

111TH CONGRESS  
1ST SESSION

# H. R. 563

To amend title XXI of the Social Security Act to require States to provide priority under the State Children’s Health Insurance Program (SCHIP) to children in families with gross income below 200 percent of the Federal poverty level.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2009

Mrs. BIGGERT (for herself, Mr. McCAUL, Ms. GINNY BROWN-WAITE of Florida, Mr. EHLERS, Mr. FORTENBERRY, and Mr. KIRK) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XXI of the Social Security Act to require States to provide priority under the State Children’s Health Insurance Program (SCHIP) to children in families with gross income below 200 percent of the Federal poverty level.

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 “SCHIP Expansion for  
5 Kids in Need Act of 2009”.

1 **SEC. 2. REQUIRING PRIORITY FOR SCHIP COVERAGE OF**  
2 **CHILDREN IN FAMILIES WITH INCOME**  
3 **UNDER 200 PERCENT OF THE FEDERAL POV-**  
4 **ERTY LEVEL.**

5 (a) DATA COLLECTION REQUIREMENT.—Section  
6 2108 of the Social Security Act (42 U.S.C. 1397hh) is  
7 amended by adding at the end the following new sub-  
8 section:

9 “(e) INCLUSION OF CERTAIN INCOME-RELATED  
10 DATA.—

11 “(1) IN GENERAL.—Each annual report under  
12 this section for each fiscal year (beginning with fis-  
13 cal year 2010) shall include information, consistent  
14 with regulations promulgated under paragraph (2),  
15 on the success of the State in providing health insur-  
16 ance coverage for children at various family income  
17 levels.

18 “(2) REGULATIONS.—In order to provide con-  
19 sistency in the reporting of information under para-  
20 graph (1), the Secretary shall promulgate, not later  
21 than September 30, 2009, standards for data collec-  
22 tion and statistical methodologies that must be used  
23 in submitting such information. Such standards  
24 shall provide for family income levels to be deter-  
25 mined based on gross income relative to percentages  
26 of the poverty line for a family of the size involved.”.

1 (b) PLAN FOR COVERAGE OF LOW INCOME CHIL-  
2 DREN.—Section 2101 of such Act (42 U.S.C. 1397aa) is  
3 amended by adding at the end the following new sub-  
4 section:

5 “(e) INCLUSION OF PLAN FOR COVERAGE OF LOW  
6 INCOME CHILDREN.—

7 “(1) DEVELOPMENT.—No State child health  
8 plan shall be considered approved under section  
9 2106 for a fiscal year (beginning with fiscal year  
10 2010) unless—

11 “(A) the State has developed and sub-  
12 mitted to the Secretary, not later than 6  
13 months after the date of the enactment of this  
14 subsection, a plan to assure that all qualified  
15 low-income children (as defined in paragraph  
16 (3)) are covered by creditable health coverage;

17 “(B) such a plan has been approved under  
18 paragraph (2); and

19 “(C) the State implements such plan be-  
20 ginning with fiscal year 2010.

21 “(2) REVIEW AND APPROVAL.—The Secretary  
22 shall—

23 “(A) promptly review plans submitted  
24 under paragraph (1)(A);

1           “(B) approve such plan if the Secretary  
2 determines that the plan is reasonably designed  
3 to assure the coverage described in such para-  
4 graph, effective as for the plan year beginning  
5 in fiscal year 2010; or

6           “(C) disapprove such plan if the Secretary  
7 determines that the plan is not so reasonably  
8 designed.

9           “(3) OPPORTUNITY FOR RESUBMITTAL.—If the  
10 Secretary disapproves a plan under paragraph  
11 (2)(C), the Secretary shall provide the State with an  
12 opportunity to resubmit a modified plan under para-  
13 graph (1)(A) that meets the requirement of para-  
14 graph (2)(B).

15           “(4) NOTIFICATION.—The Secretary shall  
16 promptly notify the State involved of the approval or  
17 disapproval of a plan submitted under paragraph  
18 (1)(A), or resubmitted under paragraph (3).

19           “(5) QUALIFIED LOW-INCOME CHILDREN.—In  
20 this subsection and section 2105(c)(8), the term  
21 ‘qualified low-income child’ means a child—

22           “(A) the gross income of whose family does  
23 not exceed 200 percent of the poverty line for  
24 a family of the size involved; and

1           “(B) who meets all eligibility requirements,  
2           other than those related to income, to be a tar-  
3           geted low-income child.”.

4           (c) LIMITATION ON USE OF SCHIP FUNDS.—Sec-  
5           tion 2105(e) of such Act (42 U.S.C. 1397ee(e)) is amend-  
6           ed by adding at the end the following new paragraph:

7           “(8) LIMITATION BASED ON INCREASES IN IN-  
8           COME ELIGIBILITY.—

9           “(A) IN GENERAL.—Subject to subpara-  
10           graph (B), in the case of a State that increases  
11           its income eligibility level under its State child  
12           health plan above the level in effect as of the  
13           date of the enactment of this paragraph, pay-  
14           ment shall not be made to a State under this  
15           section for any amount expended for an indi-  
16           vidual whose family income exceeds the income  
17           eligibility level under its State child health plan  
18           as of such date unless the State demonstrates  
19           to the satisfaction of the Secretary that no  
20           more than 10 percent of qualified low-income  
21           children (as defined in section 2101(e)(5)) re-  
22           siding in the State are not covered under cred-  
23           itable health coverage.

24           “(B) SAFE HARBOR FOR QUALIFIED LOW-  
25           INCOME CHILDREN AND CURRENTLY ELIGIBLE

1 CHILDREN.—Subparagraph (A) shall not apply  
2 to limit payment under this section for amounts  
3 expended for—

4 “(i) qualified low-income children (as  
5 so defined); or

6 “(ii) any child who meets eligibility  
7 standards under the State child health  
8 plan as in effect as of the date of the en-  
9 actment of this paragraph.”.

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