

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1298

To amend title XVIII of the Social Security Act to improve the benefits under the Medicare Program for beneficiaries with kidney disease, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2005

Mr. CAMP introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to improve the benefits under the Medicare Program for beneficiaries with kidney disease, 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       “Kidney Care Quality and Improvement Act of 2005”.

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

Sec. 1. Short title.

## TITLE I—RECOGNIZING AND IMPROVING QUALITY FOR PATIENTS

- Sec. 101. Modification of physician surgical reimbursement for dialysis access procedures to align incentives for cost and quality.
- Sec. 102. Demonstration project for outcomes-based ESRD reimbursement system.
- Sec. 103. Required training for patient care dialysis technicians.

## TITLE II—ENSURING QUALITY THROUGH IMPROVEMENTS IN THE ESRD PAYMENT SYSTEM

- Sec. 201. Establishment of annual update framework for the medicare ESRD composite rate.
- Sec. 202. Extension of medicare secondary payer.
- Sec. 203. GAO study and report on impact of G-codes.

## TITLE III—IMPROVING QUALITY THROUGH PATIENT EDUCATION, ACCESS, AND SAFETY INITIATIVES

- Sec. 301. Support of public and patient education initiatives regarding kidney disease.
- Sec. 302. Medicare coverage of kidney disease patient education services.
- Sec. 303. Blood flow monitoring demonstration projects.

## TITLE IV—IMPROVING QUALITY THROUGH IMPROVED COVERAGE

- Sec. 401. Improving the home dialysis benefit.
- Sec. 402. Institute of Medicine evaluation and report on home dialysis.
- Sec. 403. Establishment of an End-Stage Renal Disease (ESRD) Advisory committee.

1 **TITLE I—RECOGNIZING AND IM-**  
 2 **PROVING QUALITY FOR PA-**  
 3 **TIENTS**

4 **SEC. 101. MODIFICATION OF PHYSICIAN SURGICAL REIM-**  
 5 **BURSEMENT FOR DIALYSIS ACCESS PROCE-**  
 6 **DURES TO ALIGN INCENTIVES FOR COST AND**  
 7 **QUALITY.**

8 (a) FULL COVERAGE OF DIALYSIS ACCESS PROCE-  
 9 DURES IN THE AMBULATORY SURGICAL CENTER SET-  
 10 TING.—The Secretary of Health and Human Services  
 11 shall include in the surgical procedures specified under  
 12 section 1833(i)(1) of the Social Security Act (42 U.S.C.

1 1395l(i)(1)) the full range of dialysis access procedures  
2 when provided to individuals with end-stage renal disease  
3 who are entitled to benefits under part A and enrolled  
4 under part B of title XVIII of the Social Security Act pur-  
5 suant to section 226A of that Act (42 U.S.C. 426). For  
6 purposes of the preceding sentence, the full range of dialy-  
7 sis services includes all reasonable and necessary interven-  
8 tion procedures for the creation, repair, and maintenance  
9 of an individual's dialysis access, such as the placement,  
10 insertion, and maintenance services related to fistulas,  
11 synthetic grafts, tunnel catheters, and peritoneal dialysis  
12 catheters.

13 (b) REVISION OF RBRVS TO REFLECT THE DIF-  
14 FICULTY OF VASCULAR ACCESS PROCEDURES.—The Sec-  
15 retary of Health and Human Services shall structure the  
16 relative value units determined under section 1848(c)(2)  
17 of the Social Security Act (42 U.S.C. 1395w-4(c)(2)) that  
18 are applicable with respect to physicians' services for vas-  
19 cular access procedures to encourage clinically appropriate  
20 placement of natural vascular access for dialysis patients.

21 **SEC. 102. DEMONSTRATION PROJECT FOR OUTCOMES-**  
22 **BASED ESRD REIMBURSEMENT SYSTEM.**

23 (a) ESTABLISHMENT.—Subject to the succeeding  
24 provisions of this section, the Secretary of Health and  
25 Human Services (in this section referred to as the “Sec-

1 retary”) shall establish demonstration projects under  
2 which the Secretary shall evaluate methods that improve  
3 the quality of care provided to medicare beneficiaries with  
4 end-stage renal disease.

