

AMENDMENT NO. \_\_\_\_\_ Calendar No. \_\_\_\_\_

Purpose: To protect low-income children from harm and to ensure that they benefit from health reform.

**IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.**

**H. R. 3590**

To amend the Internal Revenue Code of 1986 to modify the first-time homebuyers credit in the case of members of the Armed Forces and certain other Federal employees, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. CASEY to the amendment (No. 2786) proposed by Mr. REID

Viz:

1 Beginning on page 436, strike line 18 and all that  
2 follows through page 439, line 20, and insert the following:

3 **SEC. 2101. PROTECTING LOW-INCOME CHILDREN FROM**  
4 **HARM AND ENSURING THAT THEY BENEFIT**  
5 **FROM HEALTH REFORM.**

6 (a) INTEGRATING CHIP ELIGIBILITY WITH METH-  
7 ODOLOGIES USED FOR OTHER SUBSIDIES WHILE PRE-  
8 SERVING CHIP FOR CHILDREN WHO CURRENTLY QUAL-

1 IFY AND ASSURING CHIP COVERAGE FOR LOW-INCOME  
2 CHILDREN.—

3 (1) DEFINITION OF TARGETED LOW-INCOME  
4 CHILD.—Effective January 1, 2014, section  
5 2110(b)(1) of the Social Security Act (42 U.S.C.  
6 1397jj(b)(1)) is amended by striking subparagraph  
7 (B) and inserting the following:

8 “(B) whose family’s modified gross income,  
9 as determined for purposes of allowing a pre-  
10 mium credit assistance amount for the purchase  
11 of a qualified health plan under section 36B of  
12 the Internal Revenue Code of 1986, does not  
13 exceed 250 percent of the poverty line for a  
14 family of the size involved; and”.

15 (2) STATE PLAN ELIGIBILITY REQUIREMENT.—  
16 Section 2102(b)(1)(B) of such Act (42 U.S.C.  
17 1397bb(b)(1)(B)) is amended—

18 (A) in clause (iii), by striking “and” at the  
19 end;

20 (B) in clause (iv), by striking the period at  
21 the end and inserting “; and” and

22 (C) by adding at the end the following:

23 “(v) with respect to fiscal years begin-  
24 ning with fiscal year 2014, may not deny  
25 eligibility or enrollment, because of excess

1 family income, to any child whose family  
2 income is at or below the percentage of  
3 poverty level specified in section  
4 2110(b)(1)(B), determined using the meth-  
5 odology described in such section.”.

6 (b) MAINTENANCE OF EFFORT.—Section 2105(d) of  
7 the Social Security Act (42 U.S.C. 1397ee(d)) is amended  
8 by adding at the end the following:

9 “(3) CONTINUATION OF ELIGIBILITY STAND-  
10 ARDS FOR CHILDREN.—

11 “(A) FISCAL YEARS BEFORE FISCAL YEAR  
12 2014.—During the period that begins on the  
13 date of enactment of the Patient Protection and  
14 Affordable Care Act and ends on September 30,  
15 2013, a State shall not have in effect eligibility  
16 standards, methodologies, or procedures under  
17 its State child health plan (including any waiver  
18 under such plan) for children (including chil-  
19 dren provided medical assistance for which pay-  
20 ment is made under section 2105(a)(1)(A)) that  
21 are more restrictive than the eligibility stand-  
22 ards, methodologies, or procedures, respectively,  
23 under such plan (or waiver) as in effect on Oc-  
24 tober 1, 2009.

1                   “(B) FISCAL YEAR 2014 AND THERE-  
2 AFTER.—

3                   “(i) IN GENERAL.—Subject to clause  
4 (ii), with respect to fiscal years beginning  
5 with fiscal year 2014 a State shall not  
6 have in effect eligibility standards, meth-  
7 odologies, or procedures under its State  
8 child health plan (including any waiver  
9 under such plan) for children that are  
10 more restrictive than the eligibility meth-  
11 odologies or procedures, respectively, under  
12 such plan (or waiver) as in effect on Octo-  
13 ber 1, 2009.

