

108TH CONGRESS  
1ST SESSION

# H. R. 1811

To amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the Medicaid Program for such children, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2003

Mr. SESSIONS (for himself, Mr. WAXMAN, Mr. ABERCROMBIE, Mr. BACHUS, Mr. BARTLETT of Maryland, Mr. BROWN of Ohio, Mr. CAMP, Mrs. CAPPS, Mrs. CHRISTENSEN, Mr. CROWLEY, Mrs. JO ANN DAVIS of Virginia, Ms. DEGETTE, Mr. DEUTSCH, Mr. DINGELL, Mr. DOYLE, Mr. ENGEL, Mr. FARR, Mr. FROST, Mr. GORDON, Mr. GREEN of Texas, Mr. HINCHEY, Mr. HOEFFEL, Mr. INSLEE, Mr. ISAKSON, Mr. KILDEE, Ms. KILPATRICK, Mr. LANTOS, Mrs. MALONEY, Mr. MARKEY, Mr. MATSUI, Mr. McNULTY, Mr. GEORGE MILLER of California, Mr. MOORE, Mr. MORAN of Virginia, Mr. MURTHA, Mrs. NORTHUP, Mr. OXLEY, Mr. PALLONE, Mr. PAUL, Mr. PAYNE, Mr. RAHALL, Ms. SCHAKOWSKY, Mr. SCHIFF, Mr. SCOTT of Virginia, Mr. SHAYS, Ms. SOLIS, Mr. SOUDER, Mr. STARK, Mr. STRICKLAND, Mr. TERRY, Mr. THORNBERRY, Mr. TOWNS, Mr. UDALL of Colorado, Mr. WOLF, Mrs. CAPITO, Mrs. JOHNSON of Connecticut, Mr. JOHN, Mr. REYNOLDS, and Mr. KUCINICH) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the Medicaid Program for such children, 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. SHORT TITLE; AMENDMENTS TO SOCIAL SECU-**  
 4 **RITY ACT; TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the  
 6 “Family Opportunity Act of 2003” or the “Dylan Lee  
 7 James Act”.

8 (b) AMENDMENTS TO SOCIAL SECURITY ACT.—Ex-  
 9 cept as otherwise specifically provided, whenever in this  
 10 Act an amendment is expressed in terms of an amendment  
 11 to or repeal of a section or other provision, the reference  
 12 shall be considered to be made to that section or other  
 13 provision of the Social Security Act.

14 (c) TABLE OF CONTENTS.—The table of contents of  
 15 this Act is as follows:

- Sec. 1. Short title; amendments to Social Security Act; table of contents.
- Sec. 2. Opportunity for families of disabled children to purchase medicaid coverage for such children.
- Sec. 3. Treatment of inpatient psychiatric hospital services for individuals under age 21 in home or community-based services waivers.
- Sec. 4. Development and support of family-to-family health information centers.
- Sec. 5. Restoration of medicaid eligibility for certain SSI beneficiaries.

16 **SEC. 2. OPPORTUNITY FOR FAMILIES OF DISABLED CHIL-**  
 17 **DREN TO PURCHASE MEDICAID COVERAGE**  
 18 **FOR SUCH CHILDREN.**

19 (a) STATE OPTION TO ALLOW FAMILIES OF DIS-  
 20 ABLED CHILDREN TO PURCHASE MEDICAID COVERAGE  
 21 FOR SUCH CHILDREN.—

1           (1) IN GENERAL.—Section 1902 (42 U.S.C.  
2 1396a) is amended—

3           (A) in subsection (a)(10)(A)(ii)—

4                 (i) by striking “or” at the end of sub-  
5 clause (XVII);

6                 (ii) by adding “or” at the end of sub-  
7 clause (XVIII); and

8                 (iii) by adding at the end the fol-  
9 lowing new subclause:

10                         “(XIX) who are disabled children  
11 described in subsection (cc)(1);”;

12           (B) by adding at the end the following new  
13 subsection:

14           “(cc)(1) Individuals described in this paragraph are  
15 individuals—

16                 “(A) who have not attained 18 years of age;

17                 “(B) who would be considered disabled under  
18 section 1614(a)(3)(C) but for having earnings or  
19 deemed income or resources (as determined under  
20 title XVI for children) that exceed the requirements  
21 for receipt of supplemental security income benefits;  
22 and

23                 “(C) whose family income does not exceed such  
24 income level as the State establishes and does not  
25 exceed—

1           “(i) 250 percent of the income official pov-  
2           erty line (as defined by the Office of Manage-  
3           ment and Budget, and revised annually in ac-  
4           cordance with section 673(2) of the Omnibus  
5           Budget Reconciliation Act of 1981) applicable  
6           to a family of the size involved; or

7           “(ii) such higher percent of such poverty  
8           line as a State may establish, except that—

9                   “(I) any medical assistance provided  
10                  to an individual whose family income ex-  
11                  ceeds 250 percent of such poverty line may  
12                  only be provided with State funds; and

13                  “(II) no Federal financial participa-  
14                  tion shall be provided under section  
15                  1903(a) for any medical assistance pro-  
16                  vided to such an individual.”.

