

Union Calendar No. 325

107TH CONGRESS
2^D SESSION

H. R. 4961

[Report No. 107-544]

To establish a National Bipartisan Commission on the Future of Medicaid.

IN THE HOUSE OF REPRESENTATIVES

JUNE 19, 2002

Mr. TAUZIN introduced the following bill; which was referred to the Committee on Energy and Commerce

JUNE 26, 2002

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To establish a National Bipartisan Commission on the Future of Medicaid.

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

1 **TITLE IX—MEDICAID, PUBLIC**
2 **HEALTH, AND OTHER HEALTH**
3 **PROVISIONS**

4 **Subtitle A—Medicaid Provisions**

5 **SEC. 901. NATIONAL BIPARTISAN COMMISSION ON THE FU-**
6 **TURE OF MEDICAID.**

7 (a) ESTABLISHMENT.—There is established a com-
8 mission to be known as the National Bipartisan Commis-
9 sion on the Future of Medicaid (in this section referred
10 to as the “Commission”).

11 (b) DUTIES OF THE COMMISSION.—The Commission
12 shall—

13 (1) review and analyze the long-term financial
14 condition of the medicaid program under title XIX
15 of the Social Security Act (42 U.S.C. 1396 et seq.);

16 (2) identify the factors that are causing, and
17 the consequences of, increases in costs under the
18 medicaid program, including—

19 (A) the impact of these cost increases upon
20 State budgets, funding for other State pro-
21 grams, and levels of State taxes necessary to
22 fund growing expenditures under the medicaid
23 program;

24 (B) the financial obligations of the Federal
25 government arising from the Federal matching

1 requirement for expenditures under the med-
2 icaid program; and

3 (C) the size and scope of the current pro-
4 gram and how the program has evolved over
5 time;

6 (3) analyze potential policies that will ensure
7 both the financial integrity of the medicaid program
8 and the provision of appropriate benefits under such
9 program;

10 (4) make recommendations for establishing in-
11 centives and structures to promote enhanced effi-
12 ciencies and ways of encouraging innovative State
13 policies under the medicaid program;

14 (5) make recommendations for establishing the
15 appropriate balance between benefits covered, pay-
16 ments to providers, State and Federal contributions
17 and, where appropriate, recipient cost-sharing obli-
18 gations;

19 (6) make recommendations on the impact of
20 promoting increased utilization of competitive, pri-
21 vate enterprise models to contain program cost
22 growth, through enhanced utilization of private
23 plans, pharmacy benefit managers, and other meth-
24 ods currently being used to contain private sector
25 health-care costs;

1 (7) make recommendations on the financing of
2 prescription drug benefits currently covered under
3 medicaid programs, including analysis of the current
4 Federal manufacturer rebate program, its impact
5 upon both private market prices as well as those
6 paid by other government purchasers, recent State
7 efforts to negotiate additional supplemental manu-
8 facturer rebates and the ability of pharmacy benefit
9 managers to lower drug costs;

10 (8) review and analyze such other matters relat-
11 ing to the medicaid program as the Commission
12 deems appropriate; and

13 (9) analyze the impact of impending demo-
14 graphic changes upon medicaid benefits, including
15 long term care services, and make recommendations
16 for how best to appropriately divide State and Fed-
17 eral responsibilities for funding these benefits.

18 (c) MEMBERSHIP.—

19 (1) NUMBER AND APPOINTMENT.—The Com-
20 mission shall be composed of 17 members, of
21 whom—

22 (A) four shall be appointed by the Presi-
23 dent;

24 (B) six shall be appointed by the Majority
25 Leader of the Senate, in consultation with the

1 Minority Leader of the Senate, of whom not
2 more than 4 shall be of the same political party;

3 (C) six shall be appointed by the Speaker
4 of the House of Representatives, in consultation
5 with the Minority Leader of the House of Rep-
6 resentatives, of whom not more than 4 shall be
7 of the same political party; and

8 (D) one, who shall serve as Chairman of
9 the Commission, appointed jointly by the Presi-
10 dent, Majority Leader of the Senate, and the
11 Speaker of the House of Representatives.

12 (2) DEADLINE FOR APPOINTMENT.—Members
13 of the Commission shall be appointed by not later
14 than December 1, 2002.

15 (3) TERMS OF APPOINTMENT.—The term of
16 any appointment under paragraph (1) to the Com-
17 mission shall be for the life of the Commission.

18 (4) MEETINGS.—The Commission shall meet at
19 the call of its Chairman or a majority of its mem-
20 bers.

21 (5) QUORUM.—A quorum shall consist of 8
22 members of the Commission, except that 4 members
23 may conduct a hearing under subsection (e).

24 (6) VACANCIES.—A vacancy on the Commission
25 shall be filled in the same manner in which the origi-

1 nal appointment was made not later than 30 days
2 after the Commission is given notice of the vacancy
3 and shall not affect the power of the remaining
4 members to execute the duties of the Commission.

5 (7) COMPENSATION.—Members of the Commis-
6 sion shall receive no additional pay, allowances, or
7 benefits by reason of their service on the Commis-
8 sion.

