

108TH CONGRESS  
1ST SESSION

# H. R. 816

To provide certain temporary increases in the Federal medical assistance percentage (FMAP) under the Medicaid Program 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

FEBRUARY 13, 2003

Mr. KING of New York (for himself, Mr. BROWN of Ohio, Mr. HOUGHTON, Mr. DINGELL, Mr. LAHOOD, Mr. McNULTY, Mr. REYNOLDS, Mr. LANTOS, Mr. PALLONE, Ms. HOOLEY of Oregon, Mr. CARDOZA, Mr. WEXLER, Mr. KILDEE, Mr. FILNER, Mr. STARK, Mr. RAHALL, Mr. MCGOVERN, Mr. LIPINSKI, Mr. UDALL of Colorado, Mrs. JONES of Ohio, Mrs. MALONEY, Ms. BALDWIN, Mr. ENGEL, Mr. GRIJALVA, Mr. SWEENEY, Mr. MEEHAN, Mr. WATT, Mr. THOMPSON of California, Mr. ACKERMAN, Mr. CAPUANO, Mr. QUINN, Mr. LYNCH, Mr. TOWNS, Mr. BERMAN, Mr. DOYLE, Mr. FRANK of Massachusetts, Mr. INSLEE, Mr. SCHIFF, Mr. HINCHEY, Mr. FARR, Mr. BOUCHER, Mr. MATSUI, Mrs. MCCARTHY of New York, Mr. POMEROY, Ms. KAPTUR, Mr. DAVIS of Alabama, Mr. COSTELLO, Mr. MICHAUD, Mrs. LOWEY, Mr. TANCREDO, Mr. MILLER of North Carolina, Mr. DELAHUNT, Mr. EVANS, Mr. ALLEN, Mr. ISRAEL, Mr. KIND, Mr. GUTIERREZ, Mr. DAVIS of Illinois, Mr. BERRY, Ms. MCCOLLUM, Mr. LUCAS of Kentucky, Ms. SLAUGHTER, Ms. VELÁZQUEZ, Mr. ROSS, Mr. STRICKLAND, Ms. DELAURO, Mr. MURTHA, Mr. CROWLEY, Mr. GORDON, Mrs. KELLY, Mr. REYES, Ms. WOOLSEY, Mr. DICKS, Mr. OWENS, Ms. BORDALLO, Mr. RUSH, Mr. NADLER, Ms. MCCARTHY of Missouri, Mr. FROST, Mr. WAXMAN, Mr. HOLDEN, Mr. DEUTSCH, Mr. BISHOP of New York, Mr. EMANUEL, Ms. NORTON, Ms. LEE, Ms. LINDA T. SÁNCHEZ of California, Mr. FORD, Mrs. CHRISTENSEN, Ms. PELOSI, Mr. ETHERIDGE, Mr. MCHUGH, Ms. ROYBAL-ALLARD, Mr. GREEN of Texas, Mr. PRICE of North Carolina, Mr. WEINER, Mr. FOLEY, Mr. BOEHLERT, Mr. MOLLOHAN, Mrs. CAPPS, Mr. WALSH, Mr. PASTOR, Mr. MCDERMOTT, Mr. CARSON of Oklahoma, Ms. MILLENDER-MCDONALD, Mr. SMITH of Washington, Mr. RANGEL, Ms. SCHAKOWSKY, Mr. BAIRD, Mr. MCINTYRE, Mr. SERRANO, Mr. RODRIGUEZ, Mr. BRADY of Pennsylvania, Mr. RYAN of Ohio, Ms. SOLIS, Mr. SNYDER, and Ms. DEGETTE) introduced the following bill; which was referred to the Committee on Energy and Commerce

# A BILL

To provide certain temporary increases in the Federal medical assistance percentage (FMAP) under the Medicaid Program 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 2003”.

6 **SEC. 2. TEMPORARY INCREASES OF MEDICAID FMAP.**

7       (a) PERMITTING MAINTENANCE OF FISCAL YEAR  
8 2002 FMAP.—Notwithstanding any other provision of  
9 law, but subject to subsection (d), if the FMAP deter-  
10 mined without regard to this section for a State for a cov-  
11 ered calendar quarter (as defined in subsection (g)(1)) is  
12 less than the FMAP as so determined for fiscal year 2002,  
13 the FMAP for the State for fiscal year 2002 shall be sub-  
14 stituted for the State’s FMAP for each of such covered  
15 calendar quarters, 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 covered  
19 calendar quarter, the FMAP (taking into account the ap-

1 plication of subsection (a)) shall be increased by 2 percent-  
2 age points.

3 (c) FURTHER INCREASE FOR STATES WITH HIGH  
4 UNEMPLOYMENT RATES.—

5 (1) IN GENERAL.—Notwithstanding any other  
6 provision of law, but subject to subsections (d) and  
7 (e), if a State is a high unemployment State for any  
8 covered calendar quarter, then the FMAP for that  
9 State for that calendar quarter and for any subse-  
10 quent calendar quarter in such fiscal year regardless  
11 of whether the State continues to be high unemploy-  
12 ment State for that subsequent calendar quarter  
13 shall be increased (after the application of sub-  
14 sections (a) and (b)) by 2.5 percentage points.

15 (2) HIGH UNEMPLOYMENT STATE.—For pur-  
16 poses of this subsection, a State is a high unemploy-  
17 ment State for a calendar quarter if, for any 3 con-  
18 secutive month period beginning on or after June  
19 2002 and ending with the second month before the  
20 beginning of the calendar quarter, the State has an  
21 average seasonally adjusted unemployment rate that  
22 exceeds the average weighted unemployment rate  
23 during such period. Such unemployment rates for  
24 such months shall be determined based on publica-

1 tions of the Bureau of Labor Statistics of the De-  
2 partment of Labor.

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

7 (A) the sum of the seasonally adjusted  
8 number of unemployed civilians in each State  
9 and the District of Columbia for the period, di-  
10 vided by

11 (B) the sum of the civilian labor force in  
12 each State and the District of Columbia for the  
13 period.

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

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

20 (2) payments under titles IV and XXI of such  
21 Act.

22 (e) STATE ELIGIBILITY.—A State is eligible for an  
23 increase in its FMAP under subsection (b) or (c) or an  
24 increase in a cap amount under subsection (f) only if the  
25 eligibility under its State plan under title XIX of the So-

1 cial Security Act (including any waiver under such title  
2 or under section 1115 of such Act) is no more restrictive  
3 than the eligibility under such plan (or waiver) as in effect  
4 on September 30, 2003.

5 (f) ONE-YEAR INCREASE IN CAP ON MEDICAID PAY-  
6 MENTS TO TERRITORIES.—Notwithstanding any other  
7 provision of law, but subject to section (e), with respect  
8 to a covered calendar quarter, the amounts otherwise de-  
9 termined for Puerto Rico, the Virgin Islands, Guam, the  
10 Northern Mariana Islands, and American Samoa under  
11 subsections (f) and (g)(2) of section 1108 of the Social  
12 Security Act (42 U.S.C 1308) shall each be increased by  
13 9 percent of such amounts.

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

15 (1) COVERED CALENDAR QUARTER.—The term  
16 “covered calendar quarter” means the last two cal-  
17 endar quarters of fiscal year 2003 and the first two  
18 calendar quarters of fiscal year 2004.

19 (2) FMAP.—The term “FMAP” means the  
20 Federal medical assistance percentage, as defined in  
21 section 1905(b) of the Social Security Act (42  
22 U.S.C. 1396d(b)).

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

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