17           (2) INTERACTION WITH EMPLOYER-SPONSORED  
18           FAMILY COVERAGE.—Section 1902(cc) (42 U.S.C.  
19           1396a(cc)), as added by paragraph (1)(B), is  
20           amended by adding at the end the following new  
21           paragraph:

22           “(2)(A) If an employer of a parent of an individual  
23           described in paragraph (1) offers family coverage under  
24           a group health plan (as defined in section 2791(a) of the  
25           Public Health Service Act), the State shall—

1           “(i) require such parent to apply for, enroll in,  
2           and pay premiums for, such coverage as a condition  
3           of such parent’s child being or remaining eligible for  
4           medical assistance under subsection  
5           (a)(10)(A)(ii)(XIX) if the parent is determined eligi-  
6           ble for such coverage and the employer contributes  
7           at least 50 percent of the total cost of annual pre-  
8           miums for such coverage; and

9           “(ii) if such coverage is obtained—

10           “(I) subject to paragraph (2) of section  
11           1916(h), reduce the premium imposed by the  
12           State under that section in an amount that rea-  
13           sonably reflects the premium contribution made  
14           by the parent for private coverage on behalf of  
15           a child with a disability; and

16           “(II) treat such coverage as a third party  
17           liability under subsection (a)(25).

18           “(B) In the case of a parent to which subparagraph  
19           (A) applies, a State, subject to paragraph (1)(C)(ii), may  
20           provide for payment of any portion of the annual premium  
21           for such family coverage that the parent is required to  
22           pay. Any payments made by the State under this subpara-  
23           graph shall be considered, for purposes of section 1903(a),  
24           to be payments for medical assistance.”.

1 (b) STATE OPTION TO IMPOSE INCOME-RELATED  
2 PREMIUMS.—Section 1916 (42 U.S.C. 1396o) is amend-  
3 ed—

4 (1) in subsection (a), by striking “subsection  
5 (g)” and inserting “subsections (g) and (h)”; and

6 (2) by adding at the end the following new sub-  
7 section:

8 “(h)(1) With respect to disabled children provided  
9 medical assistance under section 1902(a)(10)(A)(ii)(XIX),  
10 subject to paragraph (2), a State may (in a uniform man-  
11 ner for such children) require the families of such children  
12 to pay monthly premiums set on a sliding scale based on  
13 family income.

14 “(2) A premium requirement imposed under para-  
15 graph (1) may only apply to the extent that—

16 “(A) the aggregate amount of such premium  
17 and any premium that the parent is required to pay  
18 for family coverage under section 1902(cc)(2)(A)(i)  
19 does not exceed 5 percent of the family’s income;  
20 and

21 “(B) the requirement is imposed consistent with  
22 section 1902(cc)(2)(A)(ii)(I).

23 “(3) A State shall not require prepayment of a pre-  
24 mium imposed pursuant to paragraph (1) and shall not  
25 terminate eligibility of a child under section

1 1902(a)(10)(A)(ii)(XIX) for medical assistance under this  
 2 title on the basis of failure to pay any such premium until  
 3 such failure continues for a period of not less than 60 days  
 4 from the date on which the premium became past due.  
 5 The State may waive payment of any such premium in  
 6 any case where the State determines that requiring such  
 7 payment would create an undue hardship.”.

8 (c) CONFORMING AMENDMENTS.—Section  
 9 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended in the  
 10 matter preceding subparagraph (A), by inserting  
 11 “1902(a)(10)(A)(ii)(XIX),” after  
 12 “1902(a)(10)(A)(ii)(XVIII),”.

13 (d) EFFECTIVE DATE.—The amendments made by  
 14 this section shall apply to medical assistance for items and  
 15 services furnished on or after October 1, 2005.

16 **SEC. 3. TREATMENT OF INPATIENT PSYCHIATRIC HOS-**  
 17 **PITAL SERVICES FOR INDIVIDUALS UNDER**  
 18 **AGE 21 IN HOME OR COMMUNITY-BASED**  
 19 **SERVICES WAIVERS.**

20 (a) IN GENERAL.—Section 1915(c) (42 U.S.C.  
 21 1396n(c)) is amended—

22 (1) in paragraph (1)—

23 (A) in the first sentence, by inserting “, or  
 24 would require inpatient psychiatric hospital  
 25 services for individuals under age 21,” after

1 “intermediate care facility for the mentally re-  
2 tarded”; and

3 (B) in the second sentence, by inserting “,  
4 or would require inpatient psychiatric hospital  
5 services for individuals under age 21” before  
6 the period;

7 (2) in paragraph (2)(B), by striking “or serv-  
8 ices in an intermediate care facility for the mentally  
9 retarded” each place it appears and inserting “serv-  
10 ices in an intermediate care facility for the mentally  
11 retarded, or inpatient psychiatric hospital services  
12 for individuals under age 21”;

