To amend title XIX of the Social Security Act to establish a demonstration project testing Whole Child Health Models, and for other purposes.

IN THE SENATE OF THE UNITED STATES

introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend title XIX of the Social Security Act to establish a demonstration project testing Whole Child Health Models, and for other purposes.

Be it enacted by the Senate and House of Representa-tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Kickstarting Innovative Demonstrations Supporting Kids Health Act of 2022” or the “KIDS Health Act of 2022”.


SEC. 2. ESTABLISHMENT OF WHOLE CHILD HEALTH MODELS.

Section 1903 of the Social Security Act (42 U.S.C. 1396b) is amended by adding at the end the following new subsection:

“(cc) WHOLE CHILD HEALTH DEMONSTRATION PROJECT.—

“(1) IN GENERAL.—The Secretary, acting through the Deputy Administrator and Director of the Center for Medicaid and CHIP Services, shall conduct a demonstration project (referred to in this subsection as the ‘demonstration project’) under which participating States shall design and implement whole child health models in 1 or more target communities in accordance with the requirements of this subsection. The requirements of section 1902(a)(1) (relating to statewideness) shall not apply to the demonstration project.

“(2) DESIGN PHASE.—

“(A) GRANTS.—Not later than 12 months after the date of the enactment of this subsection, the Secretary shall award up to 15 grants to States that submit complete applications for such grants which meet the requirements of subparagraph (C).
“(B) SELECTION OF GRANTEES.—In awarding grants under this paragraph, the Secretary shall, to the extent possible, prioritize awarding grants to a geographically diverse selection of States and target communities of different sizes and with varying experience with value-based payment, including rural and urban communities.

“(C) GRANT APPLICATION.—A State shall include in an application for a grant awarded under this paragraph the following:

“(i) A description of each proposed target community in which the State proposes to implement a whole child health model.

“(ii) For each target community described in clause (i), a statement of the proposed objectives of the State in implementing a whole child health model in that community.

“(iii) Such other information as the Secretary may require.

“(D) USE OF GRANT FUNDS.—
“(i) IN GENERAL.—A State awarded a grant under this paragraph shall use the grant funds to—

“(I) conduct or use an existing needs assessment that is not more than two years old and meets the requirements of clause (ii) for each proposed target community;

“(II) not later than 12 months after being awarded the grant, design and submit for approval by the Secretary a proposed whole child health model that meets the requirements of subparagraph (E) for each target community based on the results of the needs assessment and other assessments or surveys conducted for that community; and

“(III) implement the whole child health model during the implementation phase described in paragraph (3).

“(ii) NEEDS ASSESSMENT REQUIREMENTS.—A needs assessment conducted for a proposed target community with
grant funds awarded to a State shall include the following:

“(I) An evaluation of the physical health, mental, emotional and behavioral health, developmental, social, relational and substance use disorder service needs of eligible individuals in the target community, including needs that could be addressed through population-based or community-based interventions.

“(II) A review of the resources available to meet the physical health, mental health, and substance use disorder service needs of eligible individuals in the target community.

“(III) A description of the barriers identified in the target community to eligible individuals accessing resources and services to address their physical health, mental health, and substance use disorder service needs.

“(IV) A description of health disparities identified in the target community, including input from commu-
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nity residents in the target commu-

ity.

“(E) WHOLE CHILD HEALTH MODEL RE-

uirements.—

“(i) IN GENERAL.—A proposed whole

child health model shall include descrip-
tions of the following:

“(I) How the State and its multi-

sector partners will address the phys-

ical health, mental, emotional and be-

havioral health, developmental, social,

relational and substance use disorder

service needs of eligible individuals in

the target community identified in the

needs assessment of that community

through implementation of the whole

child health model and provision of

whole child health services.

“(II) How the State Medicaid,

human services, and child welfare

agencies will coordinate with commu-

nity partners to ensure the successful

implementation of the whole child

health model in the target commu-
nities and the provision of whole child health services.

“(III) The lead agency or other entity the State proposes to designate to coordinate activities carried out to implement the whole child health model in the target communities.

“(ii) REQUIREMENTS.—A proposed whole child health model shall meet the following requirements:

“(I) Align with an existing or planned delivery and payment system of the State plan under this title or under a waiver of such plan, including, as applicable, a managed care delivery system.

“(II) Include partnerships with child and family serving organizations and agencies such as health care providers, payers, school districts, public health and child care.

“(III) Promote the delivery of trauma-informed and culturally competent care, including strategies to address systemic resource needs, includ-
ing workforce shortages, in the target community and an assessment of the potential impact of the model on health equity, disparities, and safety net providers in the target community.