14                   “(ii) EXCEPTION.—A State that, prior  
15 to fiscal year 2014, has an income eligi-  
16 bility standard, methodology, or procedure  
17 under its State child health plan (including  
18 any waiver under such plan) for children  
19 that results in children whose family’s  
20 modified gross income (as determined for  
21 purposes of allowing a premium credit as-  
22 sistance amount for the purchase of a  
23 qualified health plan under section 36B of  
24 the Internal Revenue Code of 1986) ex-  
25 ceeds 250 percent of the poverty line may

1           modify such standard, methodology, or  
2           procedure so that it will not result in eligi-  
3           bility for children under the State plan in  
4           whose family modified gross income ex-  
5           ceeds that percentage of the poverty line.

6           “(C) RULE OF CONSTRUCTION.—Subpara-  
7           graphs (A) and (B) shall not be construed as  
8           preventing a State from applying eligibility  
9           standards, methodologies, or procedures for  
10          children under the State child health plan or  
11          under any waiver of the plan that are less re-  
12          strictive than the eligibility standards, meth-  
13          odologies, or procedures, respectively, for chil-  
14          dren under the plan or waiver that were in ef-  
15          fect on October 1, 2009.”.

16          (c) PROTECTING CHIP CHILDREN AGAINST  
17          UNAFFORDABLE COSTS FOR ESSENTIAL HEALTH  
18          CARE.—

19                 (1) CONTINUATION OF COST-SHARING PROTEC-  
20          TIONS FOR CHILDREN.—Section 2103(e) of such Act  
21          (42 U.S.C. 1397cc(e)) is amended by adding at the  
22          end the following:

23                         “(5) CONTINUATION OF COST-SHARING PRO-  
24          TECTIONS FOR CHILDREN.—

1           “(A) IN GENERAL.—Except as described in  
2           subparagraph (B), during the period that be-  
3           gins on the date of enactment of the Patient  
4           Protection and Affordable Care Act, a State  
5           shall not have in effect cost-sharing policies  
6           under its State child health plan (including any  
7           waiver under such plan) that increase premiums  
8           or out-of-pocket costs above the amounts for  
9           children of the same income level (stated as a  
10          percentage of the Federal poverty level) under  
11          such plan (or waiver) as in effect on October 1,  
12          2009.

13          “(B) EXCEPTION.—With respect to fiscal  
14          years beginning with fiscal year 2014, a State  
15          may increase cost-sharing amounts above those  
16          described in subparagraph (A) by an amount  
17          that does not exceed the median percentage in-  
18          crease in national household income since fiscal  
19          year 2013, as determined by the Secretary, for  
20          households with incomes at or below the per-  
21          centage of poverty level specified in section  
22          2110(b)(1)(B).

23          “(C) RULE OF CONSTRUCTION.—This  
24          paragraph shall not be construed to prevent a  
25          State from reducing premiums or out-of-pocket

1 costs below the amounts described in subpara-  
2 graph (A).”.

3 (2) **EQUITABLE COVERAGE OF ESSENTIAL BEN-**  
4 **EFITS.**—Section 2103(f) of such Act (42 U.S.C.  
5 1397cc(f)) is amended by adding at the end the fol-  
6 lowing:

7 “(4) **EQUITABLE COVERAGE OF ESSENTIAL**  
8 **BENEFITS.**—With respect to fiscal years beginning  
9 with fiscal year 2014, the State plan for child health  
10 assistance (including any waiver under such plan)  
11 may not deny (whether through a restriction on  
12 amount, duration, or scope, through excluding a cat-  
13 egory of health care services or items, or otherwise)  
14 a service or item to a child whose family income is  
15 at or below the percentage of poverty level specified  
16 in section 2110(b)(1)(B), determined using the  
17 methodology described in such section, if the State  
18 would cover or be required to cover such service or  
19 item had the child qualified for medical assistance  
20 under sub-clause (IV), (VI) or (VII) of section  
21 1902(a)(10)(i).”.

