

106TH CONGRESS  
2D SESSION

# S. 2727

To improve the health of older Americans and persons with disabilities,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 14, 2000

Mr. KENNEDY (for himself, Mr. BRYAN, Ms. MIKULSKI, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To improve the health of older Americans and persons with  
disabilities, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Medicare Health Improvement Act of 2000”.

6 (b) **TABLE OF CONTENTS.**—The table of contents is  
7 as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

TITLE I—HCFA MISSION STATEMENT

Sec. 101. Establishment of HCFA mission statement with regard to the medicare program.

TITLE II—ENABLING OLDER AMERICANS AND PERSONS WITH DISABILITIES TO IMPROVE THEIR HEALTH STATUS

Sec. 201. Waiver of all preventive services cost sharing under the medicare program.

Sec. 202. Information campaign on preventive health care for older Americans and individuals with disabilities.

Sec. 203. Development of health status self-assessment tool for medicare beneficiaries.

TITLE III—IMPROVING THE QUALITY OF CARE PROVIDED TO OLDER AMERICANS AND PERSONS WITH DISABILITIES

Sec. 301. Information campaign for the best practices for the treatment of conditions of medicare beneficiaries.

Sec. 302. Program to promote the use of best practices for the treatment of conditions of medicare beneficiaries and to reduce hospital and physician visits that result from improper drug use.

Sec. 303. Studies on preventive interventions in primary care for older Americans.

Sec. 304. Smoking cessation demonstration project.

TITLE IV—DEMONSTRATION PROJECTS TO IMPROVE THE CARE OF RESIDENTS OF SKILLED NURSING FACILITIES AND PERSONS WITH SERIOUS ILLNESSES

Sec. 401. Demonstration projects to provide effective care for skilled nursing facility residents.

Sec. 402. Demonstration projects to improve the care of persons with serious illnesses.

TITLE V—WHITE HOUSE CONFERENCE ON IMPROVING THE HEALTH OF OLDER AMERICANS

Sec. 501. White House Conference on Improving the Health of Older Americans.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **COMMISSIONER.**—The term “Commis-  
4 sioner” means the Commissioner of Social Security.

5 (2) **MEDICARE BENEFICIARIES.**—The term  
6 “medicare beneficiaries” means individuals who are  
7 entitled to benefits under part A or enrolled under  
8 part B of the medicare program, including individ-

1 uals enrolled in a Medicare+Choice plan offered by  
 2 a Medicare+Choice organization under part C of  
 3 such program.

4 (3) **MEDICARE PROGRAM.**—The term “medicare  
 5 program” means the health insurance program  
 6 under title XVIII of the Social Security Act (42  
 7 U.S.C. 1395 et seq.).

8 (4) **SECRETARY.**—The term “Secretary” means  
 9 the Secretary of Health and Human Services.

10 **TITLE I—HCFA MISSION**  
 11 **STATEMENT**

12 **SEC. 101. ESTABLISHMENT OF HCFA MISSION STATEMENT**  
 13 **WITH REGARD TO THE MEDICARE PROGRAM.**

14 Part A of title XVIII of the Social Security Act (42  
 15 U.S.C. 1395 et seq.) is amended by inserting before sec-  
 16 tion 1801 the following:

17 “HCFA MISSION STATEMENT

18 “SEC. 1800. In administering the health insurance  
 19 program established under this title, it is the mission of  
 20 the Health Care Financing Administration to—

21 “(1) effectively and efficiently administer a pro-  
 22 gram of health insurance coverage for individuals  
 23 who are entitled to benefits under part A or enrolled  
 24 under part B of this title, including individuals en-  
 25 rolled in a Medicare+Choice plan offered by a  
 26 Medicare+Choice organization under part C of this

1 title, in accordance with the requirements of this  
2 title;

3 “(2) assure that health care provided to such  
4 individuals is of the highest quality; and

5 “(3) carry out programs in cooperation with  
6 other Government agencies and the private sector to  
7 promote health, prevent disease, and assure the  
8 highest possible functional level for such individ-  
9 uals.”.