“(IV) Coordinate funding sources under the State plan under this title (or under a waiver of plan), the State plans under parts B and E of title IV, and other applicable funding sources, for the whole child health services provided under the model.

“(V) Include—

“(aa) the design and implementation or adaptation of a value-based payment arrangement for providing whole child health services under the State plan under this title (or under a waiver of such plan) that promotes pediatric health; or

“(bb) in the case of a State that faces significant barriers to implementing or adapting such a
value-based payment arrangement, a proposal for steps that
the State will take towards advancing value-based care with re-
spect to whole child health services provided under the State
plan under this title (or under a waiver of such plan).

“(VI) Include strategies to co-
ordinate referrals to whole child
health services, including using tele-
health, referral networks and/or other
technologies to facilitate access to
whole child health services.

“(VII) Include strategies to pro-
mote the integration of primary care
with whole child health services and
substance use disorder services.

“(VIII) Include strategies to inte-
grate and streamline eligibility, enroll-
ment, and renewal processes to facili-
tate enrollment in health coverage and
other benefit programs.
“(IX) Include strategies to promote school-based health and wellness.

“(X) Describe how the State will leverage or enhance existing health information technology infrastructure and cross-sector data-sharing capabilities to support the provision of enhanced care coordination services, including with respect to claiming administrative matching funds for the design, development, and installation of data systems to allow or enhance coordination among State agencies and other entities.

“(XI) Describe how the State will evaluate the impact of the model on child health and disparities in health outcomes, according to requirements outlined by Secretary.

“(XII) Include other such population health strategies or core services as the State determines appropriate.
“(iii) Participation by Indian tribes in whole child health models.—The Secretary may waive or otherwise modify the requirements for a whole child health model described in clause (ii) to the extent necessary to permit Indian tribes to participate in such a model.

“(3) Implementation phase.—After the design period, the implementation phase of the demonstration project shall be conducted for a period of not less than 48 months and not more than 72 months.

“(4) Authorization of appropriations.—

“(A) In general.—There are authorized to be appropriated to the Secretary for the purpose of carrying out this subsection, out of any funds in the Treasury not otherwise appropriated, $125,000,000, to remain available until expended.

“(B) Limitation on use of funds.—From any amounts appropriated pursuant to this paragraph, the Secretary shall use—

“(i) not more than $2,000,000 for administrative costs, staffing, and reporting requirements;
“(ii) not more than $10,000,000 for learning platforms, staffing, and technical assistance related directly to the design and implementation of whole child health models, and to carry out activities under this subsection; and

“(iii) not more than $3,000,000 may be used for carrying out evaluations described in paragraph (5).

“(C) Payment for Whole Child Health Services.—

“(i) In general.—For each fiscal quarter occurring during the implementation phase of the demonstration project, subject to clause (ii), the Secretary shall pay each State selected to participate in that phase of the project, an amount equal to 80 percent of the amounts expended by the State during such quarter for providing whole child health services to eligible individuals in the target communities net of any Federal payments made to the State for such expenditures, under this title or otherwise.
“(ii) Requirement.—The additional Federal funds paid to a State under this subparagraph shall be used to supplement, not supplant, the level of State funds expended for services that are treated as whole child health services under the demonstration project.

“(5) Reports and Evaluation.—

“(A) In general.—A State that is selected to participate in the demonstration project shall report on the outcomes under the entity’s whole child health model pursuant to periodic reporting requirements established by the Secretary.

“(B) State reports.—Each State awarded a grant under this subsection shall submit the following reports to the Secretary:

“(i) Interim report.—An interim report at the end of the first 24 months of the implementation phase of the project that describes—

“(I) the progress of the State’s implementation of the whole child health model in the target communities;
“(II) the organizations and providers that are participating in the implementation of the model in the target communities;

“(III) the number of eligible individuals in the target communities receiving enhanced care coordination services; and

“(IV) such other information as the Secretary may require.

“(ii) Final report.—A final report not later than 1 year after the end of the implementation phase of the demonstration project that describes—

“(I) best practices and challenges in implementing the whole child health model in the target communities;

“(II) the impact of the model on child well-being, health care outcomes and health disparities in the target communities; and

“(III) such other information as the Secretary may require.
“(C) GAO REPORT.—Not later than 3 years after the first grant is awarded under this subsection, the Comptroller General of the United States shall submit a report to Congress evaluating the individual, financial, and systems-level impacts associated with whole child health models implemented under the demonstration project.