9 (8) EXPENSES.—Each member of the Commis-
10 sion shall receive travel expenses and per diem in
11 lieu of subsistence in accordance with sections 5702
12 and 5703 of title 5, United States Code.

13 (d) STAFF AND SUPPORT SERVICES.—

14 (1) EXECUTIVE DIRECTOR.—

15 (A) APPOINTMENT.—The Chairman shall
16 appoint an executive director of the Commis-
17 sion.

18 (B) COMPENSATION.—The executive direc-
19 tor shall be paid the rate of basic pay for level
20 V of the Executive Schedule.

21 (2) STAFF.—With the approval of the Commis-
22 sion, the executive director may appoint such per-
23 sonnel as the executive director considers appro-
24 priate.

1 (3) APPLICABILITY OF CIVIL SERVICE LAWS.—

2 The staff of the Commission shall be appointed with-
3 out regard to the provisions of title 5, United States
4 Code, governing appointments in the competitive
5 service, and shall be paid without regard to the pro-
6 visions of chapter 51 and subchapter III of chapter
7 53 of such title (relating to classification and Gen-
8 eral Schedule pay rates).

9 (4) EXPERTS AND CONSULTANTS.—With the
10 approval of the Commission, the executive director
11 may procure temporary and intermittent services
12 under section 3109(b) of title 5, United States Code.

13 (5) PHYSICAL FACILITIES.—The Administrator
14 of the General Services Administration shall locate
15 suitable office space for the operation of the Com-
16 mission. The facilities shall serve as the head-
17 quarters of the Commission and shall include all
18 necessary equipment and incidentals required for the
19 proper functioning of the Commission.

20 (e) POWERS OF COMMISSION.—

21 (1) HEARINGS AND OTHER ACTIVITIES.—For
22 the purpose of carrying out its duties, the Commis-
23 sion may hold such hearings and undertake such
24 other activities as the Commission determines to be
25 necessary to carry out its duties.

1 (2) STUDIES BY GAO.—Upon the request of the
2 Commission, the Comptroller General shall conduct
3 such studies or investigations as the Commission de-
4 termines to be necessary to carry out its duties.

5 (3) COST ESTIMATES BY CONGRESSIONAL
6 BUDGET OFFICE AND OFFICE OF THE CHIEF ACTU-
7 ARY OF HCFA.—

8 (A) The Director of the Congressional
9 Budget Office or the Chief Actuary of the Cen-
10 ters for Medicare & Medicaid Services, or both,
11 shall provide to the Commission, upon the re-
12 quest of the Commission, such cost estimates as
13 the Commission determines to be necessary to
14 carry out its duties.

15 (B) The Commission shall reimburse the
16 Director of the Congressional Budget Office for
17 expenses relating to the employment in the of-
18 fice of the Director of such additional staff as
19 may be necessary for the Director to comply
20 with requests by the Commission under sub-
21 paragraph (A).

22 (4) DETAIL OF FEDERAL EMPLOYEES.—Upon
23 the request of the Commission, the head of any Fed-
24 eral agency is authorized to detail, without reim-
25 bursement, any of the personnel of such agency to

1 the Commission to assist the Commission in car-
2 rying out its duties. Any such detail shall not inter-
3 rupt or otherwise affect the civil service status or
4 privileges of the Federal employee.

5 (5) TECHNICAL ASSISTANCE.—Upon the re-
6 quest of the Commission, the head of a Federal
7 agency shall provide such technical assistance to the
8 Commission as the Commission determines to be
9 necessary to carry out its duties.

10 (6) USE OF MAILS.—The Commission may use
11 the United States mails in the same manner and
12 under the same conditions as Federal agencies and
13 shall, for purposes of the frank, be considered a
14 commission of Congress as described in section 3215
15 of title 39, United States Code.

16 (7) OBTAINING INFORMATION.—The Commis-
17 sion may secure directly from any Federal agency
18 information necessary to enable it to carry out its
19 duties, if the information may be disclosed under
20 section 552 of title 5, United States Code. Upon re-
21 quest of the Chairman of the Commission, the head
22 of such agency shall furnish such information to the
23 Commission.

24 (8) ADMINISTRATIVE SUPPORT SERVICES.—
25 Upon the request of the Commission, the Adminis-

1 trator of General Services shall provide to the Com-
2 mission on a reimbursable basis such administrative
3 support services as the Commission may request.

4 (9) PRINTING.—For purposes of costs relating
5 to printing and binding, including the cost of per-
6 sonnel detailed from the Government Printing Of-
7 fice, the Commission shall be deemed to be a com-
8 mittee of the Congress.

9 (f) REPORT.—Not later than March 1, 2004, the
10 Commission shall submit a report to the President and
11 Congress which shall contain a detailed statement of only
12 those recommendations, findings, and conclusions of the
13 Commission.

14 (g) TERMINATION.—The Commission shall terminate
15 30 days after the date of submission of the report required
16 in subsection (f).

17 (h) AUTHORIZATION OF APPROPRIATIONS.—There
18 are authorized to be appropriated \$1,500,000 to carry out
19 this section.

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