

**SEC. 5122. REMOVAL OF LIMITATIONS ON FEDERAL FINANCIAL PARTICIPATION  
FOR INMATES WHO ARE ELIGIBLE JUVENILES PENDING  
DISPOSITION OF CHARGES.**

(a) MEDICAID.—

(1) IN GENERAL.—The subdivision (A) of section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) following paragraph (31) of such section, as amended by section 5121(b), is further amended by inserting “, or, at the option of the State, for an

individual who is an eligible juvenile (as defined in section 1902(nn)(2)), while such individual is an inmate of a public institution (as defined in section 1902(nn)(3)) pending disposition of charges” after “or in the case of an eligible juvenile described in section 1902(a)(84)(D) with respect to the screenings, diagnostic services, referrals, and case management required under such section”.

(2) CONFORMING AMENDMENT.—Section 1902(a)(84)(A) of the Social Security Act (42 U.S.C. 1396a(a)(84)(A)) is amended by inserting “(or in the case of a State electing the option described in the subdivision (A) following paragraph (31) of section 1905(a), during such period beginning after the disposition of charges with respect to such individual)” after “is such an inmate”.

(b) CHIP.—Section 2110(b)(7) of the Social Security Act (42 U.S.C. 13977j(b)(7)), as added by section 5121(c)(2)(B), is amended—

(1) in the heading, by striking “EXCEPTION” and inserting “EXCEPTIONS”; and

(2) by adding at the end the following new sentence: “At the option of the State, a child who is an inmate of a public institution shall not be considered to be described in paragraph (2)(A) during the period that the child is an inmate of such institution pending disposition of charges.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first calendar quarter that begins after the date that is 24 months after the date of enactment of this Act and shall apply to items and services furnished for periods beginning on or after such date.