## 111TH CONGRESS 1ST SESSION H.R. 542

To amend titles XIX and XXI of the Social Security Act to permit States to rely on findings from an express plan agency to conduct simplified eligibility determinations under Medicaid and the State Children's Health Insurance Program.

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 2009

Mr. PUTNAM introduced the following bill; which was referred to the Committee on Energy and Commerce

## A BILL

- To amend titles XIX and XXI of the Social Security Act to permit States to rely on findings from an express plan agency to conduct simplified eligibility determinations 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,

## **3** SECTION 1. SHORT TITLE.

4 This Act may be cited as the "Healthy Kids One Stop5 Act".

1	SEC. 2. STATE OPTION TO RELY ON FINDINGS FROM AN EX-
2	PRESS LANE AGENCY TO CONDUCT SIM-
3	PLIFIED ELIGIBILITY DETERMINATIONS
4	UNDER MEDICAID AND SCHIP.
5	(a) Application Under Medicaid and SCHIP.—
6	(1) Medicaid.—Section 1902(e) of the Social
7	Security Act (42 U.S.C. 1396a(e)) is amended by
8	adding at the end the following:
9	"(13) EXPRESS LANE OPTION.—
10	"(A) IN GENERAL.—
11	"(i) Option to use a finding from
12	AN EXPRESS LANE AGENCY.—At the op-
13	tion of the State, the State plan may pro-
14	vide that in determining eligibility under
15	this title for a child (as defined in subpara-
16	graph (G)), the State may rely on a find-
17	ing made within a reasonable period (as
18	determined by the State) from an Express
19	Lane agency (as defined in subparagraph
20	(F)) when it determines whether a child
21	satisfies one or more components of eligi-
22	bility for medical assistance under this
23	title. The State may rely on a finding from
24	an Express Lane agency notwithstanding
25	any differences in budget unit, disregard,

lowing requirements are met:

1

2

deeming, or other methodology, if the fol-

3	"(I) PROHIBITION ON DETER-
4	MINING CHILDREN INELIGIBLE FOR
5	COVERAGE.—If a finding from an Ex-
6	press Lane agency would result in a
7	determination that a child does not
8	satisfy an eligibility requirement for
9	medical assistance under this title and
10	for child health assistance under title
11	XXI, the State shall determine eligi-
12	bility for assistance using its regular
13	procedures.
14	"(II) NOTICE REQUIREMENT.—
15	For any child who is found eligible for
16	medical assistance under the State
17	plan under this title or child health
18	assistance under title XXI and who is
19	subject to premiums based on an Ex-
20	press Lane agency's finding of such
21	child's income level, the State shall
22	provide notice that the child may
23	qualify for lower premium payments if
24	evaluated by the State using its reg-

1ular policies and of the procedures for2requesting such an evaluation.

3 "(III) COMPLIANCE WITH 4 AND ENROLL **REQUIRE-**SCREEN 5 MENT.—The State shall satisfy the requirements under subparagraphs (A) 6 7 and (B) of section 2102(b)(3) (relat-8 ing to screen and enroll) before enroll-9 ing a child in child health assistance 10 under title XXI. At its option, the 11 State may fulfill such requirements in 12 accordance with either option provided 13 under subparagraph (C) of this para-14 graph. 15 "(IV) CODING.—The State meets 16 the requirements of subparagraph 17 (E). 18 "(ii) Option to apply to renewals 19 AND REDETERMINATIONS.—The State may apply the provisions of this paragraph 20 21 when conducting initial determinations of 22 eligibility, redeterminations of eligibility, or 23 both, as described in the State plan. "(B) RULES OF CONSTRUCTION.—Nothing 24 25 in this paragraph shall be construed—

1	"(i) to limit or prohibit a State from
2	taking any actions otherwise permitted
3	under this title or title XXI in determining
4	eligibility for or enrolling children into
5	medical assistance under this title or child
6	health assistance under title XXI;
7	"(ii) to modify the limitations in sec-
8	tion $1902(a)(5)$ concerning the agencies
9	that may make a determination of eligi-
10	bility for medical assistance under this
11	title; or
12	"(iii) to modify the application of sec-
13	tions 1137(d), 1902(a)(46), 1903(i)(22),
14	or 1903(x).
15	"(C) Options for satisfying the
16	SCREEN AND ENROLL REQUIREMENT.—
17	"(i) IN GENERAL.—With respect to a
18	child whose eligibility for medical assist-
19	ance under this title or for child health as-
20	sistance under title XXI has been evalu-
21	ated by a State agency using an income
22	finding from an Express Lane agency, a
23	State may carry out its duties under sub-
24	paragraphs (A) and (B) of section
25	2102(b)(3) (relating to screen and enroll)

