

112TH CONGRESS  
1ST SESSION

# S. 868

To restore the longstanding partnership between the States and the Federal Government in managing the Medicaid program.

---

## IN THE SENATE OF THE UNITED STATES

MAY 3, 2011

Mr. HATCH (for himself, Mr. ALEXANDER, Mr. BARRASSO, Mr. BURR, Mr. COBURN, Mr. CORNYN, Mr. JOHANNIS, and Mr. KYL) introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To restore the longstanding partnership between the States and the Federal Government in managing the Medicaid 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 “State Flexibility Act”.

5 **SEC. 2. REPEAL OF MEDICAID AND CHIP MAINTENANCE OF**  
6 **EFFORT REQUIREMENTS UNDER ARRA AND**  
7 **PPACA.**

8 (a) REPEAL OF ARRA MEDICAID MOE.—Subsection  
9 (f) of section 5001 of the American Recovery and Rein-

1 vestment Act of 2009 (Public Law 111–5) is amended by  
2 striking paragraph (1).

3 (b) REPEAL OF PPACA MEDICAID MOE.—Section  
4 1902 of the Social Security Act (42 U.S.C. 1396a) is  
5 amended by striking subsection (gg).

6 (c) REPEAL OF PPACA CHIP MOE.—Section  
7 2105(d)(3) of the Social Security Act (42 U.S.C.  
8 1397ee(d)(3)) is amended—

9 (1) by striking subparagraph (A);

10 (2) by redesignating subparagraphs (B) and  
11 (C) as subparagraphs (A) and (B), respectively; and

12 (3) in the paragraph heading, by striking  
13 “CONTINUATION OF ELIGIBILITY STANDARDS FOR  
14 CHILDREN UNTIL OCTOBER 1, 2019” and inserting  
15 “CONTINUITY OF COVERAGE”.

16 (d) CONFORMING AMENDMENTS.—

17 (1) Section 1902(a) of the Social Security Act  
18 (42 U.S.C. 1396a(a)) is amended by striking para-  
19 graph (74).

20 (2) Effective January 1, 2014, the paragraph  
21 (14) of section 1902(e) added by section 2002(a) of  
22 Public Law 111–148 is amended by striking the  
23 third sentence of subparagraph (A).

1       (e) EFFECTIVE DATE.—Except as provided in sub-  
2 section (d)(2), the amendments made by this section shall  
3 take effect on the date of the enactment of this Act.

○