10 **TITLE II—ENABLING OLDER**  
11 **AMERICANS AND PERSONS**  
12 **WITH DISABILITIES TO IM-**  
13 **PROVE THEIR HEALTH STA-**  
14 **TUS**

15 **SEC. 201. WAIVER OF ALL PREVENTIVE SERVICES COST**  
16 **SHARING UNDER THE MEDICARE PROGRAM.**

17 (a) WAIVER OF COINSURANCE AND DEDUCTIBLES.—

18 (1) IN GENERAL.—Section 1834 of the Social  
19 Security Act (42 U.S.C. 1395m) is amended by add-  
20 ing at the end the following:

21 “(m) WAIVER OF COINSURANCE AND DEDUCTIBLE  
22 FOR PREVENTIVE SERVICES.—

23 “(1) COINSURANCE.—

24 “(A) IN GENERAL.—Notwithstanding any  
25 other provision of this part—

1           “(i) the Secretary shall waive any co-  
2 insurance applicable to services described  
3 in subparagraph (B); and

4           “(ii) with respect to payment for such  
5 services, any reference to a percent that is  
6 less than 100 percent shall be deemed to  
7 be a reference to 100 percent.

8           “(B) SERVICES DESCRIBED.—The services  
9 described in this subparagraph are the following  
10 services:

11           “(i) Screening mammography (as de-  
12 fined in section 1861(jj)).

13           “(ii) Screening pelvic exam (as de-  
14 fined in section 1861(nn)(2)).

15           “(iii) Hepatitis B vaccine and its ad-  
16 ministration (under section  
17 1861(s)(10)(B)).

18           “(iv) Colorectal cancer screening test  
19 (as defined in section 1861(pp)).

20           “(v) Bone mass measurement (as de-  
21 fined in section 1861(rr)).

22           “(vi) Prostate cancer screening test  
23 (as defined in section 1861(oo)).

1                   “(vii) Diabetes outpatient self-man-  
2                   agement training services (as defined in  
3                   section 1861(qq)).

4                   “(2) DEDUCTIBLE.—

5                   “(A) IN GENERAL.—Notwithstanding any  
6                   other provision of this part, the deductible de-  
7                   scribed in section 1833(b) shall not apply with  
8                   respect to services described in subparagraph  
9                   (B).

10                   “(B) SERVICES DESCRIBED.—The services  
11                   described in this subparagraph are the following  
12                   services:

13                   “(i) Hepatitis B vaccine and its ad-  
14                   ministration                   (under                   section  
15                   1861(s)(10)(B)).

16                   “(ii) Colorectal cancer screening test  
17                   (as defined in section 1861(pp)).

18                   “(iii) Bone mass measurement (as de-  
19                   fined in section 1861(rr)).

20                   “(iv) Prostate cancer screening test  
21                   (as defined in section 1861(oo)).

22                   “(v) Diabetes outpatient self-manage-  
23                   ment training services (as defined in sec-  
24                   tion 1861(qq)).”.

1           (2) CONFORMING AMENDMENT.—Section  
2           1833(a) of the Social Security Act (42 U.S.C.  
3           13951(a)) is amended by striking “section 1876”  
4           and inserting “sections 1834 and 1876” in the mat-  
5           ter preceding paragraph (1).

6           (b) EFFECTIVE DATE.—The amendments made by  
7           this section shall apply to services furnished on or after  
8           December 31, 2001.

9   **SEC. 202. INFORMATION CAMPAIGN ON PREVENTIVE**  
10                           **HEALTH CARE FOR OLDER AMERICANS AND**  
11                           **INDIVIDUALS WITH DISABILITIES.**

12           (a) IN GENERAL.—The Secretary and the Commis-  
13           sioner shall jointly conduct an information campaign, in  
14           consultation with the heads of other Government agencies  
15           and States and the private sector, for individuals who have  
16           attained age 50 and individuals with disabilities to  
17           promote—

18                   (1) the use of preventive health services among  
19                   such individuals, including services that are available  
20                   to medicare beneficiaries and are covered by the  
21                   medicare program;

22                   (2) the proper use of prescription and over-the-  
23                   counter drugs in order to reduce the number of hos-  
24                   pital stays and physician visits among such individ-

1 uals that are a result of the improper use of such  
2 drugs; and

3 (3) the steps (including exercise, maintenance  
4 of a proper diet, and utilization of accident preven-  
5 tion techniques) that such individuals may take in  
6 order to promote and safeguard their health.

