

110<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3719

To prohibit implementation of a guidance letter proposing rules relating to the Federal-State financial partnerships under Medicaid and the State Children's Health Insurance Program.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2007

Ms. CASTOR introduced the following bill; which was referred to the  
Committee on Energy and Commerce

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## A BILL

To prohibit implementation of a guidance letter proposing rules relating to the Federal-State financial partnerships under Medicaid and the State Children's Health Insurance Program.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PROHIBITION ON IMPLEMENTATION OF A**  
2 **GUIDANCE LETTER PROPOSING RULES RE-**  
3 **LATING TO THE FEDERAL-STATE FINANCIAL**  
4 **PARTNERSHIPS UNDER MEDICAID AND**  
5 **SCHIP.**

6 (a) FINDINGS.—Congress makes the following find-  
7 ings:

8 (1) The August 17, 2007, letter to State Health  
9 Officials from the Director of the Center for Med-  
10 icaid and State Operations in the Centers for Medi-  
11 care & Medicaid Services would significantly change  
12 the Federal-State financial partnership under the  
13 Medicaid and the State Children’s Health Insurance  
14 Programs by—

15 (A) limiting SCHIP eligibility to children  
16 in families with incomes greater than 250 per-  
17 cent of the poverty level by requiring States to  
18 demonstrate that they have “enrolled at least  
19 95 percent of children in the state below 200%  
20 of the Federal poverty level”;

21 (B) establishing a minimum of a one year  
22 period of uninsurance for individuals in families  
23 with incomes greater than 250 percent of the  
24 poverty level;

1 (C) imposing co-payments and premiums  
2 similar to the cost of private health insurance  
3 on middle-income families;

4 (D) imposing regulations that insure chil-  
5 dren in families with annual incomes greater  
6 than 250 percent of the poverty level must  
7 prove that the number of children in the target  
8 population insured through private employers  
9 has not decreased by more than two percentage  
10 points over the prior five-year period; and

11 (E) requiring States to adopt policies pre-  
12 venting employers from changing dependent-  
13 coverage policies that would favor a shift to  
14 public coverage.

15 (2) Permitting the proposed policy to take ef-  
16 fect will have a negative impact for States, particu-  
17 larly States with Medicaid or State Children's  
18 Health Insurance Programs operating under financ-  
19 ing arrangements that would be affected by such  
20 policy and that have been approved by the Secretary  
21 of Health and Human Services through the section  
22 1115 waiver process.

23 (b) PROHIBITION ON IMPLEMENTATION.—Notwith-  
24 standing any other provision of law, the Secretary of  
25 Health and Human Services shall not apply any require-

1 ment under the letter referred to in subsection (a), or any  
2 similar requirement, to any State health plan amendment  
3 or waiver expanding the income eligibility level for children  
4 under the State children's health insurance program under  
5 title XXI of the Social Security Act.

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