1	in accordance with either clause (ii) or
2	clause (iii).
3	"(ii) Establishing a screening
4	THRESHOLD.—
5	"(I) IN GENERAL.—Under this
6	clause, the State establishes a screen-
7	ing threshold set as a percentage of
8	the Federal poverty level that exceeds
9	the highest income threshold applica-
10	ble under this title to the child by a
11	minimum of 30 percentage points or,
12	at State option, a higher number of
13	percentage points that reflects the
14	value (as determined by the State and
15	described in the State plan) of any
16	differences between income methodolo-
17	gies used by the program adminis-
18	tered by the Express Lane agency and
19	the methodologies used by the State
20	in determining eligibility for medical
21	assistance under this title.
22	"(II) CHILDREN WITH INCOME
23	NOT ABOVE THRESHOLD.—If the in-
24	come of a child does not exceed the
25	screening threshold, the child is

1	deemed to satisfy the income eligi-
2	bility criteria for medical assistance
3	under this title regardless of whether
4	such child would otherwise satisfy
5	such criteria.
6	"(III) CHILDREN WITH INCOME
7	ABOVE THRESHOLD.—If the income of
8	a child exceeds the screening thresh-
9	old, the child shall be considered to
10	have an income above the Medicaid
11	applicable income level described in
12	section $2110(b)(4)$ and to satisfy the
13	requirement under section
14	2110(b)(1)(C) (relating to the re-
15	quirement that CHIP matching funds
16	be used only for children not eligible
17	for Medicaid). If such a child is en-
18	rolled in child health assistance under
19	title XXI, the State shall provide the
20	parent, guardian, or custodial relative
21	with the following:
22	"(aa) Notice that the child
23	may be eligible to receive medical
24	assistance under the State plan
25	under this title if evaluated for

1	such assistance under the State's
2	regular procedures and notice of
3	the process through which a par-
4	ent, guardian, or custodial rel-
5	ative can request that the State
6	evaluate the child's eligibility for
7	medical assistance under this
8	title using such regular proce-
9	dures.
10	"(bb) A description of dif-
11	ferences between the medical as-
12	sistance provided under this title
13	and child health assistance under
14	title XXI, including differences in
15	cost-sharing requirements and
16	covered benefits.
17	"(iii) Temporary enrollment in
18	CHIP PENDING SCREEN AND ENROLL.—
19	"(I) IN GENERAL.—Under this
20	clause, a State enrolls a child in child
21	health assistance under title XXI for
22	a temporary period if the child ap-
23	pears eligible for such assistance
24	based on an income finding by an Ex-
25	press Lane agency.

1	"(II) DETERMINATION OF ELIGI-
2	BILITY.—During such temporary en-
3	rollment period, the State shall deter-
4	mine the child's eligibility for child
5	health assistance under title XXI or
6	for medical assistance under this title
7	in accordance with this clause.
8	"(III) PROMPT FOLLOW UP.—In
9	making such a determination, the
10	State shall take prompt action to de-
11	termine whether the child should be
12	enrolled in medical assistance under
13	this title or child health assistance
14	under title XXI pursuant to subpara-
15	graphs (A) and (B) of section
16	2102(b)(3) (relating to screen and en-
17	roll).
18	"(IV) REQUIREMENT FOR SIM-
19	PLIFIED DETERMINATION.—In mak-
20	ing such a determination, the State
21	shall use procedures that, to the max-
22	imum feasible extent, reduce the bur-
23	den imposed on the individual of such
24	determination. Such procedures may
25	not require the child's parent, guard-