22 (d) **BASING FEDERAL PAYMENTS ON STATE CONDI-**  
23 **TIONS, RATHER THAN INFLEXIBLE DOLLAR AMOUNTS.**—  
24 Section 2104(a) of such Act (42 U.S.C. 1397dd(a)) is

1 amended by striking paragraph (16) and inserting the fol-  
2 lowing:

3 “(16) notwithstanding any other provision of  
4 this title, for each of fiscal years 2013 through  
5 2019, such amounts as are necessary to carry out  
6 this title.”.

7 (e) DEFRAYING STATE EXPANSION COSTS WITH AD-  
8 DITIONAL FEDERAL DOLLARS.—Section 2105(b) of such  
9 Act (42 U.S.C. 1397dd(b)) is amended—

10 (1) by striking “For purposes” and inserting  
11 the following:

12 “(1) IN GENERAL.—For purposes”; and

13 (2) by adding at the end the following:

14 “(2) OPTION FOR INCREASED FEDERAL FINAN-  
15 CIAL PARTICIPATION BEGINNING IN FISCAL YEAR  
16 2014.—Notwithstanding paragraph (1), beginning  
17 with fiscal year 2014, the enhanced FMAP deter-  
18 mined for a State for a fiscal year (or for any por-  
19 tion of a fiscal year occurring during such period)  
20 shall be increased by 23 percentage points, but in no  
21 case shall exceed 94 percent. The increase in the en-  
22 hanced FMAP under the preceding sentence shall  
23 not apply with respect to determining the payment  
24 to a State under subsection (a)(1) for expenditures  
25 described in subparagraph (D) of that subsection,

1 paragraphs (8), (9), or (11) of subsection (c), or  
2 clause (4) of the first sentence of section 1905(b).

3 A State may not qualify for an enhanced FMAP  
4 pursuant to this paragraph unless it implements—

5 “(A) each enrollment and retention provi-  
6 sion described in subparagraphs (A), (B)(i),  
7 and (C) through (G), respectively, of section  
8 2105(a)(4); and

9 “(B) any other practice for eligibility de-  
10 termination, enrollment or retention that the  
11 Secretary finds—

12 “(i) has a substantial impact increas-  
13 ing the number of eligible children who re-  
14 ceive health coverage through State plans  
15 for child health assistance under this title  
16 or State plans for medical assistance under  
17 title XIX;

18 “(ii) reduces erroneous eligibility de-  
19 terminations under the state plans de-  
20 scribed in clause (i); and

21 “(iii) lowers operational administra-  
22 tive costs under the state plans described  
23 in clause (i).”.

24 (f) CONTINUING PERFORMANCE BONUSES FOR  
25 STATES THAT ENROLL LARGE NUMBERS OF ELIGIBLE

1 CHILDREN.—Section 2105(a)(3) of such Act (42 U.S.C.  
2 1397dd(a)(3)) is amended—

3 (1) in subparagraph (A), by striking “and end-  
4 ing with fiscal year 2013”; and

5 (2) in subparagraph (E), by adding at the end  
6 the following:

7 “(iv) LATER APPROPRIATIONS.—  
8 There is appropriated, out of any money in  
9 the Treasury not otherwise appropriated,  
10 for each of fiscal years 2013 through  
11 2019, 25 percent of the amount described  
12 in clause (i), adjusted to reflect the propor-  
13 tionate change in Consumer Price Index  
14 for All Urban Consumers since fiscal year  
15 2009, as determined by the Secretary.”.

