          of a targeted low-income pregnant woman provided cov-  
18          erage under section 2111, or the parents of a targeted  
19          low-income child provided coverage under this title under  
20          an 1115 waiver or otherwise, the limitation on total an-  
21          nual aggregate cost-sharing described in the preceding  
22          sentence shall be applied to the entire family of such  
23          woman or parents.”.

24          (g) EFFECTIVE DATE.—Except as provided in sub-  
25          section (e), the amendments made by this section take ef-

1 fect on the date of the enactment of this Act and apply  
 2 to expenditures incurred on or after that date.

3 **SEC. 103. INCREASE IN SCHIP INCOME ELIGIBILITY.**

4 (a) DEFINITION OF LOW-INCOME CHILD.—Section  
 5 2110(c)(4) of the Social Security Act (42 U.S.C. 42  
 6 U.S.C. 1397jj(c)(4)) is amended by striking “200” and  
 7 inserting “250”.

8 (b) EFFECTIVE DATE.—The amendment made by  
 9 subsection (a) applies to child health assistance provided,  
 10 and allotments determined under section 2104 of the So-  
 11 cial Security Act (42 U.S.C. 1397dd), for fiscal years be-  
 12 ginning with fiscal year 2003.

13 **TITLE II—STAY HEALTHY**

14 **SEC. 201. ENHANCED FEDERAL MEDICAID MATCH FOR IN-**  
 15 **CREASED EXPENDITURES FOR MEDICAL AS-**  
 16 **SISTANCE FOR CHILDREN.**

17 (a) ENHANCED FMAP.—Section 1905(b) of the So-  
 18 cial Security Act (42 U.S.C. 1396d(b)) is amended by add-  
 19 ing at the end the following new sentence: “Notwith-  
 20 standing the first sentence of this subsection, in the case  
 21 of a State plan that meets at least 7 of the conditions  
 22 described in subsection (x)(1) (as determined by the Sec-  
 23 retary in consultation with States (including the State  
 24 agencies responsible for the administration of this title  
 25 and title V), beneficiaries under this title, providers of

1 services under this title, and advocates for children), with  
2 respect to expenditures described in subsection (x)(2) for  
3 the State for a fiscal year, the Federal medical assistance  
4 percentage is equal to the percentage determined for the  
5 State under subsection (x)(3).”.

6 (b) CONDITIONS AND EXPENDITURES DESCRIBED.—  
7 Section 1905 of the Social Security Act (42 U.S.C. 1396d)  
8 is amended by adding at the end the following new sub-  
9 section:

10 “(x)(1) For purposes of subsection (b), the conditions  
11 described in this subsection are the following:

12 “(A) HIGHEST SCHIP INCOME ELIGIBILITY.—  
13 The State has a State child health plan under title  
14 XXI which (whether implemented under such title or  
15 under this title) has the highest income eligibility  
16 standard permitted under title XXI as of January 1,  
17 2002, does not limit the acceptance of applications,  
18 and provides benefits to all children in the State who  
19 apply for and meet eligibility standards.

20 “(B) UNIFORM, SIMPLIFIED APPLICATION  
21 FORM.—With respect to children under age 19 (or  
22 such higher age as the State has elected under sec-  
23 tion 1902(l)(1)(D)) who are eligible for medical as-  
24 sistance under section 1902(a)(10)(A), the State  
25 uses the same uniform, simplified application form

1 (including, if applicable, permitting application other  
2 than in person) for purposes of establishing eligi-  
3 bility for benefits under this title and also under title  
4 XXI.

5 “(C) COORDINATED ENROLLMENT PROCESS.—  
6 The State has an enrollment process that is coordi-  
7 nated with that under title XXI so that a family  
8 need only interact with a single agency in order to  
9 determine whether a child is eligible for benefits  
10 under this title or title XXI, and that allows for the  
11 transfer of enrollment, without a gap in coverage,  
12 for a child whose income eligibility status changes  
13 but who remains eligible for benefits under either  
14 title.

