AMENDMENT TO H.R.1628
OFFERED BY MS. BEUTLER OF WASHINGTON

[Page and line numbers refer to HR 1628 as posted by the Committee on Rules]

Page 30, line 25, insert “, less the amount of expenditures described in paragraph (5)” after “fiscal year”.

Page 31, after line 15, insert the following:

“(5) EXPENDITURES MADE WITH RESPECT TO CHILDREN.—The expenditures described in this paragraph are expenditures for medical assistance under the State plan (including under a waiver of the plan) that are attributable to children described in subsection (e)(2)(C), including children who are eligible for medical assistance under such State plan (or under a waiver of such plan) on the basis of being disabled.”.

Page 34, strike line 18 and all that follows through page 35, line 7 and insert the following:

“(2) TARGET PER CAPITA MEDICAL ASSISTANCE EXPENDITURES.—In this subsection, the term ‘tar-
get per capita medical assistance expenditures’
means, for a 1903A enrollee category and State—
“(A) for fiscal year 2020, an amount equal
to—
“(i) the provisional FY19 target per

capita amount for such enrollee category
(as calculated under subsection (d)(5)) for
the State; increased by
“(ii) the applicable annual inflation
factor (as defined in paragraph (3)) for
fiscal year 2020; and
“(B) for each succeeding fiscal year, an
amount equal to—
“(i) the target per capita medical as-

sistance expenditures (under subparagraph
(A) or this subparagraph) for the 1903A
enrollee category and State for the pre-
ceeding fiscal year, increased by
“(ii) the applicable annual inflation
factor for that succeeding fiscal year.
“(3) APPLICABLE ANNUAL INFLATION FAC-
TOR.—In paragraph (2), the term ‘applicable annual
inflation factor’ means, for a fiscal year—
“(A) for each of the 1903A enrollee cat-
egories described in subparagraphs (D) and (E)
of subsection (e)(2) and for 1903A enrollees described in subparagraph (C) other than children who are eligible for medical assistance under such State plan (or under a waiver of such plan) on the basis of being disabled, the percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) from September of the previous fiscal year to September of the fiscal year involved; and

“(B) for each of the 1903A enrollee categories described in subparagraphs (A) and (B) of subsection (e)(2) and for 1903A enrollees described in subparagraph (C) who are eligible for medical assistance under such State plan (or under a waiver of such plan) on the basis of being disabled, the percentage increase described in subparagraph (A) plus 1 percentage point.

Page 42, lines 23 and 24, strike “(not described in the previous subparagraph)” and insert “(not described in subparagraph (A) or (C))”.

Page 43, strike lines 3 through 5 and insert the following:
“(C) CHILDREN.—A category of 1903A enrollees who are children under 19 years of age, including children who are eligible for medical assistance under such State plan (or under a waiver of such plan) on the basis of being disabled.”.

Page 48, after line 11, insert the following:

“(i) FLEXIBLE BLOCK GRANT OPTION FOR STATES.—

“(1) IN GENERAL.—In the case of a State that elects the option of applying this subsection for a 10-fiscal-year period (beginning no earlier than fiscal year 2020 and, at the State option, for any succeeding 10-fiscal-year period) and that has a plan approved by the Secretary under paragraph (2) to carry out the option for such period—

“(A) the State shall receive, instead of amounts otherwise payable to the State under this title for medical assistance for block grant individuals for the State during the period in which the election is in effect, the amount specified in paragraph (4);

“(B) the previous provisions of this section shall be applied as if—
“(i) block grant individuals for the
State and period were not section 1903A
enrollees for each 10-fiscal year period for
which the State elects to apply this sub-
section; and

“(ii) if such option is not extended at
the end of a 10-fiscal-year-period, the per
capita limitations under such previous pro-
visions shall again apply after such period
and such limitations shall be applied as if
the election under this subsection had
never taken place;

“(C) the payment under this subsection
may only be used consistent with the State plan
under paragraph (2) for block grant health care
assistance (as defined in paragraph (6)); and

“(D) with respect to block grant individ-
uals for the State for which block grant health
care assistance is made available under this
subsection, such assistance shall be instead of
medical assistance otherwise provided to the in-
dividual under this title.