16 (g) GIVING FAMILIES THE OPTION OF USING THEIR  
17 FEDERAL INCOME TAX RETURNS TO ESTABLISH ELIGI-  
18 BILITY.—Section 6055 of the Internal Revenue Code of  
19 1986, as added by section 1502(a) of the Patient Protec-  
20 tion and Affordable Care Act, is amended by adding at  
21 the end the following:

22 “(f) USE OF INDIVIDUAL INCOME TAX RETURNS TO  
23 HELP DETERMINE ELIGIBILITY FOR SUBSIDIES.—

24 “(1) IN GENERAL.—For taxable years begin-  
25 ning not later than January 1, 2012, the Secretary

1 shall develop forms that require all individuals filing  
2 returns with respect to income taxes under subtitle  
3 A—

4 “(A) to identify the members of the indi-  
5 vidual’s household who lack health insurance at  
6 the time the return is filed; and

7 “(B) to indicate whether there are mem-  
8 bers of the individual’s household who are  
9 under 19 years of age and for whom the indi-  
10 vidual requests disclosure of pertinent tax re-  
11 turn information, pursuant to section 6103(c),  
12 to agencies determining eligibility for subsidies  
13 for purposes of helping such agencies determine  
14 whether the applicable household members  
15 qualify for subsidies.

16 In developing the applicable language on tax forms,  
17 the Secretary shall consult with the Secretary of  
18 Health and Human Services. The goals of such con-  
19 sultation shall include maximizing the form’s com-  
20 prehensibility to low-income taxpayers and the con-  
21 venience of making such identification and indica-  
22 tion.

23 “(2) TRANSFER OF INFORMATION.—When an  
24 individual identifies a household member pursuant to  
25 paragraph (1)(B), the Secretary shall promptly

1 transfer pertinent tax return information to all  
2 agencies determining eligibility for subsidies in such  
3 member's state of residence, except that such trans-  
4 fer shall not take place to an agency unless it is sub-  
5 ject to an enforceable agreement or other legal obli-  
6 gation that meets the Secretary's requirements for  
7 safeguarding taxpayer privacy and data security.  
8 The transfer described in this paragraph may take  
9 place through the data matching program described  
10 in section 1413(c)(2) of the Patient Protection and  
11 Affordable Care Act.

12 “(3) ELIGIBILITY DETERMINATION.—

13 “(A) IN GENERAL.—Notwithstanding any  
14 other provision of law except subparagraph (B),  
15 when an agency determining eligibility for sub-  
16 sidies receives the information described in  
17 paragraph (2), it shall determine such eligibility  
18 on the basis of such information and other in-  
19 formation obtainable by data-matching, to the  
20 maximum extent possible.

21 “(B) EXCEPTIONS.—An agency described  
22 in subparagraph (A) shall base eligibility on in-  
23 formation other than described in paragraph  
24 (2) (including through seeking additional infor-  
25 mation from the applicable individual or house-

1 hold member, if such information cannot be ob-  
2 tained through other means)—

3 “(i) to the extent that an eligibility re-  
4 quirement for subsidies cannot be decided  
5 based on the information described in sub-  
6 paragraph (A);

7 “(ii) if the agency has good reason to  
8 believe that the information described in  
9 subparagraph (A) is inaccurate; or

10 “(iii) if the information described in  
11 subparagraph (A) does not result in a find-  
12 ing of eligibility for medical assistance  
13 under title XIX of the Social Security Act,  
14 in which case—

15 “(I) the agency shall provide the  
16 individual with notice of—

17 “(aa) the circumstances  
18 under which such individual or  
19 applicable household members  
20 may qualify for additional assist-  
21 ance; and

22 “(bb) an opportunity to re-  
23 quest a determination of whether  
24 such circumstances apply to the

1 individual or applicable household  
2 members; and

3 “(II) if the individual requests  
4 such a determination, the agency shall  
5 ensure that the individual and appli-  
6 cable household members receive—

7 “(aa) an opportunity to pro-  
8 vide any additional information  
9 needed to determine whether the  
10 circumstances described in sub-  
11 clause (I)(aa) apply;

12 “(bb) a determination of  
13 whether the circumstances de-  
14 scribed in subclause (I)(aa) apply  
15 (but only if the individual or ap-  
16 plicable household members fur-  
17 nish requested information that  
18 is necessary to such determina-  
19 tion); and

20 “(cc) receive any subsidies  
21 for which the individual or appli-  
22 cable household members qualify.

