

110TH CONGRESS  
1ST SESSION

# S. 1022

To amend title XXI of the Social Security Act to eliminate the remainder of funding shortfalls for the State Children's Health Insurance Program (SCHIP) for fiscal year 2007, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 29, 2007

Mr. CHAMBLISS (for himself and Mr. ISAKSON) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XXI of the Social Security Act to eliminate the remainder of funding shortfalls for the State Children's Health Insurance Program (SCHIP) for fiscal year 2007, 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. ELIMINATION OF REMAINDER OF SCHIP FUND-**  
4       **ING SHORTFALLS FOR FISCAL YEAR 2007.**

5       (a) IN GENERAL.—Section 2104(h) of the Social Se-  
6       curity Act (42 U.S.C. 1397dd(h)), as added by section  
7       201(a) of the National Institutes of Health Reform Act  
8       of 2006, is amended—

1 (1) by redesignating paragraphs (4) through  
2 (7) as paragraphs (5) through (8), respectively;

3 (2) by inserting after paragraph (3), the fol-  
4 lowing:

5 “(4) ADDITIONAL AMOUNTS TO ELIMINATE RE-  
6 MAINDER OF FISCAL YEAR 2007 FUNDING SHORT-  
7 FALLS.—

8 “(A) ALLOTMENT AUTHORITY.—From the  
9 amounts made available under subparagraph  
10 (D) for additional allotments under this para-  
11 graph, subject to subparagraph (C), the Sec-  
12 retary shall allot to each remaining shortfall  
13 State described in subparagraph (B) such  
14 amount as the Secretary determines will elimi-  
15 nate the estimated shortfall described in such  
16 subparagraph for the State for fiscal year 2007.

17 “(B) REMAINING SHORTFALL STATE DE-  
18 SCRIBED.—For purposes of subparagraph (A),  
19 a remaining shortfall State is a State with a  
20 State child health plan approved under this title  
21 for which the Secretary estimates, on the basis  
22 of the most recent data available to the Sec-  
23 retary as of March 31, 2007, that the projected  
24 Federal expenditures under such plan for the

1 State for fiscal year 2007 will exceed the sum  
 2 of—

3 “(i) the amount of the State’s allot-  
 4 ments for each of fiscal years 2005 and  
 5 2006 that will not be expended by the end  
 6 of fiscal year 2006;

7 “(ii) the amount of the State’s allot-  
 8 ment for fiscal year 2007; and

9 “(iii) the amounts, if any, that are to  
 10 be redistributed to the State during fiscal  
 11 year 2007 in accordance with paragraphs  
 12 (1) and (2).

13 “(C) PRORATION RULE.—If the amount  
 14 available under subparagraph (D) is less than  
 15 the total amount of the estimated shortfalls de-  
 16 termined by the Secretary under subparagraph  
 17 (A), the amount of the allotment for each re-  
 18 maining shortfall State determined under such  
 19 subparagraph shall be reduced proportionally.

20 “(D) APPROPRIATION; ALLOTMENT AU-  
 21 THORITY.—For the purpose of providing addi-  
 22 tional allotments to remaining shortfall States  
 23 under this paragraph there is appropriated, out  
 24 of any funds in the Treasury not otherwise ap-  
 25 propriated, such sums as are necessary for fis-

1 cal year 2007, not to exceed \$750,000,000.  
 2 Amounts appropriated pursuant to the pre-  
 3 ceding sentence are designated as an emergency  
 4 requirement pursuant to section 402 of H. Con.  
 5 Res. 95 (109th Congress).”.