1	ion on angle liel relation to more ile or
1	ian, or custodial relative to provide or
2	verify information that already has
3	been provided to the State agency by
4	an Express Lane agency or another
5	source of information unless the State
6	agency has reason to believe the infor-
7	mation is erroneous.
8	"(V) AVAILABILITY OF CHIP
9	MATCHING FUNDS DURING TEM-
10	PORARY ENROLLMENT PERIOD.—Med-
11	ical assistance for items and services
12	that are provided to a child enrolled in
13	title XXI during a temporary enroll-
14	ment period under this clause shall be
15	treated as child health assistance
16	under such title.
17	"(D) Option for automatic enroll-
18	MENT.—
19	"(i) IN GENERAL.—The State may
20	initiate and determine eligibility for med-
21	ical assistance under the State Medicaid
22	plan or for child health assistance under
23	the State CHIP plan without a program
24	application from, or on behalf of, the child
25	based on data obtained from sources other

1	than the child (or the child's family), but
2	a child can only be automatically enrolled
3	in the State Medicaid plan or the State
4	CHIP plan if the child or the family af-
5	firmatively consents to being enrolled
6	through affirmation and signature on an
7	Express Lane agency application, if the re-
8	quirement of clause (ii) is met.
9	"(ii) INFORMATION REQUIREMENT
10	The requirement of this clause is that the
11	State informs the parent, guardian, or cus-
12	todial relative of the child of the services
13	that will be covered, appropriate methods
14	for using such services, premium or other
15	cost sharing charges (if any) that apply,
16	medical support obligations (under section
17	1912(a)) created by enrollment (if applica-
18	ble), and the actions the parent, guardian,
19	or relative must take to maintain enroll-
20	ment and renew coverage.
21	"(E) CODING; APPLICATION TO ENROLL-
22	MENT ERROR RATES.—
23	"(i) IN GENERAL.—For purposes of
24	subparagraph (A)(iv), the requirement of

1	this subparagraph for a State is that the
2	State agrees to—
3	"(I) assign such codes as the
4	Secretary shall require to the children
5	who are enrolled in the State Med-
6	icaid plan or the State CHIP plan
7	through reliance on a finding made by
8	an Express Lane agency for the dura-
9	tion of the State's election under this
10	paragraph;
11	"(II) annually provide the Sec-
12	retary with a statistically valid sample
13	(that is approved by Secretary) of the
14	children enrolled in such plans
15	through reliance on such a finding by
16	conducting a full Medicaid eligibility
17	review of the children identified for
18	such sample for purposes of deter-
19	mining an eligibility error rate (as de-
20	scribed in clause (iv)) with respect to
21	the enrollment of such children (and
22	shall not include such children in any
23	data or samples used for purposes of
24	complying with a Medicaid Eligibility
25	Quality Control (MEQC) review or a

	10
1	payment error rate measurement
2	(PERM) requirement);
3	"(III) submit the error rate de-
4	termined under subclause (II) to the
5	Secretary;
6	"(IV) if such error rate exceeds 3
7	percent for either of the first 2 fiscal
8	years in which the State elects to
9	apply this paragraph, demonstrate to
10	the satisfaction of the Secretary the
11	specific corrective actions implemented
12	by the State to improve upon such
13	error rate; and
13 14	error rate; and "(V) if such error rate exceeds 3
14	"(V) if such error rate exceeds 3
14 15	"(V) if such error rate exceeds 3 percent for any fiscal year in which
14 15 16	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para-
14 15 16 17	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth-
14 15 16 17 18	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth- erwise payable to the State under sec-
14 15 16 17 18 19	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth- erwise payable to the State under sec- tion 1903(a) for quarters for that fis-
14 15 16 17 18 19 20	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth- erwise payable to the State under sec- tion 1903(a) for quarters for that fis- cal year, equal to the total amount of
14 15 16 17 18 19 20 21	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth- erwise payable to the State under sec- tion 1903(a) for quarters for that fis- cal year, equal to the total amount of erroneous excess payments determined
14 15 16 17 18 19 20 21 21 22	"(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this para- graph, a reduction in the amount oth- erwise payable to the State under sec- tion 1903(a) for quarters for that fis- cal year, equal to the total amount of erroneous excess payments determined for the fiscal year only with respect to

1	of a 3 percent error rate with respect
2	to such children.