23 “(4) DEFINITIONS.—In this subsection:

24 “(A) HOUSEHOLD.—The term ‘household’  
25 includes the individual filing the return, the in-

1           dividual’s spouse (if any), and all dependents of  
2           the individual or the individual’s spouse (if  
3           any).

4           “(B) SUBSIDIES.—The term ‘subsidies’ in-  
5           cludes premium credits under section 36B,  
6           medical assistance under title XIX of the Social  
7           Security Act, child health assistance under title  
8           XXI of such Act, and cost-sharing subsidies  
9           under section 1402 of the Patient Protection  
10          and Affordable Care Act.

11          “(C) PERTINENT TAX INFORMATION.—The  
12          term ‘pertinent tax information’ refers to all in-  
13          formation on the tax return that is potentially  
14          relevant to determining the applicable house-  
15          hold member’s eligibility for subsidies or that  
16          may facilitate data-matching with other records  
17          that are potentially relevant to determining  
18          such eligibility.

19          “(5) RULE OF CONSTRUCTION.—Nothing in  
20          this subsection shall be construed to forbid the Sec-  
21          retary, pursuant to section 6013(c) and other appli-  
22          cable legal authority, or the Secretary of Health and  
23          Human Services from implementing, with respect to  
24          individuals who have attained age 19, policies and  
25          procedures similar to those described in paragraphs

1 (1) through (3) with respect to individuals under 19  
2 years of age.”.

3 (h) CONTINUING CHIP OUTREACH AND ENROLL-  
4 MENT GRANTS.—Section 2113(a) of the Social Security  
5 Act (42 U.S.C. 1397mm(a)) is amended—

6 (1) in paragraph (2), by striking “such  
7 amounts” and inserting “the amounts described in  
8 paragraph (1)”; and

9 (2) by adding at the end the following:

10 “(3) ADDITIONAL GRANTS FOR FISCAL YEAR  
11 2012 AND THEREAFTER.—There is appropriated, out  
12 of any money in the Treasury not otherwise appro-  
13 priated, \$50,000,000 for each of fiscal years 2012  
14 through 2019, for purposes of awarding grants to el-  
15 igible entities to conduct outreach and enrollment ef-  
16 forts that are designed to increase the enrollment  
17 and participation of eligible children under this title  
18 and title XIX and, with respect to fiscal years begin-  
19 ning with fiscal year 2014, premium credits under  
20 section 36B of the Internal Revenue Code of 1986  
21 and cost-sharing subsidies under section 1402 of the  
22 Patient Protection and Affordable Care Act. Such  
23 grants and appropriations shall supplement and not  
24 supplant grants and appropriations that are made  
25 pursuant to other provisions of this section.”.

1 (i) SECRETARIAL REPORT COMPARING CHIP TO  
2 SUBSIDIZED COVERAGE IN THE EXCHANGE.—

3 (1) IN GENERAL.—Not later than March 1,  
4 2016, the Secretary of Health and Human Services  
5 (in this subsection referred to as the “Secretary”)  
6 shall submit to Congress a report that compares—

7 (A) the health plan coverage offered to eli-  
8 gible children in fiscal year 2015 by an average  
9 or median State plan for child health assistance  
10 under title XXI of the Social Security Act; and

11 (B) the health plan coverage that such  
12 children would have received in fiscal year 2015  
13 if they were enrolled in a qualified health bene-  
14 fits plan through an Exchange established by  
15 the State under section 1311 of the Patient  
16 Protection and Affordable Care Act, and re-  
17 ceived all premium credits under section 36B of  
18 the Internal Revenue Code of 1986 and all cost-  
19 sharing subsidies under section 1402 of the Pa-  
20 tient Protection and Affordable Care Act for  
21 which such children would have qualified if they  
22 were not eligible for child health assistance  
23 under title XXI of the Social Security Act.