5 (b) OUTCOMES-BASED ESRD REIMBURSEMENT SYS-  
6 TEM.—

7 (1) IN GENERAL.—Under the demonstration  
8 projects, the Secretary shall provide financial incen-  
9 tives to providers of services and renal dialysis facili-  
10 ties that demonstrate improved quality of care to  
11 such beneficiaries.

12 (2) CONSIDERATION OF OUTCOMES AND CASE-  
13 MIX.—In determining whether a provider or facility  
14 has demonstrated an improved quality of care under  
15 paragraph (1), the Secretary shall take into account  
16 the outcomes of individuals receiving services from  
17 the provider or facility and the case-mix of the pro-  
18 vider or facility, paying particular attention to im-  
19 proved patient safety, better vaccination rates, and  
20 improved care for diabetics.

21 (3) INCENTIVES DESCRIBED.—The financial in-  
22 centives provided under paragraph (1) shall—

23 (A) reflect the interactions of payments  
24 under parts A and B of title XVIII of the So-  
25 cial Security Act; and

1           (B) recognize improvements based on high  
2           quality outcomes during previous periods as  
3           well as recent changes in performance to re-  
4           ward long-term improvements.

5           (c) DURATION.—The Secretary shall conduct the  
6 demonstration project under this section for a period that  
7 is not longer than 5 years that begins on January 1, 2007.

8           (d) EVALUATION AND REPORT.—

9           (1) EVALUATION.—The Secretary shall conduct  
10 an evaluation of the demonstration projects con-  
11 ducted under this section.

12           (2) REPORT.—Not later than 6 months after  
13 the date on which the demonstration projects are  
14 completed, the Secretary shall submit to Congress a  
15 report on the evaluation conducted under paragraph  
16 (1) together with recommendations for such legisla-  
17 tion and administrative action as the Secretary de-  
18 termines appropriate.

19           (e) WAIVER AUTHORITY.—The Secretary shall waive  
20 compliance with the requirements of title XVIII of the So-  
21 cial Security Act (42 U.S.C. 1395 et seq.) to such extent  
22 and for such period as the Secretary determines is nec-  
23 essary to conduct the demonstration projects.

24           (f) AUTHORIZATION OF APPROPRIATIONS.—

1           (1) IN GENERAL.—Payments for the costs of  
2 carrying out the demonstration project under this  
3 section shall be made from the Federal Supple-  
4 mentary Medical Insurance Trust Fund under sec-  
5 tion 1841 of such Act (42 U.S.C. 1395t).

6           (2) AMOUNT.—There are authorized to be ap-  
7 propriated from such Trust Fund such sums as may  
8 be necessary to carry out this section.

9 **SEC. 103. REQUIRED TRAINING FOR PATIENT CARE DIALY-**  
10 **SIS TECHNICIANS.**

11           (a) IN GENERAL.—Section 1881 of the Social Secu-  
12 rity Act (42 U.S.C. 1395rr) is amended by adding the fol-  
13 lowing:

14           “(h)(1) Except as provided in paragraph (3), begin-  
15 ning January 1, 2007, a provider of services or a renal  
16 dialysis facility may not use any individual as a patient  
17 care dialysis technician for more than 4 months unless the  
18 individual—

19           “(A) has completed a training program in the  
20 care and treatment of an individual with chronic  
21 kidney failure who is undergoing dialysis treatment;

22           “(B) has been certified by a nationally recog-  
23 nized certification entity for dialysis technicians; and

24           “(C) is competent to provide dialysis-related  
25 services.

1           “(2) Beginning January 1, 2008, a provider of serv-  
2 ices or a renal dialysis facility may not use on a tem-  
3 porary, per diem, leased, or on any basis other than as  
4 a permanent employee, any individual as a patient care  
5 dialysis technician unless the individual meets the require-  
6 ments described in subparagraphs (A), (B), and (C) of  
7 paragraph (1).