3 "(ii) NO PUNITIVE ACTION BASED ON 4 ERROR RATE.—The Secretary shall not 5 apply the error rate derived from the sam-6 ple under clause (i) to the entire popu-7 lation of children enrolled in the State 8 Medicaid plan or the State CHIP plan 9 through reliance on a finding made by an 10 Express Lane agency, or to the population 11 of children enrolled in such plans on the 12 basis of the State's regular procedures for 13 determining eligibility, or penalize the 14 State on the basis of such error rate in any 15 manner other than the reduction of pay-16 ments provided for under clause (i)(V).

17 "(iii) RULE OF CONSTRUCTION.— 18 Nothing in this paragraph shall be con-19 strued as relieving a State that elects to 20 apply this paragraph from being subject to 21 a penalty under section 1903(u), for pay-22 ments made under the State Medicaid plan 23 with respect to ineligible individuals and 24 families that are determined to exceed the 25 error rate permitted under that section (as

1	determined without regard to the error
2	rate determined under clause (i)(II)).
3	"(iv) Error rate defined.—In this
4	subparagraph, the term 'error rate' means
5	the rate of erroneous excess payments for
6	medical assistance (as defined in section
7	1903(u)(1)(D)) for the period involved, ex-
8	cept that such payments shall be limited to
9	individuals for which eligibility determina-
10	tions are made under this paragraph and
11	except that in applying this paragraph
12	under title XXI, there shall be substituted
13	for references to provisions of this title cor-
14	responding provisions within title XXI.
15	"(F) EXPRESS LANE AGENCY.—
16	"(i) IN GENERAL.—In this paragraph,
17	the term 'Express Lane agency' means a
18	public agency that—
19	"(I) is determined by the State
20	Medicaid agency or the State CHIP
21	agency (as applicable) to be capable of
22	making the determinations of one or
23	more eligibility requirements described
24	in subparagraph (A)(i);

2       Media         3       plan;         4	
3       plan;         4       ily—         5       ily—         6       7         7       8         9       10         10       11         12       13         13       14         15       16         17       18         19       20         20       to, at         21       the d         23       "(ii)	"(II) is identified in the State
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	caid plan or the State CHIP
5       ily         6       7         7       8         9       10         10       11         12       13         13       14         15       16         17       18         19       20         20       to, at         21       the d         23       "(ii)	and
$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	"(III) notifies the child's fam-
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	
$     \begin{array}{c}       8 \\       9 \\       10 \\       11 \\       12 \\       13 \\       14 \\       15 \\       16 \\       17 \\       18 \\       19 \\       20 \\       to, at the d tion of the $	"(aa) of the information
9         10         11         12         13         14         15         16         17         18         19         20       to, and	which shall be disclosed in ac-
10 $11$ $11$ $12$ $12$ $13$ $13$ $14$ $15$ $16$ $16$ $17$ $18$ $19$ $20$ to, at $21$ the d $22$ tion d $23$ "(ii)	cordance with this paragraph;
11         12         13         14         15         16         17         18         19         20       to, at         21       the d         22       tion d         23       "(ii)	"(bb) that the information
12         13         14         15         16         17         18         19         20       to, at         21       the d         22       tion d         23       "(ii)	disclosed will be used solely for
13         14         15         16         17         18         19         20       to, at         21       the d         22       tion d         23       "(ii)	purposes of determining eligi-
14       14         15       16         16       17         17       18         19       19         20       to, at         21       the d         22       tion d         23       "(ii)	bility for medical assistance
15	under the State Medicaid plan or
16         17         18         19         20       to, at         21       the d         22       tion d         23       "(ii)	for child health assistance under
17       18         18       19         20       to, at         21       the d         22       tion d         23       "(ii)	the State CHIP plan; and
18       19         20       to, at         21       the d         22       tion d         23       "(ii)	"(cc) that the family may
19       to, at         20       to, at         21       the d         22       tion d         23       "(ii)	elect to not have the information
20       to, at         21       the d         22       tion d         23       "(ii)	disclosed for such purposes; and
21       the d         22       tion d         23       "(ii)	"(IV) enters into, or is subject
22 tion of 23 "(ii)	n interagency agreement to limit
23 "(ii)	lisclosure and use of the informa-
	disclosed.
	INCLUSION OF SPECIFIC PUBLIC
27 AGENUIES	.—Such term includes the fol-
25 lowing:	