24 (2) POLICY ANALYSIS.—If, as to an aspect of  
25 health plan coverage described in paragraph (3) (ex-

1       cept as provided in the next sentence of this para-  
2       graph), the Secretary finds that the coverage de-  
3       scribed in paragraph (1)(A) is more favorable to  
4       families and children than is the coverage described  
5       in paragraph (1)(B), the report shall describe policy  
6       changes that would be needed to improve the latter  
7       coverage so that it reaches the level of favorability  
8       achieved by the former coverage. The analysis de-  
9       scribed in the previous sentence need not address  
10      the aspect of health plan coverage described in para-  
11      graph (3)(C)).

12           (3) HEALTH PLAN COVERAGE.—In this sub-  
13      section, the term “health plan coverage” includes the  
14      following:

15           (A) The adequacy of covered benefits in  
16      meeting the health care needs of children, in-  
17      cluding those with special health care needs.

18           (B) Families’ out-of-pocket and premium  
19      costs.

20           (C) Public-sector costs.

21           (D) Adequacy of pediatric provider net-  
22      works.

23           (E) Quality of care measures focused spe-  
24      cifically on children.

25           (F) Legal protections for children.

1 (G) Barriers to enrollment and service uti-  
2 lization.

3 (H) Interstate variation.

4 (I) Continuity of coverage and care.

5 (J) The impact of placing children and  
6 parents in different health plans.

7 (4) RULE OF CONSTRUCTION.—Nothing in this  
8 subsection shall be construed to prevent the report  
9 required under paragraph (1) from—

10 (A) analyzing State programs of child  
11 health assistance under title XXI of the Social  
12 Security Act that go beyond the average or me-  
13 dian such program; or

14 (B) including in its comparative analysis  
15 factors in addition to those described in para-  
16 graph (3).

17 (j) SAFEGUARDING PROGRAM INTEGRITY AND IM-  
18 PROVING EFFICIENCY BY PROVIDING HEALTH SUBSIDY  
19 PROGRAMS WITH ACCESS TO THE NATIONAL DIRECTORY  
20 OF NEW HIRES.—Section 453(j) of the Social Security  
21 Act (42 U.S.C. 653(j)) is amended by adding at the end  
22 the following:

23 “(12) INFORMATION COMPARISONS AND DIS-  
24 CLOSURE TO ASSIST IN ADMINISTRATION OF  
25 HEALTH SUBSIDY PROGRAMS.—

1           “(A) IN GENERAL.—If, for purposes of ad-  
2           ministering a State’s medical assistance pro-  
3           gram under title XIX, a State’s children’s  
4           health assistance program under title XXI, pre-  
5           mium assistance under section 36B of the In-  
6           ternal Revenue Code of 1986, or reduced cost-  
7           sharing subsidies under section 1402 of the Pa-  
8           tient Protection and Affordable Care Act, a  
9           State or Federal agency responsible for the ad-  
10          ministration of the program transmits to the  
11          Secretary the names and social security account  
12          numbers of individuals, the Secretary shall dis-  
13          close to such agency information on the individ-  
14          uals and their employers maintained in the Na-  
15          tional Directory of New Hires, subject to this  
16          paragraph.

17           “(B) CONDITION ON DISCLOSURE BY THE  
18          SECRETARY.—The Secretary shall make a dis-  
19          closure under subparagraph (A) only to the ex-  
20          tent that the Secretary determines that the dis-  
21          closure would not interfere with the effective  
22          operation of the program under this part.

23           “(C) USE AND DISCLOSURE OF INFORMA-  
24          TION BY STATE OR FEDERAL AGENCIES.—

1           “(i) IN GENERAL.—A State or Fed-  
2           eral agency may not use or disclose infor-  
3           mation provided under this paragraph ex-  
4           cept for purposes of administering a pro-  
5           gram referred to in subparagraph (A).