“(6) CONSULTATION.—A State awarded a grant under paragraph (2) shall consult with stakeholders, such as eligible individuals and their primary caregivers, schools, health care, mental health, and substance use disorder treatment organizations, pediatric providers, public health departments, child care providers, juvenile justice programs, child welfare programs, and community-based organizations, in designing and carrying out the activities required under paragraph (2), and with respect to the implementation and evaluation of the whole child health models implemented by the State. Such consultation may include establishment of a Community Advisory Board as defined by the Secretary.

“(7) RESPONSIBILITIES OF THE SECRETARY.—

“(A) TECHNICAL ASSISTANCE.—
“(i) IN GENERAL.—The Secretary shall provide States awarded a grant under paragraph (2) with technical assistance with respect to the design of whole child health models. Such assistance may include assisting States with moving along a whole child health model and utilizing innovative financing strategies, such as braiding public and private funds. As feasible, the Secretary may partner with other Federal agencies, including the Office of Management and Budget, when providing technical assistance to promote a whole child health approach. The Secretary shall also provide such States with technical assistance with respect to implementation of such models.

“(ii) SHARED LEARNING.—The Secretary shall facilitate shared learning, such as a learning collaborative, among the States participating in the demonstration project.

“(iii) REPORTS TO CONGRESS.—The Secretary shall submit to the Committee on Finance of the Senate and the Com-
mittee on Energy and Commerce of the House of Representatives the following reports:

“(I) **DESIGN PHASE.**—Not later than 36 months after the date on which design grant funds are first awarded under paragraph (2), a report that describes the whole child health models proposed by States.

“(II) **IMPLEMENTATION PHASE.**—

“(aa) **INTERIM REPORT.**—Not later than 3 years after the date on which the implementation phase of the demonstration project begins, an interim report.

“(bb) **FINAL REPORT.**—Not later than 2 years after the date on which the demonstration project ends, a final report.

“(cc) **CONTENT.**—The interim and final reports required under this clause shall include the following:
“(AA) A summary of the whole child health models being implemented under the demonstration project.

“(BB) An assessment of the impacts of such models on the physical and mental health and well-being of eligible individuals in the target communities.

“(CC) A description of the most effective strategies of such models in promoting the physical and mental health of eligible individuals, including the effectiveness of such strategies in reducing health disparities and improving health equity.

“(DD) A summary of the information reported to the Secretary by States.

“(dd) LEGISLATIVE RECOMMENDATIONS.—In addition to the information required under
item (cc), the final report submitted under item (bb) shall include recommendations for such Federal legislative changes, if any, as the Secretary recommends to implement positive outcomes identified by the use of whole child health models under the demonstration project.

“(8) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE INDIVIDUAL.—The term ‘eligible individual’ means an individual who has not attained age 21 and who is eligible for medical assistance under a State plan under this title or under a waiver of such plan, or for assistance under a State child health plan under title XXI or under a waiver of such plan.

“(B) INDIAN TRIBE.—The term ‘Indian Tribe’ has the meaning given that term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304(e)).

“(C) TARGET COMMUNITY.—The term ‘target community’ means, with respect to a State, the boundaries of a geographic area with-
in the State in which the State proposes to im-
plement a whole child health model.

“(D) WHOLE CHILD HEALTH SERVICES.—
The term ‘whole child health services’ means
the following:

“(i) Comprehensive care management.

“(ii) Enhanced care coordination serv-
dices and referrals to health, developmental
and social supports that include strategies
to—

“(I) identify and address the
physical, mental, emotional, and be-
havioral health, developmental, rela-
tional and social needs of eligible indi-
viduals;

“(II) coordinate referrals, as
needed, to health care, mental, emo-
tional, and behavioral health, sub-
stance use disorder treatment, child
development, and social service pro-
viders;

“(III) ensure that eligible individ-
uals follow up with service providers
to whom they are referred; and
“(IV) facilitate the ability of eligible individuals to access needed services by centralizing, coordinating with, or co-locating resources.

“(9) REQUIREMENT TO ISSUE GUIDANCE ON COMBINING FEDERAL AND NON-FEDERAL FUNDS TO ADDRESS SOCIAL DETERMINANTS OF HEALTH IN LOW-INCOME POPULATIONS.—Not later than 365 days after the selection of eligible entities under this subsection, the Secretary shall issue and disseminate guidance and technical assistance to grant awardees to clarify strategies and best practices to combine funds, including Medicaid, in the context of a child health and wellness fund, consistent with Federal law, and shall make such guidance publicly available.”.