	1,
1	"(I) A public agency that deter-
2	mines eligibility for assistance under
3	any of the following:
4	"(aa) The temporary assist-
5	ance for needy families program
6	funded under part A of title IV.
7	"(bb) A State program
8	funded under part D of title IV.
9	"(cc) The State Medicaid
10	plan.
11	"(dd) The State CHIP plan.
12	"(ee) The supplemental nu-
13	trition assistance program under
14	the Food and Nutrition Act of
15	2008 (7 U.S.C. 2011 et seq.).
16	"(ff) The Head Start Act
17	(42 U.S.C. 9801 et seq.).
18	"(gg) The Richard B. Rus-
19	sell National School Lunch Act
20	(42 U.S.C. 1751 et seq.).
21	"(hh) The Child Nutrition
22	Act of 1966 (42 U.S.C. 1771 et
23	seq.).

10
"(ii) The Child Care and
Development Block Grant Act of
1990 (42 U.S.C. 9858 et seq.).
"(jj) The Stewart B. McKin-
ney Homeless Assistance Act (42
U.S.C. 11301 et seq.).
"(kk) The United States
Housing Act of 1937 (42 U.S.C.
1437 et seq.).
"(ll) The Native American
Housing Assistance and Self-De-
termination Act of 1996 (25
U.S.C. 4101 et seq.).
"(II) A State-specified govern-
mental agency that has fiscal liability
or legal responsibility for the accuracy
of the eligibility determination find-
ings relied on by the State.
"(III) A public agency that is
subject to an interagency agreement
limiting the disclosure and use of the
information disclosed for purposes of
determining eligibility under the State
Medicaid plan or the State CHIP
plan.

1	"(iii) Exclusions.—Such term does
2	not include an agency that determines eli-
3	gibility for a program established under
4	the Social Services Block Grant established
5	under title XX or a private, for-profit or-
6	ganization.
7	"(iv) Rules of construction
8	Nothing in this paragraph shall be con-
9	strued as—
10	"(I) exempting a State Medicaid
11	agency from complying with the re-
12	quirements of section $1902(a)(4)$ re-
13	lating to merit-based personnel stand-
14	ards for employees of the State Med-
15	icaid agency and safeguards against
16	conflicts of interest); or
17	"(II) authorizing a State Med-
18	icaid agency that elects to use Ex-
19	press Lane agencies under this sub-
20	paragraph to use the Express Lane
21	option to avoid complying with such
22	requirements for purposes of making
23	eligibility determinations under the
24	State Medicaid plan.

1	"(v) Additional definitions.—In
2	this paragraph:
3	"(I) STATE.—The term 'State'
4	means 1 of the 50 States or the Dis-
5	trict of Columbia.
6	"(II) STATE CHIP AGENCY.—The
7	term 'State CHIP agency' means the
8	State agency responsible for admin-
9	istering the State CHIP plan.
10	"(III) STATE CHIP PLAN.—The
11	term 'State CHIP plan' means the
12	State child health plan established
13	under title XXI and includes any
14	waiver of such plan.
15	"(IV) STATE MEDICAID AGEN-
16	CY.—The term 'State Medicaid agen-
17	cy' means the State agency respon-
18	sible for administering the State Med-
19	icaid plan.
20	"(V) STATE MEDICAID PLAN.—
21	The term 'State Medicaid plan' means
22	the State plan established under title
23	XIX and includes any waiver of such
24	plan.

1	"(G) CHILD DEFINED.—For purposes of
2	this paragraph, the term 'child' means an indi-
3	vidual under 19 years of age, or, at the option
4	of a State, such higher age, not to exceed 21
5	years of age, as the State may elect.
6	"(H) Application.—This paragraph shall
7	not apply to with respect to eligibility deter-
8	minations made after September 30, 2014.
9	"(I) Continued application.—".
10	(2) CHIP.—Section $2107(e)(1)$ of such Act (42)
11	U.S.C. $1397gg(e)(1)$ ) is amended by redesignating
12	subparagraphs (B), (C), and (D) as subparagraphs
13	(C), (D), and (E), respectively, and by inserting
14	after subparagraph (A) the following new subpara-
15	graph:
16	"(B) Section $1902(e)(13)$ (relating to the
17	State option to rely on findings from an Ex-
18	press Lane agency to help evaluate a child's eli-
19	gibility for medical assistance).".
20	(b) EVALUATION AND REPORT.—
21	(1) EVALUATION.—The Secretary shall con-
22	duct, by grant, contract, or interagency agreement,
23	a comprehensive, independent evaluation of the op-
24	tion provided under the amendments made by sub-