15 “(D) SAME VERIFICATION AND REDETERMINA-  
16 TION POLICIES; AUTOMATIC REASSESSMENT OF ELI-  
17 GIBILITY.—With respect to children under age 19  
18 (or such higher age as the State has elected under  
19 section 1902(l)(1)(D)) who are eligible for medical  
20 assistance under section 1902(a)(10)(A), the State  
21 provides for initial eligibility determinations and re-  
22 determinations of eligibility using the same  
23 verification policies (including with respect to face-  
24 to-face interviews), forms, and frequency as the  
25 State uses for such purposes under title XXI, and,

1 as part of such redeterminations, provides for the  
2 automatic reassessment of the eligibility of such chil-  
3 dren for assistance under this title and title XXI.

4 “(E) NO ASSET TEST.—The State does not im-  
5 pose an asset test for eligibility under section  
6 1902(l) or title XXI with respect to children.

7 “(F) 12-MONTH CONTINUOUS ENROLLMENT.—  
8 The State has elected the option of continuing en-  
9 rollment under section 1902(e)(12) and has elected  
10 a 12-month period under subparagraph (A) of such  
11 section.

12 “(G) COMPLIANCE WITH OUTSTATIONING RE-  
13 QUIREMENT.—The State is providing for the receipt  
14 and initial processing of applications of children for  
15 medical assistance under this title at facilities de-  
16 fined as disproportionate share hospitals under sec-  
17 tion 1923(a)(1)(A) and Federally-qualified health  
18 centers described in subsection (l)(2)(B) of this sec-  
19 tion consistent with the requirements of section  
20 1902(a)(55).

21 “(H) NO WAITING PERIOD LONGER THAN 6  
22 MONTHS.—The State does not impose a waiting pe-  
23 riod for children who meet eligibility standards to  
24 qualify for assistance under such plan that exceeds  
25 6 months (and may impose a shorter period or no

1 period) for purposes of complying with regulations  
2 promulgated under title XXI to ensure that the in-  
3 surance provided under the State child health plan  
4 under such title does not substitute for coverage  
5 under group health plans.

6 “(I) SUFFICIENT PROVIDER PAYMENT RATES.—  
7 The State demonstrates that it is meeting the re-  
8 quirements of section 1902(a)(30)(A) through pay-  
9 ment rates sufficient to enlist enough providers so  
10 that care and pediatric, obstetrical, gynecologic, and  
11 dental services are available under the plan at least  
12 to the extent that such care and services are avail-  
13 able to the general population in the geographic  
14 area.

15 “(2)(A) For purposes of subsection (b), the expendi-  
16 tures described in this paragraph are expenditures for  
17 medical assistance for children described in subparagraph  
18 (B) for a fiscal year, but only to the extent that such ex-  
19 penditures exceed the base expenditure amount, as defined  
20 in subparagraph (C).

21 “(B) For purposes of subparagraph (A), the children  
22 described in this subparagraph are—

23 “(i) individuals who are under 19 years of age  
24 (or such higher age as the State may have elected

1 under section 1902(l)(1)(D)) who are eligible and  
2 enrolled for medical assistance under this title; and

3 “(ii) individuals who—

4 “(I) would be described in clause (i) but  
5 for having family income that exceeds the high-  
6 est income eligibility level applicable to such in-  
7 dividuals under the State plan; and

8 “(II) would be considered disabled under  
9 section 1614(a)(3)(C) (determined without re-  
10 gard to the reference to age in that section but  
11 for having earnings or deemed income or re-  
12 sources (as determined under title XVI for chil-  
13 dren) that exceed the requirements for receipt  
14 of supplemental security income benefits.

15 “(C) For purposes of subparagraph (A), the term  
16 ‘base expenditure amount’ means the total expenditures  
17 for medical assistance for children described in subpara-  
18 graph (B) for fiscal year 1996.

19 “(3) For purposes of subsection (b), the Federal med-  
20 ical assistance percentage with respect to expenditures de-  
21 scribed in paragraph (2) for a fiscal year is equal to the  
22 following:

23 “(A) In the case of a State that meets 7 of the  
24 conditions described in paragraph (1), the Federal  
25 medical assistance percentage (as defined in the first

1 sentence of subsection (b)) for the State increased  
2 by a number of percentage points equal to 50 per-  
3 cent of the number of percentage points by which  
4 (1) such Federal medical assistance percentage for  
5 the State is less than (2) the enhanced FMAP for  
6 the State described in section 2105(b).

