

108TH CONGRESS  
1ST SESSION

# S. 1033

To amend titles XIX and XXI of the Social Security Act to expand or add coverage of pregnant women under the medicaid and State children's health insurance program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 8, 2003

Mr. BINGAMAN (for himself, Mr. LUGAR, Mrs. LINCOLN, Mr. CORZINE, Ms. LANDRIEU, Mr. BREAUX, Mr. KERRY, Ms. CANTWELL, Mrs. MURRAY, Mrs. CLINTON, and Mr. MILLER) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend titles XIX and XXI of the Social Security Act to expand or add coverage of pregnant women 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.**

4       This Act may be cited as the “Start Healthy, Stay  
5       Healthy Act of 2003”.

1 **SEC. 2. STATE OPTION TO EXPAND OR ADD COVERAGE OF**  
 2 **CERTAIN PREGNANT WOMEN UNDER MED-**  
 3 **ICAID AND SCHIP.**

4 (a) MEDICAID.—

5 (1) AUTHORITY TO EXPAND COVERAGE.—Sec-  
 6 tion 1902(l)(2)(A)(i) of the Social Security Act (42  
 7 U.S.C. 1396a(l)(2)(A)(i)) is amended by inserting  
 8 “(or such higher percent as the State may elect for  
 9 purposes of expenditures for medical assistance for  
 10 pregnant women described in section  
 11 1905(u)(4)(A))” after “185 percent”.

12 (2) ENHANCED MATCHING FUNDS AVAILABLE  
 13 IF CERTAIN CONDITIONS MET.—Section 1905 of the  
 14 Social Security Act (42 U.S.C. 1396d) is amended—

15 (A) in the fourth sentence of subsection  
 16 (b), by striking “or subsection (u)(3)” and in-  
 17 serting “, (u)(3), or (u)(4)”; and

18 (B) in subsection (u)—

19 (i) by redesignating paragraph (4) as  
 20 paragraph (5); and

21 (ii) by inserting after paragraph (3)  
 22 the following:

23 “(4) For purposes of the fourth sentence of sub-  
 24 section (b) and section 2105(a), the expenditures de-  
 25 scribed in this paragraph are the following:

1           “(A) CERTAIN PREGNANT WOMEN.—If the con-  
2           ditions described in subparagraph (B) are met, ex-  
3           penditures for medical assistance for pregnant  
4           women described in subsection (n) or under section  
5           1902(l)(1)(A) in a family the income of which ex-  
6           ceeds the effective income level (expressed as a per-  
7           cent of the poverty line and considering applicable  
8           income disregards) that has been specified under  
9           subsection (a)(10)(A)(i)(III) or (l)(2)(A) of section  
10          1902, as of January 1, 2003, but does not exceed  
11          the income eligibility level established under title  
12          XXI for a targeted low-income child.

13          “(B) CONDITIONS.—The conditions described  
14          in this subparagraph are the following:

15               “(i) The State plans under this title and  
16               title XXI do not provide coverage for pregnant  
17               women described in subparagraph (A) with  
18               higher family income without covering such  
19               pregnant women with a lower family income.

20               “(ii) The State does not apply an effective  
21               income level for pregnant women that is lower  
22               than the effective income level (expressed as a  
23               percent of the poverty line and considering ap-  
24               plicable income disregards) that has been speci-  
25               fied under the State plan under subsection

1 (a)(10)(A)(i)(III) or (l)(2)(A) of section 1902,  
 2 as of January 1, 2003, to be eligible for medical  
 3 assistance as a pregnant woman.

4 “(C) DEFINITION OF POVERTY LINE.—In this  
 5 subsection, the term ‘poverty line’ has the meaning  
 6 given such term in section 2110(c)(5).”.

7 (3) PAYMENT FROM TITLE XXI ALLOTMENT  
 8 FOR MEDICAID EXPANSION COSTS; ELIMINATION OF  
 9 COUNTING MEDICAID CHILD PRESUMPTIVE ELIGI-  
 10 BILITY COSTS AGAINST TITLE XXI ALLOTMENT.—  
 11 Section 2105(a)(1) of the Social Security Act (42  
 12 U.S.C. 1397ee(a)(1)) is amended—

13 (A) in the matter preceding subparagraph  
 14 (A), by striking “(or, in the case of expendi-  
 15 tures described in subparagraph (B), the Fed-  
 16 eral medical assistance percentage (as defined  
 17 in the first sentence of section 1905(b)))”; and

18 (B) by striking subparagraph (B) and in-  
 19 serting the following:

20 “(B) for the provision of medical assist-  
 21 ance that is attributable to expenditures de-  
 22 scribed in section 1905(u)(4)(A);”.