“(2) STATE PLAN FOR ADMINISTERING BLOCK
GRANT OPTION.—
“(A) In General.—No payment shall be made under this subsection to a State pursuant to an election for a 10-fiscal-year period under paragraph (1) unless the State has a plan, approved under subparagraph (B), for such period that specifies—

“(i) the conditions for eligibility of block grant individuals for block grant health care assistance under the option, which shall be instead of other conditions for eligibility under this title, except that the plan must provide for eligibility for pregnant women required to be provided medical assistance under subsection (a)(10)(A)(i);

“(ii) the types of items and services, the amount, duration, and scope of such services, the cost-sharing with respect to such services, and the method for delivery of block grant health care assistance under this subsection, which shall be instead of the such types, amount, duration, and scope, cost-sharing, and methods of delivery for medical assistance otherwise re-
required under this title, except that the plan
must provide for assistance for—

“(I) hospital care;

“(II) surgical care and treatment;

“(III) medical care and treatment;

“(IV) obstetrical and prenatal care and treatment;

“(V) prescribed drugs, medicines, and prosthetic devices;

“(VI) other medical supplies and services; and

“(VII) health care for children under 18 years of age.

“(B) REVIEW AND APPROVAL.—A plan described in subparagraph (A) shall be deemed approved by the Secretary unless the Secretary determines, within 30 days after the date of the Secretary’s receipt of the plan, that the plan is incomplete or actuarially unsound and, with respect to such plan and its implementation under this subsection, the requirements of paragraphs (1), (10)(B), (17), and (23) of section 1902(a) shall not apply.
“(3) AMOUNT OF BLOCK GRANT FUNDS.—

“(A) FOR INITIAL FISCAL YEAR.—The block grant amount under this paragraph for a State for the initial fiscal year in the first 10-fiscal-year period is equal to the sum of the products of—

“(i) the target per capita medical assistance expenditures for such State for such fiscal year (under subsection (c)(2));

“(ii) the number of 1903A enrollees for such State for fiscal year 2019, as determined under subsection (e)(4); and

“(iii) the Federal average medical assistance matching percentage (as defined in subsection (a)(4)) for the State for fiscal year 2019.

“(B) FOR ANY SUBSEQUENT FISCAL YEAR.—The block grant amount under this paragraph for a State for each succeeding fiscal year (in any 10-fiscal-year period) is equal to the block grant amount under subparagraph (A) (or this subparagraph) for the State for the previous fiscal year increased by the annual increase in the consumer price index for all urban
consumers (all items; U.S. city average) for the fiscal year involved.

“(C) **Availability of Rollover Funds.**—The block grant amount under this paragraph for a State for a fiscal year shall remain available to the State for expenditures under this subsection for the succeeding fiscal year but only if an election is in effect under this subsection for the State in such succeeding fiscal year.

“(4) **Federal Payment and State Responsibility.**—The Secretary shall pay to each State with an election in effect under this subsection for a fiscal year, from its block grant amount under paragraph (3) available for such fiscal year, an amount for each quarter of such fiscal year equal to the enhanced FMAP described in the first sentence of section 2105(b), and the State is responsible for the balance of funds to carry out such plan.

“(5) **Block Grant Individual Defined.**—In this subsection, the term ‘block grant individual’ means, with respect to a State for a 10-fiscal-year period, an individual who is not disabled (as defined for purposes of the State plan) and who is within the 1903A enrollee category specified in subpara-
graph (E) of subsection (e)(2) for the State and such period.

“(6) BLOCK GRANT HEALTH CARE ASSISTANCE.—In this subsection, the term ‘block grant health care assistance’ means assistance for health-care-related items and medical services for block grant individuals for the State and 10-fiscal-year period involved who are low-income individuals (as defined by the State).

“(7) AUDITING.—As a condition of receiving funds under this subsection, a State shall contract with an independent entity to conduct audits of its expenditures made with respect to activities funded under this subsection for each fiscal year for which the State elects to apply this subsection to ensure that such funds are used consistent with this subsection and shall make such audits available to the Secretary upon the request of the Secretary.”.