

Development Fund, Foster Care Title IV-E Maintenance payments, and Adoption Assistance payments, and State medical and medical insurance expenditures for Medicaid and the State Children's Health Insurance Program (SCHIP). However, the temporary increases in the Federal Medical Assistance Percentages under the Jobs and Growth Tax Relief Reconciliation Act of 2003 affect only Medicaid medical expenditure payments under Title XIX. The percentages in this notice do not apply to disproportionate share hospital payments, payments under Title IV or XXI of the Act, or any payments under Title XIX that are based on the enhanced FMAP described in section 2105(b) of such Act. In addition, the statute provides separately for Federal matching of administrative costs, which is not affected by the Jobs and Growth Tax Relief Reconciliation Act of 2003.

Section 401 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 provides for a temporary increase of the Medicaid FMAP. The provisions permit a maintenance of Fiscal Year 2002 FMAP for the last 2 calendar quarters of Fiscal Year 2003 for a State whose 2003 FMAP as calculated pursuant to section 1905(b) of the Act is less than its 2002 FMAP, and a maintenance of Fiscal Year 2003 FMAP for the first 3 calendar quarters of Fiscal Year 2004 for a State whose 2004 FMAP as calculated pursuant to section 1905(b) of the Act is less than its 2003 FMAP. In addition, after adjusting FMAP due to the maintenance of the 2002 or 2003 FMAP where applicable, each State is eligible to receive a 2.95 percentage point increase for each of the last 2 calendar quarters of Fiscal Year 2003 and the first 3 calendar quarters of Fiscal Year 2004.

There are conditions that a State must meet in order to receive the 2.95 percentage point FMAP increase for the last 2 calendar quarters of Fiscal Year 2003 and the first 3 calendar quarters of Fiscal Year 2004. Eligibility under its Medicaid State plan (including any waiver under title XIX of the Social Security Act or under section 1115 of the Act) can be no more restrictive than the eligibility under such plan or waiver as in effect on September 2, 2003. If any State has restricted eligibility under its Medicaid State plan (including any waiver under title XIX of the Social Security Act or under section 1115 of the Act) after September 2, 2003, it will become eligible for the 2.95 percentage point increase in its FMAP in the first calendar quarter (and subsequent calendar quarters) in which the State has reinstated eligibility that is no more restrictive than the eligibility in effect

on September 2, 2003. These rules do not affect States' flexibility with respect to benefits offered under their Medicaid State plan (including any waiver under title XIX of the Social Security Act or under section 1115 of the Act).

In addition, in order to receive the 2.95 percentage point FMAP increase, in the case of a State that requires political subdivisions within the State to contribute toward the non-Federal share of expenditures under the State Medicaid plan, the State cannot require that such political subdivisions pay a greater percentage of the non-Federal share of such expenditures for the last 2 calendar quarters of Fiscal Year 2003 and the first 3 calendar quarters of Fiscal Year 2004, than the percentage that was required by the State under such plan on April 1, 2003.

In addition to the increases in FMAP, Title IV of the Jobs and Growth Tax Relief Reconciliation Act of 2003 increases the amounts of Medicaid payments to territories pursuant to section 1108 of the Social Security Act by 5.90 percent of such amounts, for the last 2 calendar quarters of Fiscal Year 2003 and the first 3 calendar quarters of Fiscal Year 2004.

The Jobs and Growth Tax Relief Reconciliation Act of 2003 also provides \$10 billion for other temporary state fiscal relief payments based on population. These payments are under the jurisdiction of the Secretary of the Treasury, and are not reflected in the Federal Medical Assistance Percentages.

EFFECTIVE DATES: The percentages listed will be effective only for the last 2 calendar quarters of Fiscal Year 2003 and the first 3 calendar quarters of Fiscal Year 2004.

FOR FURTHER INFORMATION CONTACT: Adelle Simmons or Robert Stewart, Office of Health Policy, Office of the Assistant Secretary for Planning and Evaluation, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Room 442E, Washington, DC 20201, (202) 690-6870.

(Catalog of Federal Domestic Assistance Program No. 93.778: Medical Assistance Program)

Dated: June 12, 2003.

Tommy G. Thompson,

Secretary of Health and Human Services.

REVISED FEDERAL MEDICAL ASSISTANCE PERCENTAGE (TITLE IV OF JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003)

[Temporary Increase in Medicaid FMAP for the last 2 Quarters of FY 2003 and First 3 Quarters of FY 2004]

	2003 Qtrs	2004 Qtrs
Alabama	73.55	73.70
Alaska	61.22	61.34
American Samoa	52.95	52.95
Arizona	70.20	70.21
Arkansas	77.23	77.62
California	54.35	52.95
Colorado	52.95	52.95
Connecticut	52.95	52.95
Delaware	52.95	52.95
District of Columbia	72.95	72.95
Florida	61.78	61.88
Georgia	62.55	62.55
Guam	52.95	52.95
Hawaii	61.72	61.85
Idaho	73.97	73.91
Illinois	52.95	52.95
Indiana	64.99	65.27
Iowa	66.45	66.88
Kansas	63.15	63.77
Kentucky	72.89	73.04
Louisiana	74.23	74.58
Maine	69.53	69.17
Maryland	52.95	52.95
Massachusetts	52.95	52.95
Michigan	59.31	58.84
Minnesota	52.95	52.95
Mississippi	79.57	80.03
Missouri	64.18	64.42
Montana	75.91	75.91
Nebraska	62.50	62.84
Nevada	55.34	57.88
New Hampshire	52.95	52.95
New Jersey	52.95	52.95
New Mexico	77.51	77.80
New York	52.95	52.95
North Carolina	65.51	65.80
North Dakota	72.82	71.31
Northern Mariana Islands	52.95	52.95
Ohio	61.78	62.18
Oklahoma	73.51	73.51
Oregon	63.11	63.76
Pennsylvania	57.64	57.71
Puerto Rico	52.95	52.95
Rhode Island	58.35	58.98
South Carolina	72.76	72.81
South Dakota	68.88	68.62
Tennessee	67.54	67.54
Texas	63.12	63.17
Utah	74.19	74.67
Vermont	66.01	65.36
Virgin Islands	52.95	52.95
Virginia	54.40	53.48
Washington	53.32	52.95
West Virginia	78.22	78.14
Wisconsin	61.52	61.38
Wyoming	64.92	64.27

[FR Doc. 03-15274 Filed 6-13-03; 8:45 am]

BILLING CODE 4150-05-P