23 (4) ADDITIONAL AMENDMENTS TO MEDICAID.—

24 (A) ELIGIBILITY OF A NEWBORN.—Section  
 25 1902(e)(4) of the Social Security Act (42

U.S.C. 1396a(e)(4)) is amended in the first sentence by striking “so long as the child is a member of the woman’s household and the woman remains (or would remain if pregnant) eligible for such assistance”.

(B) APPLICATION OF QUALIFIED ENTITIES TO PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN UNDER MEDICAID.—Section 1920(b) of the Social Security Act (42 U.S.C. 1396r–1(b)) is amended by adding at the end after and below paragraph (2) the following flush sentence:

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

(b) SCHIP.—

(1) COVERAGE.—Title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) is amended by adding at the end the following:

**“SEC. 2111. OPTIONAL COVERAGE OF TARGETED LOW-INCOME PREGNANT WOMEN.**

“(a) OPTIONAL COVERAGE.—Notwithstanding any other provision of this title, a State may provide for coverage, through an amendment to its State child health plan under section 2102, of pregnancy-related assistance for targeted low-income pregnant women in accordance

1 with this section, but only if the State meets the conditions  
 2 described in section 1905(u)(4)(B).

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

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 services described in section 1905(a)(4)(C)) and  
 13 to other conditions that may complicate pregnancy.

14 “(2) TARGETED LOW-INCOME PREGNANT  
 15 WOMAN.—The term ‘targeted low-income pregnant  
 16 woman’ means a woman—

17 “(A) during pregnancy and through the  
 18 end of the month in which the 60-day period  
 19 (beginning on the last day of her pregnancy)  
 20 ends;

21 “(B) whose family income exceeds the ef-  
 22 fective income level (expressed as a percent of  
 23 the poverty line and considering applicable in-  
 24 come disregards) that has been specified under  
 25 subsection (a)(10)(A)(i)(III) or (l)(2)(A) of sec-

1           tion 1902, as of January 1, 2003, to be eligible  
 2           for medical assistance as a pregnant woman  
 3           under title XIX but does not exceed the income  
 4           eligibility level established under the State child  
 5           health plan under this title for a targeted low-  
 6           income child; and

7           “(C) who satisfies the requirements of  
 8           paragraphs (1)(A), (1)(C), (2), and (3) of sec-  
 9           tion 2110(b).

10       “(c) REFERENCES TO TERMS AND SPECIAL  
 11 RULES.—In the case of, and with respect to, a State pro-  
 12 viding for coverage of pregnancy-related assistance to tar-  
 13 geted low-income pregnant women under subsection (a),  
 14 the following special rules apply:

15       “(1) Any reference in this title (other than in  
 16 subsection (b)) to a targeted low-income child is  
 17 deemed to include a reference to a targeted low-in-  
 18 come pregnant woman.

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

22       “(3) Any such reference to a child is deemed a  
 23 reference to a woman during pregnancy and the pe-  
 24 riod described in subsection (b)(2)(A).

1           “(4) In applying section 2102(b)(3)(B), any  
 2           reference to children found through screening to be  
 3           eligible for medical assistance under the State med-  
 4           icaid plan under title XIX is deemed a reference to  
 5           pregnant women.

6           “(5) There shall be no exclusion of benefits for  
 7           services described in subsection (b)(1) based on any  
 8           preexisting condition and no waiting period (includ-  
 9           ing any waiting period imposed to carry out section  
 10          2102(b)(3)(C)) shall apply.

11          “(6) Subsection (a) of section 2103 (relating to  
 12          required scope of health insurance coverage) shall  
 13          not apply insofar as a State limits coverage to serv-  
 14          ices described in subsection (b)(1) and the reference  
 15          to such section in section 2105(a)(1)(C) is deemed  
 16          not to require, in such case, compliance with the re-  
 17          quirements of section 2103(a).

18          “(7) In applying section 2103(e)(3)(B) in the  
 19          case of a pregnant woman provided coverage under  
 20          this section, the limitation on total annual aggregate  
 21          cost-sharing shall be applied to the entire family of  
 22          such pregnant woman.

23          “(d) AUTOMATIC ENROLLMENT FOR CHILDREN  
 24          BORN TO WOMEN RECEIVING PREGNANCY-RELATED AS-  
 25          SISTANCE.—If a child is born to a targeted low-income



1 pregnant woman who was receiving pregnancy-related as-  
 2 sistance under this section on the date of the child's birth,  
 3 the child shall be deemed to have applied for child health  
 4 assistance under the State child health plan and to have  
 5 been found eligible for such assistance under such plan  
 6 or to have applied for medical assistance under title XIX  
 7 and to have been found eligible for such assistance under  
 8 such title, as appropriate, on the date of such birth and  
 9 to remain eligible for such assistance until the child at-  
 10 tains 1 year of age. During the period in which a child  
 11 is deemed under the preceding sentence to be eligible for  
 12 child health or medical assistance, the child health or med-  
 13 ical assistance eligibility identification number of the  
 14 mother shall also serve as the identification number of the  
 15 child, and all claims shall be submitted and paid under  
 16 such number (unless the State issues a separate identifica-  
 17 tion number for the child before such period expires).”.