1	section (a). Such evaluation shall include an analysis
2	of the effectiveness of the option, and shall include—
3	(A) obtaining a statistically valid sample of
4	the children who were enrolled in the State
5	Medicaid plan or the State CHIP plan through
6	reliance on a finding made by an Express Lane
7	agency and determining the percentage of chil-
8	dren who were erroneously enrolled in such
9	plans;
10	(B) determining whether enrolling children
11	in such plans through reliance on a finding
12	made by an Express Lane agency improves the
13	ability of a State to identify and enroll low-in-
14	come, uninsured children who are eligible but
15	not enrolled in such plans;
16	(C) evaluating the administrative costs or
17	savings related to identifying and enrolling chil-
18	dren in such plans through reliance on such
19	findings, and the extent to which such costs dif-
20	fer from the costs that the State otherwise
21	would have incurred to identify and enroll low-
22	income, uninsured children who are eligible but
23	not enrolled in such plans; and
24	(D) any recommendations for legislative or
25	administrative changes that would improve the

	20
1	effectiveness of enrolling children in such plans
2	through reliance on such findings.
3	(2) Report to congress.—Not later than
4	September 30, 2013, the Secretary shall submit a
5	report to Congress on the results of the evaluation
6	under paragraph (1).
7	(3) FUNDING.—
8	(A) IN GENERAL.—Out of any funds in the
9	Treasury not otherwise appropriated, there is
10	appropriated to the Secretary to carry out the
11	evaluation under this subsection \$5,000,000 for
12	the period of fiscal years 2010 through 2013.
13	(B) BUDGET AUTHORITY.—Subparagraph
14	(A) constitutes budget authority in advance of
15	appropriations Act and represents the obliga-
16	tion of the Federal Government to provide for
17	the payment of such amount to conduct the
18	evaluation under this subsection.
19	(c) Electronic Transmission of Information.—
20	Section 1902 of such Act (42 U.S.C. 1396a) is amended
21	by adding at the end the following new subsection:
22	"(dd) Electronic Transmission of Informa-
23	TION.—If the State agency determining eligibility for med-
24	ical assistance under this title or child health assistance
25	under title XXI verifies an element of eligibility based on

information from an Express Lane Agency (as defined in 1 2 subsection (e)(13)(F), or from another public agency, 3 then the applicant's signature under penalty of perjury 4 shall not be required as to such element. Any signature 5 requirement for an application for medical assistance may 6 be satisfied through an electronic signature, as defined in 7 section 1710(1) of the Government Paperwork Elimi-8 nation Act (44 U.S.C. 3504 note). The requirements of 9 subparagraphs (A) and (B) of section 1137(d)(2) may be 10 met through evidence in digital or electronic form.".

11 (d) AUTHORIZATION OF INFORMATION DISCLO-12 SURE.—

(1) IN GENERAL.—Title XIX of the Social Security Act is amended by adding at the end the following new section:

16 "SEC. 1942. AUTHORIZATION TO RECEIVE RELEVANT IN-17 FORMATION.

18 "(a) IN GENERAL.—Notwithstanding any other provision of law, a Federal or State agency or private entity 19 in possession of the sources of data directly relevant to 20 21 eligibility determinations under this title (including eligi-22 bility files maintained by Express Lane agencies described 23 in section 1902(e)(13)(F), information described in para-24 graph (2) or (3) of section 1137(a), vital records informa-25 tion about births in any State, and information described

in sections 453(i) and 1902(a)(25)(I)) is authorized to
 convey such data or information to the State agency ad ministering the State plan under this title, to the extent
 such conveyance meets the requirements of subsection (b).

5 "(b) REQUIREMENTS FOR CONVEYANCE.—Data or
6 information may be conveyed pursuant to subsection (a)
7 only if the following requirements are met:

8 "(1) The individual whose circumstances are 9 described in the data or information (or such indi-10 vidual's parent, guardian, caretaker relative, or au-11 thorized representative) has either provided advance 12 consent to disclosure or has not objected to disclo-13 sure after receiving advance notice of disclosure and 14 a reasonable opportunity to object.

