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Children's Health Insurance Program Reauthorization Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: Senate

Policy Area: Health

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Sponsor

Name: Sen. Baucus, Max [D-MT]

Party: Democratic • **State:** MT • **Chamber:** Senate

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Reported Original Measure	Jul 27, 2007

Subjects & Policy Tags

Policy Area:

Health

Related Bills

Bill	Relationship	Last Action
110 HR 976	Related bill	Oct 18, 2007: The Chair announced that the message and the accompanying bill would be referred to the Committees on Energy and Commerce and Ways and Means and that the Clerk would be directed to notify the Senate of the actions of the House.
110 HR 3162	Companion bill	Sep 4, 2007: Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 338.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

Children's Health Insurance Program Reauthorization Act of 2007 - **Title I: Financing of CHIP** - (Sec. 101) Amends title XXI (State Children's Health Insurance Program) (CHIP) of the Social Security Act (SSA) to reauthorize the CHIP program (also known as SCHIP) through FY2012 at increased levels.

(Sec. 102) Provides for the determination of allotments for the 50 states and the District of Columbia for FY2008-FY2012.

(Sec. 103) Makes a one-time appropriation of additional funds to the Secretary of Health and Human Services for FY2012.

(Sec. 104) Revises funding requirements for the territories under CHIP and SSA title XIX (Medicaid) for FY2008-FY2012.

Removes federal matching payments for data reporting systems from the overall limit on payments to Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

Directs the Comptroller General to report to the appropriate congressional committees on federal funding under Medicaid and CHIP for such territories.

(Sec. 105) Establishes in the Treasury the CHIP Incentive Bonuses Pool, from which incentive bonuses may be paid to states.

(Sec. 106) Provides for phase-out of CHIP coverage for nonpregnant childless adults, leaving states an option to apply for a Medicaid waiver to continue coverage for such adults. Prescribes terms and conditions for coverage of parents of targeted low-income children.

Directs the Comptroller General to study and report to Congress on whether: (1) the coverage of a parent, a caretaker relative, or a legal guardian of a targeted low-income child under a state CHIP health plan increases the enrollment of, or the quality of care for, children; and (2) such parents, relatives, and legal guardians who enroll in such a plan are more likely to enroll their children in such a plan or in a state Medicaid plan.

(Sec. 107) Gives states the option to cover targeted low-income pregnant women under CHIP through a state plan amendment if certain conditions are met, including that the state has established an income eligibility level of at least 185% of the federal poverty line for pregnant women under Medicaid.

(Sec. 108) Establishes in the Treasury the CHIP Contingency Fund for payments to an eligible state solely to eliminate its shortfall (that is, the amount by which a state's available federal CHIP allotments are not adequate to cover the state's federal CHIP expenditures.)

(Sec. 109) Revises requirements for the availability of allotments, with changes including: (1) making CHIP allotments only through FY2006 available for three years (as under current law); (2) making CHIP allotments for FY2007-FY2012 available for two years; and (3) establishing a rule for counting expenditures against CHIP contingency fund payments, fiscal year allotments, and incentive bonuses.

(Sec. 110) Places a limitation on the matching rate for states that propose to cover children with effective family income

exceeding 300% of the federal poverty line.

(Sec. 111) Provides qualifying states the option to receive the enhanced portion of the CHIP matching rate for Medicaid coverage of certain children.

Title II: Outreach and Enrollment - (Sec. 201) Amends SSA title XXI to direct the Secretary to award grants to eligible entities during FY2008-FY2012 to conduct outreach and enrollment efforts to increase the enrollment and participation of eligible children under CHIP and Medicaid.

Makes necessary appropriations.

Directs the Secretary to develop and implement a national enrollment campaign to improve the enrollment of underserved child populations in CHIP and Medicaid programs.

(Sec. 202) Amends SSA title XI to provide for increased outreach and enrollment of Indians in CHIP and Medicaid.

Waives the 10% cap on CHIP payments for outreach with respect to any expenditures for outreach activities to families of Indian children likely to be eligible for child health assistance under the state Medicaid plan or related waivers, in order to inform such families of the availability of, and to assist them in enrolling their children in, such plans.