7 (b) USE OF SERVICES.—The information campaign  
8 described in subsection (a) shall stress the benefits of—

9 (1) using the services described in subsection  
10 (a)(1);

11 (2) following the proper directions for using  
12 prescription and over-the-counter drugs as described  
13 in subsection (a)(2); and

14 (3) utilizing the steps described in subsection  
15 (a)(3).

16 (c) ELEMENTS OF CAMPAIGN.—In conducting the in-  
17 formation campaign described in subsection (a), the Sec-  
18 retary and the Commissioner (as applicable) shall—

19 (1) expand the section in the Medicare and You  
20 handbook on preventive benefits to include a more  
21 detailed description of the importance of using pre-  
22 ventive health services and the benefits offered under  
23 the medicare program;

24 (2) instruct fiscal intermediaries and carriers  
25 under the medicare program to include preventive

1 benefits messages on the Medicare Summary Notice  
2 statement and the Explanation of Medicare Benefits;

3 (3) regularly include preventive benefits mes-  
4 sages on the medicare part B benefits statement;

5 (4) combine public service announcements and  
6 a print media campaign to raise awareness of the  
7 value of using preventive health services;

8 (5) distribute brochures and other information  
9 on health promotion and disease prevention activities  
10 through—

11 (A) State health insurance assistance pro-  
12 grams;

13 (B) area agencies on aging;

14 (C) Social Security Administration field of-  
15 fices; and

16 (D) any other appropriate entities, as de-  
17 termined by the Secretary and the Commis-  
18 sioner; and

19 (6) include information on the importance of  
20 using preventive health services—

21 (A) on the cost of living adjustment  
22 (COLA) notice, which is sent to individuals who  
23 receive disability benefits under titles II and  
24 XVI of the Social Security Act (42 U.S.C. 401  
25 et seq.; 1381 et seq.);

1           (B) on the social security account state-  
2           ments distributed pursuant to section 1143 of  
3           the Social Security Act (42 U.S.C. 1320b-13);  
4           and

5           (C) in brochures on retirement and sur-  
6           vivors' benefits that are produced by the Com-  
7           missioner.

8           (d) TARGETED POPULATIONS.—To the extent appro-  
9           priate, aspects of the information campaign described in  
10          subsection (a) may be targeted to specific subpopulations  
11          of medicare beneficiaries.

12          (e) GRANTS AND CONTRACTS.—

13           (1) IN GENERAL.—The Secretary and the Com-  
14           missioner shall provide grants to, and enter into con-  
15           tracts with, eligible entities to assist with carrying  
16           out the purposes of this section.

17           (2) ELIGIBLE ENTITY DEFINED.—In this sub-  
18           section, the term “eligible entity” means—

19           (A) any community organization working  
20           with medicare beneficiaries;

21           (B) any organization representing medi-  
22           care beneficiaries;

23           (C) area agencies on aging; and

1 (D) any other appropriate entities, as de-  
2 termined by the Secretary and the Commis-  
3 sioner.

4 **SEC. 203. DEVELOPMENT OF HEALTH STATUS SELF-ASSESS-**  
5 **MENT TOOL FOR MEDICARE BENEFICIARIES.**

6 (a) DEVELOPMENT.—The Secretary, in conjunction  
7 with the Director of the National Institutes of Health  
8 (NIH), the Director of the Centers for Disease Control  
9 and Prevention (CDC), the Administrator of the Sub-  
10 stance Abuse and Mental Health Services Administration  
11 (SAMHSA), and the Administrator of the Agency for  
12 Healthcare Research and Quality (AHRQ), shall develop  
13 a health status self-assessment tool that includes assess-  
14 ment of mental health status, alcohol use, and substance  
15 use, and assists medicare beneficiaries in identifying im-  
16 portant health information, risk factors, or significant  
17 symptoms that should be acted upon or discussed with the  
18 beneficiary's health care provider.