18 (2) ADDITIONAL ALLOTMENTS FOR PROVIDING  
 19 COVERAGE OF PREGNANT WOMEN.—

20 (A) IN GENERAL.—Section 2104 of the So-  
 21 cial Security Act (42 U.S.C. 1397dd) is amend-  
 22 ed by inserting after subsection (c) the fol-  
 23 lowing:

24 “(d) ADDITIONAL ALLOTMENTS FOR PROVIDING  
 25 COVERAGE OF PREGNANT WOMEN.—

1           “(1) APPROPRIATION; TOTAL ALLOTMENT.—

2           For the purpose of providing additional allotments  
3           to States under this title, there is appropriated, out  
4           of any money in the Treasury not otherwise appro-  
5           priated, for each of fiscal years 2004 through 2007,  
6           \$200,000,000.

7           “(2) STATE AND TERRITORIAL ALLOTMENTS.—

8           In addition to the allotments provided under sub-  
9           sections (b) and (c), subject to paragraphs (3) and  
10          (4), of the amount available for the additional allot-  
11          ments under paragraph (1) for a fiscal year, the  
12          Secretary shall allot to each State with a State child  
13          health plan approved under this title—

14               “(A) in the case of such a State other than  
15               a commonwealth or territory described in sub-  
16               paragraph (B), the same proportion as the pro-  
17               portion of the State’s allotment under sub-  
18               section (b) (determined without regard to sub-  
19               section (f)) to the total amount of the allot-  
20               ments under subsection (b) for such States eli-  
21               gible for an allotment under this paragraph for  
22               such fiscal year; and

23               “(B) in the case of a commonwealth or ter-  
24               ritory described in subsection (c)(3), the same  
25               proportion as the proportion of the common-

1           wealth's or territory's allotment under sub-  
2           section (c) (determined without regard to sub-  
3           section (f)) to the total amount of the allot-  
4           ments under subsection (c) for commonwealths  
5           and territories eligible for an allotment under  
6           this paragraph for such fiscal year.

7           “(3) USE OF ADDITIONAL ALLOTMENT.—Addi-  
8           tional allotments provided under this subsection are  
9           not available for amounts expended before October  
10          1, 2003. Such amounts are available for amounts ex-  
11          pended on or after such date for child health assist-  
12          ance for targeted low-income children, as well as for  
13          pregnancy-related assistance for targeted low-income  
14          pregnant women.

15          “(4) NO PAYMENTS UNLESS ELECTION TO EX-  
16          PAND COVERAGE OF PREGNANT WOMEN.—No pay-  
17          ments may be made to a State under this title from  
18          an allotment provided under this subsection unless  
19          the State provides pregnancy-related assistance for  
20          targeted low-income pregnant women under this  
21          title, or provides medical assistance for pregnant  
22          women under title XIX, whose family income ex-  
23          ceeds the effective income level applicable under sub-  
24          section (a)(10)(A)(i)(III) or (l)(2)(A) of section

1 1902 to a family of the size involved as of January  
 2 1, 2003.”.

3 (B) CONFORMING AMENDMENTS.—Section  
 4 2104 of the Social Security Act (42 U.S.C.  
 5 1397dd) is amended—

6 (i) in subsection (a), in the matter  
 7 preceding paragraph (1), by inserting  
 8 “subject to subsection (d),” after “under  
 9 this section,”;

10 (ii) in subsection (b)(1), by inserting  
 11 “and subsection (d)” after “Subject to  
 12 paragraph (4)”; and

13 (iii) in subsection (c)(1), by inserting  
 14 “subject to subsection (d),” after “for a  
 15 fiscal year,”.

16 (3) PRESUMPTIVE ELIGIBILITY UNDER TITLE  
 17 XXI.—

18 (A) APPLICATION TO PREGNANT  
 19 WOMEN.—Section 2107(e)(1)(D) of the Social  
 20 Security Act (42 U.S.C. 1397gg(e)(1)) is  
 21 amended to read as follows:

22 “(D) Sections 1920 and 1920A (relating to  
 23 presumptive eligibility).”.