7 “(B) In the case of a State that meets 8 of the  
8 conditions described in paragraph (1), the Federal  
9 medical assistance percentage (as so defined) for the  
10 State increased by a number of percentage points  
11 equal to 75 percent of the number of percentage  
12 points by which (1) such Federal medical assistance  
13 percentage for the State is less than (2) the en-  
14 hanced FMAP for the State (as so described).

15 “(C) In the case of a State that meets all of the  
16 conditions described in paragraph (1), the enhanced  
17 FMAP (as so described).”.

18 (c) COLLECTION OF DATA.—The Secretary of Health  
19 and Human Services shall modify such data collection and  
20 reporting requirements under title XIX of the Social Secu-  
21 rity Act as are necessary to determine the expenditures  
22 and base expenditure amount described in section  
23 1905(x)(2) of that Act (as added by subsection (b)), par-  
24 ticularly with respect to expenditures and the base expend-

1 iture amount related to children described in section  
2 1905(x)(2)(B)(ii) of that Act.

3 (d) **EFFECTIVE DATE.**—The amendments made by  
4 subsections (a) and (b) apply to medical assistance pro-  
5 vided on or after October 1, 2001.

6 **SEC. 202. INCREASE IN SCHIP APPROPRIATIONS.**

7 Section 2104(a) of the Social Security Act (42 U.S.C.  
8 1397dd(a)) is amended by striking paragraphs (5)  
9 through (9) and inserting the following:

10 “(5) for fiscal year 2003, \$3,500,000,000;

11 “(6) for fiscal year 2004, \$4,000,000,000;

12 “(7) for fiscal year 2005, \$4,300,000,000;

13 “(8) for fiscal year 2006, \$4,500,000,000;

14 “(9) for fiscal year 2007, \$4,500,000,000;

15 and”.

16 **SEC. 203. OPTIONAL COVERAGE OF CHILDREN THROUGH**  
17 **AGE 20 UNDER THE MEDICAID PROGRAM AND**  
18 **SCHIP.**

19 (a) **MEDICAID.**—

20 (1) **IN GENERAL.**—Section 1902(l)(1)(D) of the  
21 Social Security Act (42 U.S.C. 1396a(l)(1)(D)) is  
22 amended by inserting “(or, at the election of a  
23 State, 20 or 21 years of age)” after “19 years of  
24 age”.

25 (2) **CONFORMING AMENDMENTS.**—

1           (A) Section 1902(e)(3)(A) of such Act (42  
2 U.S.C. 1396a(e)(3)(A)) is amended by inserting  
3 “(or 1 year less than the age the State has  
4 elected under subsection (l)(1)(D))” after “18  
5 years of age”.

6           (B) Section 1902(e)(12) of such Act (42  
7 U.S.C. 1396a(e)(12)) is amended by inserting  
8 “or such higher age as the State has elected  
9 under subsection (l)(1)(D)” after “19 years of  
10 age”.

11           (C) Section 1920A(b)(1) of such Act (42  
12 U.S.C. 1396r-1a(b)(1)) is amended by insert-  
13 ing “or such higher age as the State has elected  
14 under section 1902(l)(1)(D)” after “19 years of  
15 age”.

16           (D) Section 1928(h)(1) of such Act (42  
17 U.S.C. 1396s(h)(1)) is amended by inserting  
18 “or 1 year less than the age the State has elect-  
19 ed under section 1902(l)(1)(D)” before the pe-  
20 riod at the end.

21           (E) Section 1932(a)(2)(A) of such Act (42  
22 U.S.C. 1396u-2(a)(2)(A)) is amended by in-  
23 sserting “(or such higher age as the State has  
24 elected under section 1902(l)(1)(D))” after “19  
25 years of age”.

1           (b) TITLE XXI.—Section 2110(c)(1) of such Act (42  
2 U.S.C. 1397jj(c)(1)) is amended by inserting “(or such  
3 higher age as the State has elected under section  
4 1902(l)(1)(D))”.

5           (c) EFFECTIVE DATE.—The amendments made by  
6 this section take effect on October 1, 2002, and apply to  
7 medical assistance and child health assistance provided on  
8 or after such date.

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