19 (b) DISTRIBUTION.—The Secretary shall establish  
20 procedures for the distribution of the self-assessment form  
21 developed under subsection (a) and may contract with the  
22 eligible entities described in section 202(e)(2) to distribute  
23 and promote the use of such forms.

24 (c) TRAINING.—The Secretary shall establish a train-  
25 ing program for the staff of State health insurance assist-

1 ance programs that will enable such staff to assist medi-  
2 care beneficiaries in completing the self-assessment form  
3 developed under subsection (a).

4 **TITLE III—IMPROVING THE**  
5 **QUALITY OF CARE PROVIDED**  
6 **TO OLDER AMERICANS AND**  
7 **PERSONS WITH DISABILITIES**

8 **SEC. 301. INFORMATION CAMPAIGN FOR THE BEST PRAC-**  
9 **TICES FOR THE TREATMENT OF CONDITIONS**  
10 **OF MEDICARE BENEFICIARIES.**

11 (a) STUDY.—The Secretary, in consultation with the  
12 Administrator for Health Care Policy and Research, the  
13 Director of the National Institutes of Health, and such  
14 other professional societies and experts as the Secretary  
15 considers appropriate, shall—

16 (1) conduct a study to determine areas where  
17 treatment of medicare beneficiaries falls short of the  
18 highest professional standards; and

19 (2) determine the best practices in the areas de-  
20 scribed in paragraph (1).

21 (b) INFORMATION CAMPAIGN.—The Secretary shall  
22 provide for an information campaign to inform medicare  
23 beneficiaries about the results of the study conducted  
24 under subsection (a).

1 **SEC. 302. PROGRAM TO PROMOTE THE USE OF BEST PRAC-**  
2 **TICES FOR THE TREATMENT OF CONDITIONS**  
3 **OF MEDICARE BENEFICIARIES AND TO RE-**  
4 **DUCE HOSPITAL AND PHYSICIAN VISITS**  
5 **THAT RESULT FROM IMPROPER DRUG USE.**

6 (a) IN GENERAL.—The Secretary, in conjunction  
7 with the Administrator of the Health Resources and Serv-  
8 ice Administration and such other agencies and profes-  
9 sional societies as the Secretary deems appropriate, shall  
10 establish a program to—

11 (1) improve treatment of medicare beneficiaries  
12 based on the results of the study conducted under  
13 section 301(a) and other relevant information; and

14 (2) reduce the number of hospital stays and  
15 physician visits among medicare beneficiaries that  
16 are a result of the improper use of prescription and  
17 over-the-counter drugs.

18 (b) ELEMENTS OF PROGRAM.—The program de-  
19 scribed in subsection (a) shall include—

20 (1) an information campaign for health profes-  
21 sionals;

22 (2) coordination of the part of the program es-  
23 tablished under subsection (a) that is designed to  
24 achieve the purpose described in paragraph (2) of  
25 that subsection with the information campaign con-  
26 ducted under section 202; and



1 amended to include the evaluation of services that are of  
2 particular relevance to older Americans.

3 (c) REPORT.—Not later than 1 year after the date  
4 of enactment of this Act, and annually thereafter, the Sec-  
5 retary shall submit a report to Congress on the conclu-  
6 sions of the studies conducted under subsection (a), to-  
7 gether with recommendations for such legislation and ad-  
8 ministrative actions as the Secretary considers appro-  
9 priate.

10 **SEC. 304. SMOKING CESSATION DEMONSTRATION**  
11 **PROJECT.**

12 (a) IN GENERAL.—The Secretary, acting through the  
13 Administrator of the Health Care Financing Administra-  
14 tion, shall conduct a demonstration project to—

15 (1) evaluate the most successful and cost-effec-  
16 tive means of providing smoking cessation services  
17 to medicare beneficiaries; and

18 (2) test incentive systems for physicians, other  
19 health care professionals, and medicare beneficiaries  
20 to optimize rates of successful smoking cessation  
21 among medicare beneficiaries.

22 (b) LATEST SCIENTIFIC EVIDENCE.—The Secretary  
23 shall use the latest scientific evidence regarding smoking  
24 cessation strategies and guidelines in conducting the dem-  
25 onstration project under this section.