8           “(3) A provider of services or a renal dialysis facility  
9 may permit an individual enrolled in a training program  
10 described in paragraph (1)(A) to serve as a patient care  
11 dialysis technician while they are so enrolled.

12           “(4) For purposes of paragraph (1), if, since the most  
13 recent completion by an individual of a training program  
14 described in paragraph (1)(A), there has been a period  
15 of 24 consecutive months during which the individual has  
16 not performed dialysis-related services for monetary com-  
17 pensation, such individual shall be required to complete  
18 a new training program or become re-certified as described  
19 in paragraph (1)(B).

20           “(5) A provider of services or a renal dialysis facility  
21 shall provide such regular performance review and regular  
22 in-service education as assures that individuals serving as  
23 patient care dialysis technicians for the provider or facility  
24 are competent to perform dialysis-related services.”.

1 **TITLE II—ENSURING QUALITY**  
2 **THROUGH IMPROVEMENTS IN**  
3 **THE ESRD PAYMENT SYSTEM**

4 **SEC. 201. ESTABLISHMENT OF ANNUAL UPDATE FRAME-**  
5 **WORK FOR THE MEDICARE ESRD COMPOSITE**  
6 **RATE.**

7 (a) IN GENERAL.—Section 1881(b)(12)(F) of the So-  
8 cial Security Act (42 U.S.C. 1395rr(b)(12)(F)) is amend-  
9 ed to read as follows:

10 “(F) Beginning with 2006, the Secretary shall annu-  
11 ally increase the basic case-mix adjusted payment amounts  
12 established under this paragraph—

13 “(i) with respect to the component of the basic  
14 case-mix adjusted system described in clause (ii) of  
15 subparagraph (B), by—

16 “(I) applying the estimated growth in ex-  
17 penditures for drugs and biologicals (including  
18 erythropoietin) that are separately billable to  
19 such component; and

20 “(II) converting the amount determined in  
21 subclause (I) to an increase applicable to the  
22 basic case-mix adjusted payment amounts es-  
23 tablished under such subparagraph; and

24 “(ii) with respect to the composite rate compo-  
25 nent of the basic case-mix adjusted system described

1 in subparagraph (B)(i), for dialysis services fur-  
2 nished—

3 “(I) during 2006, by 2.5 percent above  
4 such payment amounts for such services fur-  
5 nished on December 31, 2005;

6 “(II) during 2007 through 2014, by an  
7 amount equal to 1 percent of the ESRD market  
8 basket percentage increase (as defined in para-  
9 graph (14)(A) and including any additional fac-  
10 tors that may increase costs described in para-  
11 graph (14)(B)) above such composite rate pay-  
12 ment amounts for such services furnished on  
13 December 31 of the previous year; and

14 “(III) during 2015 and subsequent years,  
15 by the ESRD market basket percentage in-  
16 crease (as defined in paragraph (14)(A) and in-  
17 cluding any additional factors that may increase  
18 costs described in paragraph (14)(B)) above  
19 such composite rate payment amounts for such  
20 services furnished on December 31 of the pre-  
21 vious year.”.

22 (b) ESRD MARKET BASKET PERCENTAGE INCREASE  
23 DEFINED.—Section 1881(b) of the Social Security Act  
24 (42 U.S.C. 1395rr(b)) is amended by adding at the end  
25 the following new paragraph:

1       “(14)(A) For purposes of this title, the term ‘ESRD  
2 market basket percentage increase’ means, with respect to  
3 a calendar year, the percentage (estimated by the Sec-  
4 retary before the beginning of such year) by which—

5           “(i) the cost of the mix of goods and services  
6 included in the provision of dialysis services (includ-  
7 ing the costs described in subparagraph (D)) that is  
8 determined based on an index of appropriately  
9 weighted indicators of changes in wages and prices  
10 which are representative of the mix of goods and  
11 services included in such dialysis services for the cal-  
12 endar year; exceeds

13           “(ii) the cost of such mix of goods and services  
14 for the preceding calendar year.