13 (3) in paragraph (2)(C)—

14 (A) by inserting “, or who are determined  
15 to be likely to require inpatient psychiatric hos-  
16 pital services for individuals under age 21,”  
17 after “, or intermediate care facility for the  
18 mentally retarded”; and

19 (B) by striking “or services in an inter-  
20 mediate care facility for the mentally retarded”  
21 and inserting “services in an intermediate care  
22 facility for the mentally retarded, or inpatient  
23 psychiatric hospital services for individuals  
24 under age 21”; and

25 (4) in paragraph (7)(A)—

1 (A) by inserting “or would require inpa-  
2 tient psychiatric hospital services for individuals  
3 under age 21,” after “intermediate care facility  
4 for the mentally retarded,”; and

5 (B) by inserting “or who would require in-  
6 patient psychiatric hospital services for individ-  
7 uals under age 21” before the period.

8 (b) EFFECTIVE DATE.—The amendments made by  
9 subsection (a) apply with respect to medical assistance  
10 provided on or after January 1, 2004.

11 **SEC. 4. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAM-  
12 ILY HEALTH INFORMATION CENTERS.**

13 Section 501 (42 U.S.C. 701) is amended by adding  
14 at the end the following new subsection:

15 “(c)(1)(A) For the purpose of enabling the Secretary  
16 (through grants, contracts, or otherwise) to provide for  
17 special projects of regional and national significance for  
18 the development and support of family-to-family health in-  
19 formation centers described in paragraph (2)—

20 “(i) there is appropriated to the Secretary, out  
21 of any money in the Treasury not otherwise appro-  
22 priated—

23 “(I) \$3,000,000 for fiscal year 2004;

24 “(II) \$4,000,000 for fiscal year 2005; and

25 “(III) \$5,000,000 for fiscal year 2006; and

1           “(ii) there is authorized to be appropriated to  
2           the Secretary, \$5,000,000 for each of fiscal years  
3           2007 and 2008.

4           “(B) Funds appropriated or authorized to be appro-  
5           priated under subparagraph (A) shall—

6           “(i) be in addition to amounts appropriated  
7           under subsection (a) and retained under section  
8           502(a)(1) for the purpose of carrying out activities  
9           described in subsection (a)(2); and

10           “(ii) remain available until expended.

11           “(2) The family-to-family health information centers  
12           described in this paragraph are centers that—

13           “(A) assist families of children with disabilities  
14           or special health care needs to make informed  
15           choices about health care in order to promote good  
16           treatment decisions, cost-effectiveness, and improved  
17           health outcomes for such children;

18           “(B) provide information regarding the health  
19           care needs of, and resources available for, children  
20           with disabilities or special health care needs;

21           “(C) identify successful health delivery models  
22           for such children;

23           “(D) develop with representatives of health care  
24           providers, managed care organizations, health care  
25           purchasers, and appropriate State agencies a model

1 for collaboration between families of such children  
2 and health professionals;

3 “(E) provide training and guidance regarding  
4 caring for such children;

5 “(F) conduct outreach activities to the families  
6 of such children, health professionals, schools, and  
7 other appropriate entities and individuals; and

8 “(G) are staffed by families of children with  
9 disabilities or special health care needs who have ex-  
10 pertise in Federal and State public and private  
11 health care systems and health professionals.

12 “(3) The Secretary shall develop family-to-family  
13 health information centers described in paragraph (2)  
14 under this subsection in accordance with the following:

15 “(A) With respect to fiscal year 2004, such cen-  
16 ters shall be developed in not less than 25 States.

17 “(B) With respect to fiscal year 2005, such  
18 centers shall be developed in not less than 40 States.

19 “(C) With respect to fiscal year 2006, such cen-  
20 ters shall be developed in not less than 50 States  
21 and the District of Columbia.

22 “(4) The provisions of this title that are applicable  
23 to the funds made available to the Secretary under section  
24 502(a)(1) apply in the same manner to funds made avail-  
25 able to the Secretary under paragraph (1)(A).

1           “(5) For purposes of this subsection, the term ‘State’  
2 means each of the 50 States and the District of Colum-  
3 bia.”.

4   **SEC. 5. RESTORATION OF MEDICAID ELIGIBILITY FOR CER-**  
5                                   **TAIN SSI BENEFICIARIES.**

6           (a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42  
7 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended—

8                   (1) by inserting “(aa)” after “(II)”;

9                   (2) by striking “) and” and inserting “and”;

10                  (3) by striking “section or who are” and insert-  
11 ing “section), (bb) who are”; and

12                  (4) by inserting before the comma at the end  
13 the following: “, or (cc) who are under 21 years of  
14 age and with respect to whom supplemental security  
15 income benefits would be paid under title XVI if  
16 subparagraphs (A) and (B) of section 1611(c)(7)  
17 were applied without regard to the phrase ‘the first  
18 day of the month following’ ”.

19           (b) EFFECTIVE DATE.—The amendments made by  
20 subsection (a) shall apply to medical assistance for items  
21 and services furnished on or after the first day of the first  
22 calendar quarter that begins after the date of enactment  
23 of this Act.

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