(Sec. 203) Directs the Secretary to establish a three-year demonstration program under which up to 10 states shall be authorized to rely on findings by an Express Lane agency to determine whether a child has met Medicaid or CHIP eligibility requirements.

Makes necessary appropriations.

(Sec. 204) Amends SSA title XIX to authorize a federal or state agency or private entity in possession of the sources of data directly relevant for Medicaid eligibility determination to convey such information to the state Medicaid agency, if such conveyance meets specified requirements.

Title III: Reducing Barriers to Enrollment - (Sec. 301) Amends title XIX to give states the option to verify a declaration of U.S. citizenship or nationality for purposes of Medicaid eligibility through verification of name and Social Security number.

(Sec. 302) Requires state child health insurance plans to describe procedures used to reduce administrative barriers to enrollment of children and eligible pregnant women under CHIP.

Title IV: Reducing Barriers to Providing Premium Assistance - Subtitle A: Additional State Option for Providing Premium Assistance - (Sec. 401) Gives states the option to provide a premium assistance subsidy for qualified employer-sponsored coverage to all targeted low-income children eligible for CHIP who have access to such coverage in accordance with the requirements of this title.

Directs the Comptroller General of the United States to study and report to Congress on cost and coverage issues relating to any state premium assistance programs for which federal Medicaid and CHIP matching payments are made.

(Sec. 402) Requires state CHIP plans to describe procedures in place to provide outreach, education, and enrollment assistance for families of children likely to be eligible for premium assistance subsidies under CHIP or a specified waiver.

Subtitle B: Coordinating Premium Assistance With Private Coverage - (Sec. 411) Amends the Internal Revenue

Code to require a group health plan to permit an employee who is eligible, but not enrolled, for coverage under the plan to enroll if either of the following conditions are met: (1) the employee or dependent covered under Medicaid or CHIP has coverage terminated as a result of loss of eligibility, and the employee requests coverage under the group health plan within 60 days after such termination; or (2) the employee or dependent becomes eligible for assistance, with respect to Medicaid or CHIP coverage, if the employee requests coverage within 60 days after the date the employee or dependent is determined to be eligible.

Directs the Secretary and the Secretary of Labor jointly to establish a Medicaid, CHIP, and Employer-Sponsored Coverage Coordination Working Group to: (1) develop the model coverage disclosure form; and (2) identify impediments to the effective coordination of coverage available to families.

Title V: Strengthening Quality of Care And Health Outcomes of Children - (Sec. 501) Amends SSA title XI to direct the Secretary to identify and publish for general comment an initial, recommended core set of child health quality measures for use by state Medicaid and CHIP programs, health insurance issuers and managed care entities that contract with such programs, and item and service providers. Directs the Secretary to identify existing quality of care measures for children that are: (1) in use under public and privately sponsored health care arrangements; or (2) part of reporting systems that measure both the presence and duration of health insurance coverage over time.

Directs the Secretary to establish a pediatric quality measures program to improve and strengthen such initial core child health care quality measures.

Directs the Secretary to award: (1) grants and contracts for the development, testing, and validation of new, emerging, and innovative evidence-based measures for children's health care services; and (2) up to 10 grants to states and child health providers for demonstration projects to evaluate promising ideas for improving the quality of children's health care and the use of health information technology. Allocates funding.

Directs the Secretary to conduct a childhood obesity demonstration project. Authorizes appropriations for FY2008-FY2012.

Directs the Secretary to establish a program to encourage the development and dissemination of a model electronic health record format for children enrolled in a state Medicaid or CHIP plan.

Requires the Institute of Medicine to study and report to Congress on pediatric health and health care quality measures.

Makes appropriations for this section.

Increases the matching rate for collecting and reporting on child health measures.

(Sec. 502) Specifies the information each state must cover in its annual CHIP report to the Secretary, including eligibility criteria, enrollment, and retention data.

Requires the Comptroller General to study and report to the appropriate congressional committees on children's access to primary and specialty services under Medicaid and CHIP.

(Sec. 503) Applies certain managed care quality safeguards to CHIP.

Title VI: Miscellaneous - (Sec. 601) Makes a technical correction regarding current state authority under Medicaid.