15       “(B) In addition to determining the percentage up-  
16 date under subparagraph (A), the Secretary shall also take  
17 into account any change in the costs of furnishing the mix  
18 of goods and services described in such subparagraph re-  
19 sulting from—

20           “(i) the adoption of scientific and technological  
21 innovations used to provide dialysis services;

22           “(ii) changes in the manner or method of deliv-  
23 ering dialysis services;

24           “(iii) productivity improvements in the provi-  
25 sion of dialysis services; and

1 “(iv) any other relevant factor.

2 “(C) The Secretary shall annually review and update  
3 the items and services included in the mix of goods and  
4 services used to determine the percentage under subpara-  
5 graph (A).

6 “(D) The costs described in this subparagraph in-  
7 clude—

8 “(i) labor costs, including direct patient care  
9 costs and administrative labor costs, vacation and  
10 holiday pay, payroll taxes, and employee benefits;

11 “(ii) other direct costs, including drugs, sup-  
12 plies, and laboratory fees;

13 “(iii) overhead costs, including medical director  
14 fees, temporary services, general and administrative  
15 costs, interest expenses, and bad debt;

16 “(iv) capital costs, including rent, real estate  
17 taxes, depreciation, utilities, repairs, and mainte-  
18 nance; and

19 “(v) such other allowable costs as the Secretary  
20 may specify.”.

21 **SEC. 202. EXTENSION OF MEDICARE SECONDARY PAYER.**

22 Section 1862(b)(1)(C) of the Social Security Act (42  
23 U.S.C. 1395y(b)(1)(C)) is amended—

1           (1) in the last sentence, by inserting “, and be-  
2           fore January 1, 2006” after “prior to such date”;  
3           and

4           (2) by adding at the end the following new sen-  
5           tence: “Effective for items and services furnished on  
6           or after January 1, 2006 (with respect to periods  
7           beginning on or after the date that is 30 months  
8           prior to such date), clauses (i) and (ii) shall be ap-  
9           plied by substituting ‘33-month’ for ‘12-month’ each  
10          place it appears in the first sentence.”.

11 **SEC. 203. GAO STUDY AND REPORT ON IMPACT OF G-**  
12 **CODES.**

13          (a) **STUDY.**—The Comptroller General of the United  
14 States shall conduct a study on the impact of the tem-  
15 porary codes for nephrologists’ services applicable under  
16 the fee schedule for physicians’ services under section  
17 1848 of the Social Security Act (42 U.S.C. 1395w-4)  
18 (commonly known as “G-codes”).

19          (b) **REPORT.**—Not later than the date that is 6  
20 months after the date of enactment of this Act, the Comp-  
21 troller General shall submit to Congress a report on the  
22 study conducted under subsection (a) together with rec-  
23 ommendations for such legislation and administrative ac-  
24 tion as the Comptroller General determines appropriate.

1 **TITLE III—IMPROVING QUALITY**  
2 **THROUGH PATIENT EDU-**  
3 **CATION, ACCESS, AND SAFETY**  
4 **INITIATIVES**

5 **SEC. 301. SUPPORT OF PUBLIC AND PATIENT EDUCATION**  
6 **INITIATIVES REGARDING KIDNEY DISEASE.**

7 (a) **CHRONIC KIDNEY DISEASE DEMONSTRATION**  
8 **PROJECTS.—**

9 (1) **IN GENERAL.—**The Secretary of Health and  
10 Human Services (in this section referred to as the  
11 “Secretary”) shall establish demonstration projects  
12 to—

13 (A) increase public awareness about the  
14 factors that lead to chronic kidney disease, how  
15 to prevent it, how to treat it, and how to avoid  
16 kidney failure; and

17 (B) enhance surveillance systems and ex-  
18 pand research to better assess the prevalence  
19 and incidence of chronic kidney disease.

20 (2) **SCOPE AND DURATION.—**

21 (A) **SCOPE.—**The Secretary shall select at  
22 least 3 States in which to conduct demonstra-  
23 tion projects under this subsection. In selecting  
24 the States under this subparagraph, the Sec-  
25 retary shall take into account the size of the

1 population of medicare beneficiaries with end-  
2 stage renal disease and ensure the participation  
3 of individuals who reside in rural and urban  
4 areas.