1           (c) PAYMENT.—Payment to an individual or an enti-  
2 ty for a service provided under the demonstration project  
3 shall be equal to the lesser of—

4           (1) the actual charge for providing the service  
5 to a medicare beneficiary; or

6           (2) the amount determined by a fee schedule es-  
7 tablished by the Secretary for the purposes of this  
8 section for such service.

9           (d) WAIVER AUTHORITY.—

10           (1) IN GENERAL.—The Secretary may waive  
11 such requirements of the medicare program as may  
12 be necessary for the purposes of carrying out the  
13 demonstration project conducted under this section.

14           (2) NON-MEDICARE PROVIDERS.—Individuals  
15 and entities that do not provide items and services  
16 under the medicare program shall be permitted to  
17 participate in the demonstration project conducted  
18 under this section.

19           (e) REPORT TO CONGRESS.—Not later than 1 year  
20 after the date of enactment of this Act, and annually  
21 thereafter, the Secretary shall report to Congress on the  
22 demonstration project conducted under this section.

1 **TITLE IV—DEMONSTRATION**  
2 **PROJECTS TO IMPROVE THE**  
3 **CARE OF RESIDENTS OF**  
4 **SKILLED NURSING FACILI-**  
5 **TIES AND PERSONS WITH SE-**  
6 **RIOUS ILLNESSES**

7 **SEC. 401. DEMONSTRATION PROJECTS TO PROVIDE EFFEC-**  
8 **TIVE CARE FOR SKILLED NURSING FACILITY**  
9 **RESIDENTS.**

10 (a) IN GENERAL.—The Secretary shall conduct dem-  
11 onstration projects that are designed to provide medicare  
12 beneficiaries who are residents of skilled nursing facilities  
13 (as defined in section 1819(a) of the Social Security Act  
14 (42 U.S.C. 1395i–3(a)) with higher quality and more cost-  
15 effective services in order to avoid unnecessary hospitaliza-  
16 tions of such residents.

17 (b) REQUIREMENTS.—

18 (1) IN GENERAL.—The demonstration projects  
19 conducted under this section shall include the fol-  
20 lowing:

21 (A) Programs of case management.

22 (B) Programs of disease management.

23 (C) Such other programs as the Secretary  
24 determines are likely to increase the quality of,

1           and reduce the cost of, the care provided to  
2           such residents.

3           (2) AUTHORIZED TECHNIQUES.—The dem-  
4           onstration projects conducted under this section may  
5           utilize—

6                   (A) contracts with centers of excellence or  
7                   other entities or individuals with special exper-  
8                   tise in providing quality services to residents of  
9                   skilled nursing facilities;

10                   (B) innovative payment techniques, includ-  
11                   ing capitation payments, for all or selected serv-  
12                   ices provided under such projects and incentive  
13                   payments to reward favorable cost and quality  
14                   outcomes;

15                   (C) provision of services not normally cov-  
16                   ered under the medicare program, if the provi-  
17                   sion of such services would result in the more  
18                   cost-effective provision of, or higher quality of,  
19                   services covered under such program; or

20                   (D) reduced cost-sharing requirements for  
21                   medicare beneficiaries participating in such  
22                   projects.

23           (c) WAIVER AUTHORITY.—The Secretary may waive  
24           such requirements of the medicare program as may be  
25           necessary for the purposes of carrying out the demonstra-

1 tion projects conducted under this section other than re-  
 2 quirements relating to providing medicare beneficiaries  
 3 with freedom of choice of provider under section 1802 of  
 4 the Social Security Act (42 U.S.C.1395a) or any other  
 5 provision of law.

6 (d) REPORT TO CONGRESS.—Not later than 1 year  
 7 after the date of enactment of this Act, and annually  
 8 thereafter, the Secretary shall report to Congress on the  
 9 demonstration projects conducted under this section.