6           “(ii) INFORMATION SECURITY.—A  
7           State or Federal agency shall have in ef-  
8           fect data security and control policies that  
9           the Secretary finds adequate to ensure the  
10          security of information obtained under this  
11          paragraph and to ensure that access to  
12          such information is restricted to authorized  
13          persons for purposes of authorized uses  
14          and disclosures.

15          “(iii) PENALTY FOR MISUSE OF IN-  
16          FORMATION.—An officer or employee of a  
17          State agency described in this paragraph  
18          who fails to comply with this subparagraph  
19          shall be subject to the sanctions under sub-  
20          section (l)(2) to the same extent as if the  
21          officer or employee were an officer or em-  
22          ployee of the United States.

23          “(D) PROCEDURAL REQUIREMENTS.—  
24          State or Federal agencies requesting informa-  
25          tion under this paragraph shall adhere to uni-

1 form procedures established by the Secretary  
2 governing information requests and data match-  
3 ing under this paragraph.

4 “(E) REIMBURSEMENT OF COSTS.—The  
5 State or Federal agency shall reimburse the  
6 Secretary, in accordance with subsection (k)(3),  
7 for the costs incurred by the Secretary in fur-  
8 nishing the information requested under this  
9 paragraph.”.

10 (k) DEFICIT REDUCTION CONTINGENCY.—

11 (1) IN GENERAL.—If a deficit reduction contin-  
12 gency applies to this section and the amendments  
13 made by this section, then there is appropriated, for  
14 each of fiscal years 2010 through 2019, to the Fund  
15 for Vulnerable Children and Families described in  
16 paragraph (2), out of any money in the Treasury  
17 not otherwise appropriated, an amount equal to 50  
18 percent of the annualized deficit reduction contin-  
19 gency amount.

20 (2) THE FUND FOR VULNERABLE CHILDREN  
21 AND FAMILIES.—

22 (A) AUTHORITY TO ESTABLISH.—If a def-  
23 icit reduction contingency applies as described  
24 in paragraph (1), the Secretary of Health and  
25 Human Services shall establish a Fund for Vul-

1           nerable Children and Families. Any dollars ap-  
2           propriated or donated to such Fund shall be  
3           used for any of the following purposes:

4                   (i) Combating infant mortality.

5                   (ii) Providing additional supports or  
6           services for low-income children with au-  
7           tism spectrum disorders or other disabil-  
8           ities.

9                   (iii) Assisting in the provision of serv-  
10          ices to improve health care services (in-  
11          cluding mental health care services) for  
12          children in foster care under the responsi-  
13          bility of a State and homeless children.

14           (B) ANNUAL REPORTS.—The Secretary  
15          shall provide annual reports to the Congress  
16          that provide a full accounting of the revenue  
17          and expenditures of the Fund for Vulnerable  
18          Children and Families.

19          (3) DEFINITIONS.—In this subsection:

20                   (A) DEFICIT REDUCTION CONTINGENCY.—  
21          A “deficit reduction contingency” applies to  
22          this section and the amendments made by this  
23          section if the Director of the Congressional  
24          Budget Office has found that such provisions,  
25          taken together (but without regard to this sub-

1 section), will cause a net reduction in the pro-  
2 jected Federal budget deficit over the period of  
3 fiscal years 2010 through 2019.

4 (B) ANNUALIZED DEFICIT REDUCTION  
5 CONTINGENCY AMOUNT.—The term “annualized  
6 deficit reduction contingency amount” means  
7 the amount of the net deficit reduction de-  
8 scribed in subparagraph (A) divided by 10.

9 (I) CONFORMING AMENDMENT TO TITLE XXI MED-  
10 ICAID MAINTENANCE OF EFFORT.—Section 2105(d)(1) of  
11 the Social Security Act (42 U.S.C. 1397ee(d)(1)) is  
12 amended by adding before the period “, except as required  
13 under section 1902(e)(14)”.