

106TH CONGRESS
2D SESSION

S. 2974

To amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the medicare program to Medicare+Choice organizations.

IN THE SENATE OF THE UNITED STATES

JULY 27, 2000

Mr. GORTON introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the medicare program to Medicare+Choice organizations.

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.**

4 This Act may be cited as the “Medicare Equity and
5 Access Act of 2000”.

1 **SEC. 2. ELIMINATION OF REDUCTION IN**
 2 **MEDICARE+CHOICE PAYMENT RATES BY**
 3 **BUDGET NEUTRALITY ADJUSTMENTS.**

4 (a) IN GENERAL.—Section 1853(c)(1)(A) of the So-
 5 cial Security Act (42 U.S.C. 1395w–23(c)(1)(A)) is
 6 amended by adding at the end the following: “With respect
 7 to years beginning on or after January 1, 2001, in no case
 8 shall the budget neutrality adjustment provided for in the
 9 previous sentence result in a reduction of the payment
 10 amount that would otherwise be made under this subpara-
 11 graph but for such adjustment.”.

12 (b) TRANSITIONAL RULE IN 2000 FOR SUBMISSION
 13 OF REQUIRED INFORMATION.—Notwithstanding section
 14 1854(a)(1) of the Social Security Act (42 U.S.C. 1395w–
 15 24(a)(1)), the deadline for a Medicare+Choice organiza-
 16 tion offering of a Medicare+Choice plan under part C of
 17 title XVIII of the Social Security Act to submit informa-
 18 tion, including the adjusted community rate (as defined
 19 in subsection (f)(3) of that section), required for the offer-
 20 ing of such a plan for 2001 is delayed from July 1, 2000,
 21 to December 1, 2000.

22 **SEC. 3. ACCELERATION OF MOVEMENT TO 50:50 PERCENT**
 23 **BLEND IN 2001.**

24 Section 1853(c)(2) of the Social Security Act (42
 25 U.S.C. 1395w–23(c)(2)) is amended—

1 (1) by adding “and” at the end of subpara-
2 graph (C);

3 (2) by striking subparagraphs (D) and (E);

4 (3) by redesignating subparagraph (F) as sub-
5 paragraph (D); and

6 (4) in subparagraph (D), as so redesignated, by
7 striking “2002” and inserting “2000”.

8 **SEC. 4. INCREASE IN BASELINE OF NATIONAL PER CAPITA**
9 **MEDICARE+CHOICE GROWTH PERCENTAGE**
10 **FOR YEARS AFTER 2000.**

11 (a) **IN GENERAL.**—Section 1853(c)(6)(B) of the So-
12 cial Security Act (42 U.S.C. 1395w-23(c)(6)(B)) is
13 amended—

14 (1) in clause (i), by striking “0.8 percentage
15 points” and inserting “0 percentage points”; and

16 (2) in clause (ii), by striking “0.5 percentage
17 points” and inserting “0 percentage points”.

18 (b) **EFFECTIVE DATE.**—The amendments made by
19 subsection (a) shall apply with respect to payment rates
20 calculated for months beginning on or after January 1,
21 2001.

1 **SEC. 5. INCLUSION OF COSTS OF DOD MILITARY TREAT-**
 2 **MENT FACILITY SERVICES TO MEDICARE-ELI-**
 3 **GIBLE BENEFICIARIES IN CALCULATION OF**
 4 **MEDICARE+CHOICE PAYMENT RATES.**

5 Section 1853(c)(3) of the Social Security Act (42
 6 U.S.C. 1395w-23(c)(3)) is amended—

7 (1) in subparagraph (A), by striking “subpara-
 8 graph (B)” and inserting “subparagraphs (B) and
 9 (E)”; and

10 (2) by adding at the end the following new sub-
 11 paragraph:

12 “(E) INCLUSION OF COSTS OF CERTAIN
 13 DOD MILITARY TREATMENT FACILITY SERVICES
 14 TO MEDICARE-ELIGIBLE BENEFICIARIES.—

15 “(i) IN GENERAL.—In determining
 16 the area-specific Medicare+Choice capita-
 17 tion rate under subparagraph (A) for a
 18 year (beginning with 2001), the annual per
 19 capita rate of payment for 1997 deter-
 20 mined under section 1876(a)(1)(C) for a
 21 Medicare+Choice payment area that is
 22 within one or more MTF affected areas (as
 23 defined in clause (ii)) shall be increased by
 24 the sum of the MTF percentages (as de-
 25 scribed in clause (iii)) for the MTF af-
 26 fected area or areas. The increase under

1 this subparagraph shall not be taken into
2 account in computing the national stand-
3 ardized annual Medicare+Choice capita-
4 tion rate under paragraph (4)(B).

5 “(ii) MTF AFFECTED AREA DE-
6 FINED.—In this subparagraph, the term
7 ‘MTF affected area’ means, with respect to
8 a military treatment facility (as defined in
9 subsection (a)(6) of section 1896), an area
10 that includes the following:

11 “(I) The Medicare+Choice pay-
12 ment area in which a military treat-
13 ment facility is located.

14 “(II) Any Medicare+Choice pay-
15 ment area which is contiguous to the
16 area described in subclause (I) and lo-
17 cated not farther than 40 miles from
18 the facility.

19 “(iii) MTF PERCENTAGE.—For pur-
20 poses of clause (i), the MTF percentage
21 for an MTF affected area is equal to the
22 ratio of—

23 “(I) the aggregate amount of
24 costs incurred by the Department of
25 Defense in furnishing items and serv-

1 ices to individuals entitled to benefits
2 under this title who received services
3 from the military treatment facility
4 described in clause (ii) for that area
5 in 1996 (as determined pursuant to
6 section 1896(j)(1)(A)), increased by
7 the national per capita
8 Medicare+Choice growth percentage
9 under paragraph (6) for 1997, to
10 “(II) the average number of indi-
11 viduals residing in such area in 1996
12 entitled to benefits under part A and
13 enrolled under part B.”.

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