10 **SEC. 402. DEMONSTRATION PROJECTS TO IMPROVE THE**  
 11 **CARE OF PERSONS WITH SERIOUS ILL-**  
 12 **NESSSES.**

13 (a) EXPANSION OF MEDICARE COORDINATED CARE  
 14 DEMONSTRATION PROJECT.—Section 4016 of the Bal-  
 15 anced Budget Act (Public Law 105–33; 111 Stat. 343)  
 16 is amended—

17 (1) by striking subsection (a)(2) and inserting  
 18 the following:

19 “(2) TARGET INDIVIDUAL DEFINED.—In this  
 20 section, the term “target individual” means an indi-  
 21 vidual that is enrolled under the fee-for-service pro-  
 22 gram under parts A and B of title XVIII of the So-  
 23 cial Security Act (42 U.S.C. 1395c et seq.; 1395j et  
 24 seq.) and—

1           “(A) has a chronic illness, as defined and  
2 identified by the Secretary; or

3           “(B) has a serious illness, as so defined  
4 and identified.”;

5           (2) in subsection (b)(2), by striking “Not” and  
6 inserting “With respect to demonstration projects  
7 for items and services provided to target individuals  
8 described in subsection (a)(2)(A), not”; and

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

10          “(f) REQUIREMENTS.—

11           “(1) IN GENERAL.—The demonstration projects  
12 conducted under this section shall include—

13           “(A) programs of case management;

14           “(B) programs of disease management;

15           and

16           “(C) such other programs as the Secretary  
17 determines are likely to increase the quality of,  
18 and reduce the cost of, the care provided to tar-  
19 get individuals.

20           “(2) AUTHORIZED TECHNIQUES.—The dem-  
21 onstration projects conducted under this section may  
22 include—

23           “(A) contracts with centers of excellence or  
24 other entities or individuals with special exper-

1           tise in providing quality services to target indi-  
2           viduals;

3           “(B) innovative payment techniques, in-  
4           cluding capitation payments, for all or selected  
5           services provided under such projects and incen-  
6           tive payments to reward favorable cost and  
7           quality outcomes;

8           “(C) provision of services not normally cov-  
9           ered under title XVIII of the Social Security  
10          Act (42 U.S.C 1395 et seq.), if the provision of  
11          such services would result in the more cost-ef-  
12          fective provision of, or higher quality of, serv-  
13          ices covered under that title; or

14          “(D) reduced cost-sharing requirements for  
15          target individuals participating in such  
16          projects.”.

17          (b) **EFFECTIVE DATE.**—The amendments made by  
18          this section shall take effect on the date of enactment of  
19          this Act.

1 **TITLE V—WHITE HOUSE CON-**  
2 **FERENCE ON IMPROVING**  
3 **THE HEALTH OF OLDER**  
4 **AMERICANS**

5 **SEC. 501. WHITE HOUSE CONFERENCE ON IMPROVING THE**  
6 **HEALTH OF OLDER AMERICANS.**

7 (a) IN GENERAL.—Not later than December 31,  
8 2002, the President shall convene a White House Con-  
9 ference on Improving the Health of Older Americans.

10 (b) GOAL OF CONFERENCE.—The goal of the Con-  
11 ference shall be to—

12 (1) develop a consensus on a program to enable  
13 older Americans to protect and improve their own  
14 health;

15 (2) develop procedures to ensure that—

16 (A) older Americans are provided with the  
17 highest standard of health care available, with  
18 an emphasis on assuring that standard practice  
19 is also the best practice; and

20 (B) the needs of older Americans are more  
21 effectively met through the benefits provided  
22 under the medicare program; and

23 (3) outline a research and demonstration agen-  
24 da to further the goals described in paragraphs (1)  
25 and (2).

1 (c) CONFERENCE PARTICIPANTS.—

2 (1) PARTICIPANTS.—In order to carry out the  
3 purposes of this section, the Conference shall bring  
4 together—

5 (A) representatives of older Americans and  
6 those who care for older Americans;

7 (B) researchers and research institutions  
8 with an expertise in issues related to older  
9 Americans;

10 (C) health professionals and members of  
11 professional societies with expertise in caring  
12 for older Americans; and

13 (D) other appropriate parties.

14 (2) SELECTION OF DELEGATES.—The partici-  
15 pants shall be selected without regard to political af-  
16 filiation or past partisan activity and shall, to the  
17 best of the President's ability, be representative of  
18 the spectrum of thought in the field of geriatric  
19 health care.

○