5 (B) DURATION.—The demonstration  
6 projects under this subsection shall be con-  
7 ducted for a period that is not longer than 5  
8 years that begins on January 1, 2007.

9 (3) EVALUATION AND REPORT.—

10 (A) EVALUATION.—The Secretary shall  
11 conduct an evaluation of the demonstration  
12 projects conducted under this subsection.

13 (B) REPORT.—Not later than 6 months  
14 after the date on which the demonstration  
15 projects under this subsection are completed,  
16 the Secretary shall submit to Congress a report  
17 on the evaluation conducted under subpara-  
18 graph (A) together with recommendations for  
19 such legislation and administrative action as the  
20 Secretary determines appropriate.

21 (4) AUTHORIZATION OF APPROPRIATIONS.—

22 There are authorized to be appropriated to carry out  
23 this subsection \$2,000,000 for each of fiscal years  
24 2007 through 2011.

1 (b) ESRD SELF-MANAGEMENT DEMONSTRATION  
2 PROJECTS.—

3 (1) IN GENERAL.—The Secretary shall establish  
4 demonstration projects to enable individuals with  
5 end-stage renal disease to develop self-management  
6 skills.

7 (2) SCOPE AND DURATION.—

8 (A) SCOPE.—The Secretary shall select at  
9 least 3 States in which to conduct demonstra-  
10 tion projects under this subsection. In selecting  
11 the States under this subparagraph, the Sec-  
12 retary shall take into account the size of the  
13 population of medicare beneficiaries with end-  
14 stage renal disease and ensure the participation  
15 of individuals who reside in rural and urban  
16 areas.

17 (B) DURATION.—The demonstration  
18 projects under this section shall be conducted  
19 for a period that is not longer than 5 years that  
20 begins on January 1, 2007.

21 (3) EVALUATION AND REPORT.—

22 (A) EVALUATION.—The Secretary shall  
23 conduct an evaluation of the demonstration  
24 projects conducted under this subsection.

1 (B) REPORT.—Not later than 6 months  
2 after the date on which the demonstration  
3 projects under this subsection are completed,  
4 the Secretary shall submit to Congress a report  
5 on the evaluation conducted under subpara-  
6 graph (A) together with recommendations for  
7 such legislation and administrative action as the  
8 Secretary determines appropriate.

9 (4) AUTHORIZATION OF APPROPRIATIONS.—  
10 There are authorized to be appropriated to carry out  
11 this subsection \$2,000,000 for each of fiscal years  
12 2007 through 2011.

13 **SEC. 302. MEDICARE COVERAGE OF KIDNEY DISEASE PA-**  
14 **TIENT EDUCATION SERVICES.**

15 (a) COVERAGE OF KIDNEY DISEASE EDUCATION  
16 SERVICES.—

17 (1) COVERAGE.—Section 1861(s)(2) of the So-  
18 cial Security Act (42 U.S.C. 1395x(s)(2)) is amend-  
19 ed—

20 (A) in subparagraph (Y), by striking  
21 “and” after the semicolon at the end;

22 (B) in subparagraph (Z), by adding “and”  
23 after the semicolon at the end; and

24 (C) by adding at the end the following new  
25 subparagraph:

1           “(AA) kidney disease education services (as de-  
2           fined in subsection (bbb));”.

3           (2) SERVICES DESCRIBED.—Section 1861 of  
4           the Social Security Act (42 U.S.C. 1395x) is amend-  
5           ed by adding at the end the following new sub-  
6           section:

7           “Kidney Disease Education Services

8           “(bbb)(1) The term ‘kidney disease education serv-  
9           ices’ means educational services that are—

10           “(A) furnished to an individual with kidney dis-  
11           ease who, according to accepted clinical guidelines  
12           identified by the Secretary, will require dialysis or a  
13           kidney transplant;

14           “(B) furnished, upon the referral of the physi-  
15           cian managing the individual’s kidney condition, by  
16           a qualified person (as defined in paragraph (2)); and

17           “(C) designed—

18           “(i) to provide comprehensive information  
19           regarding—

20           “(I) the management of comorbidities;

21           “(II) the prevention of uremic com-  
22           plications; and

23           “(III) each option for renal replace-  
24           ment therapy (including home and in-cen-

1           ter as well as vascular access options and  
2           transplantation); and

3           “(ii) to ensure that the individual has the  
4           opportunity to actively participate in the choice  
5           of therapy.