24 (B) EXCEPTION FROM LIMITATION ON AD-  
 25 MINISTRATIVE EXPENSES.—Section 2105(c)(2)

of the Social Security Act (42 U.S.C. 1397ee(c)(2)) is amended by adding at the end the following new subparagraph:

“(C) EXCEPTION FOR PRESUMPTIVE ELIGIBILITY EXPENDITURES.—The limitation under subparagraph (A) on expenditures shall not apply to expenditures attributable to the application of section 1920 or 1920A (pursuant to section 2107(e)(1)(D)), regardless of whether the child or pregnant woman is determined to be ineligible for the program under this title or title XIX.”.

(4) ADDITIONAL AMENDMENTS TO TITLE XXI.—

(A) NO COST-SHARING FOR PREGNANCY-RELATED SERVICES.—Section 2103(e)(2) of the Social Security Act (42 U.S.C. 1397ee(e)(2)) is amended—

(i) in the heading, by inserting “OR PREGNANCY-RELATED SERVICES” after “PREVENTIVE SERVICES”; and

(ii) by inserting before the period at the end the following: “or for pregnancy-related services”.

1 (B) NO WAITING PERIOD.—Section  
 2 2102(b)(1)(B) of the Social Security Act (42  
 3 U.S.C. 1397bb(b)(1)(B)) is amended—

4 (i) by striking “, and” at the end of  
 5 clause (i) and inserting a semicolon;

6 (ii) by striking the period at the end  
 7 of clause (ii) and inserting “; and”; and

8 (iii) by adding at the end the fol-  
 9 lowing:

10 “(iii) may not apply a waiting period  
 11 (including a waiting period to carry out  
 12 paragraph (3)(C)) in the case of a targeted  
 13 low-income pregnant woman.”.

14 (c) EFFECTIVE DATE.—The amendments made by  
 15 this section apply to items and services furnished on or  
 16 after October 1, 2003, without regard to whether regula-  
 17 tions implementing such amendments have been promul-  
 18 gated.

19 **SEC. 3. COORDINATION WITH THE MATERNAL AND CHILD**  
 20 **HEALTH PROGRAM.**

21 (a) IN GENERAL.—Section 2102(b)(3) of the Social  
 22 Security Act (42 U.S.C. 1397bb(b)(3)) is amended—

23 (1) in subparagraph (D), by striking “and” at  
 24 the end;

1           (2) in subparagraph (E), by striking the period  
2           and inserting “; and”; and

3           (3) by adding at the end the following new sub-  
4           paragraph:

5                   “(F) that operations and activities under  
6           this title are developed and implemented in con-  
7           sultation and coordination with the program op-  
8           erated by the State under title V in areas in-  
9           cluding outreach and enrollment, benefits and  
10          services, service delivery standards, public  
11          health and social service agency relationships,  
12          and quality assurance and data reporting.”.

13          (b) CONFORMING MEDICAID AMENDMENT.—Section  
14   1902(a)(11) of such Act (42 U.S.C. 1396a(a)(11)) is  
15   amended—

16           (1) by striking “and” before “(C)”; and

17           (2) by inserting before the semicolon at the end  
18   the following: “, and (D) provide that operations and  
19   activities under this title are developed and imple-  
20   mented in consultation and coordination with the  
21   program operated by the State under title V in areas  
22   including outreach and enrollment, benefits and  
23   services, service delivery standards, public health  
24   and social service agency relationships, and quality  
25   assurance and data reporting”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section take effect on January 1, 2004.

3 **SEC. 4. 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 2004.

13 **SEC. 5. REVIEW OF STATE AGENCY BLINDNESS AND DIS-**  
14 **ABILITY DETERMINATIONS.**

15 Section 1633 of the Social Security Act (42 U.S.C.  
16 1383b) is amended by adding at the end the following:

17 “(e)(1) The Commissioner of Social Security shall re-  
18 view determinations, made by State agencies pursuant to  
19 subsection (a) in connection with applications for benefits  
20 under this title on the basis of blindness or disability, that  
21 individuals who have attained 18 years of age are blind  
22 or disabled as of a specified onset date. The Commissioner  
23 of Social Security shall review such a determination before  
24 any action is taken to implement the determination.



1       “(2)(A) In carrying out paragraph (1), the Commis-  
2 sioner of Social Security shall review—

3               “(i) at least 25 percent of all determinations re-  
4 ferred to in paragraph (1) that are made in fiscal  
5 year 2004; and

6               “(ii) at least 50 percent of all such determina-  
7 tions that are made in fiscal year 2005 or thereafter.

8       “(B) In carrying out subparagraph (A), the Commis-  
9 sioner of Social Security shall, to the extent feasible, select  
10 for review the determinations which the Commissioner of  
11 Social Security identifies as being the most likely to be  
12 incorrect.”.

○