(Sec. 602) Applies a federal medical assistance percentage (FMAP) of 90% to expenditures related to administration of

payment error rate measurement (PERM) requirements applicable to CHIP.

Excludes from the 10% cap on CHIP administrative costs all expenditures related to the administration of PERM requirements.

Prohibits the Secretary from calculating or publishing any national or state-specific error rate based on the application of PERM requirements to CHIP until after a final rule implementing such requirements is in effect for all states. Specifies requirements for any calculation of a national error rate or a state specific error rate after such a final rule is in effect for all states.

Requires the final rule implementing the PERM requirements to include: (1) clearly defined criteria for errors for both states and providers; (2) a clearly defined process for appealing error determinations by review contractors; and (3) clearly defined responsibilities and deadlines for states in implementing any corrective action plans.

Directs the Secretary to review the Medicaid Eligibility Quality Control (MEQC) requirements with PERM requirements and coordinate consistent implementation of both sets of requirements, while reducing redundancies.

Allows a state to elect, for purposes of determining the erroneous excess payments for the applicable fiscal year medical assistance ratio, to substitute data resulting from the application of the PERM requirements to the state after the final rule implementing such requirements is in effect for all states for data obtained from the application of MEQC requirements to the state.

Directs the Secretary to establish state-specific sample sizes for application of the PERM requirements with respect to state child health plans for fiscal years beginning with FY2009.

(Sec. 603) Eliminates the counting of Medicaid child presumptive eligibility costs against a state's CHIP allotment.

(Sec. 604) Appropriates increased amounts for data collection and requires the Secretary of Commerce, among other things, to make appropriate adjustments to the Current Population Survey (CPA) to: (1) develop more accurate state-specific estimates of the number of children enrolled under Medicaid; and (2) include health insurance survey information in the American Community Survey (ACS) related to children.

Authorizes the Secretary to transition to the use of all, or some combination of, ACS estimates, instead of the CPS, if the Secretary of Commerce so recommends.

(Sec. 605) Amends the Deficit Reduction Act of 2005 to prescribe a formula for determination of Medicaid patient days for the calculation of disproportionate share hospital (DSH) payments.

Makes a technical amendment to the requirement to provide early and periodic screening, diagnostic, and treatment (epsdt) services for all children in benchmark benefit packages.

(Sec. 607) Prescribes requirements to achieve mental health parity in CHIP plans.

(Sec. 608) Requires the Secretary to make dental health grants to states for targeted low-income children enrolled in state child health plans.

(Sec. 609) Applies to CHIP the prospective payment system (PPS) for federally-qualified health centers and rural health clinics.

Title VII: Revenue Provisions - (Sec. 701) Amends the Internal Revenue Code to increase the excise tax on: (1) cigars; (2) cigarettes; (3) cigarette papers; (4) cigarette tubes; (5) smokeless tobacco; (6) pipeless tobacco; (7) pipe tobacco; and (8) roll-your-own tobacco. Allows a credit of \$500 against such increased excise taxes. Makes such tax increases on tobacco products effective January 1, 2008, and payable on or before April 1, 2008.

(Sec. 702) Makes requirements relating to permits, inventories and reports, and records applicable to manufacturers and importers of processed tobacco. Revises criteria for the denial, suspension, or revocation of permits for tobacco manufacturers or importers.

Requires immediate payment of tax on tobacco products not produced on the premises of the manufacturer.

(Sec. 703) Amends the Tax Increase Prevention and Reconciliation Act of 2005 to decrease from 114.50% to 113.25% the estimated tax rate for certain large corporations in the third quarter of 2012.

Title VIII: Effective Date - Makes the the amendments made by this Act effective on October 1, 2007, regardless of whether final regulations have been promulgated to carry out such amendments.

Allows certain state plans under titles XIX (Medicaid) or XXI (State Children's Health Insurance) (CHIP) of the Social Security Act that require state legislation to meet additional requirements imposed by this Act additional time to make required plan changes.

Actions Timeline

- **Jul 27, 2007:** Committee on Finance. Original measure reported to Senate by Senator Baucus. Without written report.
- **Jul 27, 2007:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 288.
- **Jul 26, 2007:** Introduced in Senate
- **Jul 26, 2007:** Sponsor introductory remarks on measure. (CR S10173-10190)