6 (b) CONFORMING AMENDMENTS.—Such section is  
 7 further amended—

8 (1) in paragraph (1)(B), by striking “para-  
 9 graph (4)(B)” and inserting “paragraph (5)(B)”;

10 (2) in paragraph (2)—

11 (A) in the paragraph heading, by striking  
 12 “REMAINDER OF REDUCTION” and inserting  
 13 “PART”;

14 (B) in subparagraph (A), by striking  
 15 “paragraph (5)(B)” and inserting “paragraph  
 16 (6)(B)”;

17 (C) in subparagraph (B), by striking  
 18 “paragraph (4)(B)” and inserting “paragraph  
 19 (5)(B)”;

20 (3) in paragraph (5) (as redesignated by sub-  
 21 section (a)(1))—

22 (A) in subparagraph (A), by inserting “or  
 23 allotted” after “redistributed”; and

24 (B) in subparagraph (B)—

(i) by inserting “or allotted” after  
“redistributed”;

(ii) by striking “To the” and inserting  
the following:

“(i) IN GENERAL.—Subject to clause  
(ii), to the”; and

(iii) by adding at the end the fol-  
lowing new clause:

“(ii) EXCEPTION FOR REMAINING  
SHORTFALL STATES WITH LOWEST THIRD  
RANKING OF UNINSURED CHILDREN.—  
Only with respect to the amounts allotted  
under paragraph (4) to a remaining short-  
fall State described in subparagraph (B) of  
such paragraph, clause (i) shall not apply  
to any such State that, on the basis of the  
most recent American Community Survey  
of the Bureau of the Census (or, until such  
data is available, on the basis of the 3  
most recent Annual Social and Economic  
Supplements of the Current Population  
Survey of the Bureau of the Census),  
ranks in the lowest  $\frac{1}{3}$  of States in terms  
of the State’s percentage of low-income  
children without health insurance.”;

1 (4) in subparagraph (6)(A) (as so redesign-  
 2 nated), by striking “and (3)” and inserting “(3),  
 3 and (4)”; and

4 (5) in paragraph (7) (as so redesignated)—

5 (A) in the first sentence—

6 (i) by inserting “or allotted” after  
 7 “redistributed”; and

8 (ii) by inserting “or allotments” after  
 9 “redistributions”; and

10 (B) in the second sentence, by striking  
 11 “and (3), in accordance with paragraph (5)”  
 12 and inserting “(3), and (4) in accordance with  
 13 paragraph (6)”.

14 **SEC. 2. EXTENSION OF SSI ASSET VERIFICATION DEM-**  
 15 **ONSTRATION TO MEDICAID.**

16 (a) IN GENERAL.—Subject to subsection (b), the Sec-  
 17 retary of Health and Human Services shall collaborate  
 18 with the Commissioner of Social Security to provide for  
 19 the use, for purposes of verifying financial eligibility for  
 20 medical assistance under State plans under title XIX of  
 21 the Social Security Act (42 U.S.C. 1396 et seq.), of the  
 22 system administered by the Commissioner (under section  
 23 1631(e)(1)(B)(ii) of such Act (42 U.S.C.  
 24 1383(e)(1)(B)(ii)) under which the Commissioner may ob-  
 25 tain information held by financial institutions in order to

1 verify eligibility for benefits under title XVI of such Act  
2 (42 U.S.C. 1381 et seq.).

3 (b) LIMITATION.—For purposes of this section, use  
4 of the system described in subsection (a), and the informa-  
5 tion obtained through such system, shall be limited to de-  
6 terminations of eligibility for medical assistance in States  
7 in which such system is being used by the Commissioner  
8 to verify eligibility for benefits under such title XVI.

9 (c) SHARING BY COMMISSIONER OF INFORMATION  
10 OBTAINED FROM FINANCIAL INSTITUTIONS.—Notwith-  
11 standing the Right to Financial Privacy Act of 1978 (12  
12 U.S.C. 3401 et seq.) or any other provision of law, infor-  
13 mation obtained by the Commissioner from financial insti-  
14 tutions under the system described in subsection (a) may,  
15 for purposes of carrying out this section, be shared with  
16 the agencies of States specified in subsection (b) which  
17 are administering the plans of such States under title XIX  
18 of the Social Security Act.

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