15 "(2) Such data or information are used solely
16 for the purposes of—

17 "(A) identifying individuals who are eligi18 ble or potentially eligible for medical assistance
19 under this title and enrolling or attempting to
20 enroll such individuals in the State plan; and

21 "(B) verifying the eligibility of individuals22 for medical assistance under the State plan.

23 "(3) An interagency or other agreement, con24 sistent with standards developed by the Secretary—

1 "(A) prevents the unauthorized use, disclo-2 sure, or modification of such data and other-3 wise meets applicable Federal requirements 4 safeguarding privacy and data security; and 5 "(B) requires the State agency admin-6 istering the State plan to use the data and in-7 formation obtained under this section to seek to 8 enroll individuals in the plan. 9 "(c) Penalties for Improper Disclosure.— "(1) CIVIL MONEY PENALTY.—A private entity 10 11 described in the subsection (a) that publishes, dis-12 closes, or makes known in any manner, or to any ex-13 tent not authorized by Federal law, any information 14 obtained under this section is subject to a civil 15 money penalty in an amount equal to \$10,000 for 16 each such unauthorized publication or disclosure. 17 The provisions of section 1128A (other than sub-18 sections (a) and (b) and the second sentence of sub-19 section (f)) shall apply to a civil money penalty 20 under this paragraph in the same manner as such 21 provisions apply to a penalty or proceeding under 22 section 1128A(a).

23 "(2) CRIMINAL PENALTY.—A private entity de24 scribed in the subsection (a) that willfully publishes,
25 discloses, or makes known in any manner, or to any

extent not authorized by Federal law, any informa tion obtained under this section shall be fined not
 more than \$10,000 or imprisoned not more than 1
 year, or both, for each such unauthorized publication
 or disclosure.

6 "(d) RULE OF CONSTRUCTION.—The limitations and
7 requirements that apply to disclosure pursuant to this sec8 tion shall not be construed to prohibit the conveyance or
9 disclosure of data or information otherwise permitted
10 under Federal law (without regard to this section).".

(2) CONFORMING AMENDMENT TO TITLE XXI.—
Section 2107(e)(1) of such Act (42 U.S.C.
13 1397gg(e)(1)), as amended by subsection (a)(2), is
amended by adding at the end the following new
subparagraph:

16 "(F) Section 1942 (relating to authoriza17 tion to receive data directly relevant to eligi18 bility determinations).".

(3) CONFORMING AMENDMENT TO PROVIDE AC(3) CONFORMING AMENDMENT TO PROVIDE AC(4) CESS TO DATA ABOUT ENROLLMENT IN INSURANCE
(4) FOR PURPOSES OF EVALUATING APPLICATIONS AND
(4) FOR CHIP.—Section 1902(a)(25)(I)(i) of such Act
(4) U.S.C. 1396a(a)(25)(I)(i)) is amended—

24 (A) by inserting "(and, at State option, in-25 dividuals who apply or whose eligibility for med-

1	ical assistance is being evaluated in accordance
2	with section $1902(e)(13)(D)$ )" after "with re-
3	spect to individuals who are eligible"; and
4	(B) by inserting "under this title (and, at
5	State option, child health assistance under title
6	XXI)" after "the State plan".
7	(e) Authorization for States Electing Ex-
8	PRESS LANE OPTION TO RECEIVE CERTAIN DATA DI-
9	RECTLY RELEVANT TO DETERMINING ELIGIBILITY AND
10	CORRECT AMOUNT OF ASSISTANCE.—The Secretary of
11	Health and Human Services shall enter into such agree-
12	ments as are necessary to permit a State that elects the
13	Express Lane option under section 1902(e)(13) of the So-
14	cial Security Act to receive data directly relevant to eligi-
15	bility determinations and determining the correct amount
16	of benefits under a State child health plan under title XXI

17 of the Social Security Act or a State plan under title XIX18 of such Act from the following:

19 (1) The National Directory of New Hires estab20 lished under section 453(i) of the Social Security
21 Act (42 U.S.C. 653(i)).

(2) Data regarding enrollment in insurance that
may help to facilitate outreach and enrollment under
the State Medicaid plan, the State child health plan,

and such other programs as the Secretary may
 specify.

3 (f) EFFECTIVE DATE.—The amendments made by4 this section are effective on January 1, 2010.