6           “(2) The term ‘qualified person’ means—

7           “(A) a physician (as described in subsection  
8           (r)(1));

9           “(B) an individual who—

10           “(i) is—

11           “(I) a registered nurse;

12           “(II) a registered dietitian or nutri-  
13           tion professional (as defined in subsection  
14           (vv)(2));

15           “(III) a clinical social worker (as de-  
16           fined in subsection (hh)(1));

17           “(IV) a physician assistant, nurse  
18           practitioner, or clinical nurse specialist (as  
19           those terms are defined in subsection  
20           (aa)(5)); or

21           “(V) a transplant coordinator; and

22           “(ii) meets such requirements related to  
23           experience and other qualifications that the  
24           Secretary finds necessary and appropriate for

1           furnishing the services described in paragraph  
2           (1); or

3           “(C) a renal dialysis facility subject to the re-  
4           quirements of section 1881(b)(1) with personnel  
5           who—

6                   “(i) provide the services described in para-  
7                   graph (1); and

8                   “(ii) meet the requirements of subpara-  
9                   graph (A) or (B).

10          “(3) The Secretary shall develop the requirements  
11          under paragraphs (1)(C)(i) and (2)(B)(ii) after consulting  
12          with physicians, health educators, professional organiza-  
13          tions, accrediting organizations, kidney patient organiza-  
14          tions, dialysis facilities, transplant centers, network orga-  
15          nizations described in section 1881(c)(2), and other  
16          knowledgeable persons.

17          “(4) In promulgating regulations to carry out this  
18          subsection, the Secretary shall ensure that each bene-  
19          ficiary who is entitled to kidney disease education services  
20          under this title receives such services in a timely manner  
21          to maximize the benefit of those services.

22          “(5) The Secretary shall monitor the implementation  
23          of this subsection to ensure that beneficiaries who are eli-  
24          gible for kidney disease education services receive such  
25          services in the manner described in paragraph (4).

1 “(6) No individual shall be eligible to be provided  
2 more than 6 sessions of kidney disease education services  
3 under this title.”.

4 (3) PAYMENT UNDER THE PHYSICIAN FEE  
5 SCHEDULE.—Section 1848(j)(3) of the Social Secu-  
6 rity Act (42 U.S.C. 1395w-4(j)(3)) is amended by  
7 inserting “(2)(AA),” after “(2)(W),”.

8 (4) PAYMENT TO RENAL DIALYSIS FACILI-  
9 TIES.—Section 1881(b) of the Social Security Act  
10 (42 U.S.C. 1395rr(b)), as amended by section  
11 201(b), is amended by adding at the end the fol-  
12 lowing new paragraph:

13 “(15) For purposes of paragraph (12), the single  
14 composite weighted formulas determined under such para-  
15 graph shall not take into account the amount of payment  
16 for kidney disease education services (as defined in section  
17 1861(bbb)). Instead, payment for such services shall be  
18 made to the renal dialysis facility on an assignment-re-  
19 lated basis under section 1848.”.

20 (5) LIMITATION ON NUMBER OF SESSIONS.—  
21 Section 1862(a)(1) of the Social Security Act (42  
22 U.S.C. 1395y(a)(1)) is amended—

23 (A) by striking “and” at the end of sub-  
24 paragraph (L);

1 (B) by striking the semicolon at the end of  
2 subparagraph (M) and inserting “, and”; and

3 (C) by adding at the end the following new  
4 subparagraph:

5 “(N) in the case of kidney disease education  
6 services (as defined in section 1861(bbb)), which are  
7 performed in excess of the number of sessions cov-  
8 ered under such section;”.

9 (6) ANNUAL REPORT TO CONGRESS.—Not later  
10 than April 1, 2007, and annually thereafter, the  
11 Secretary of Health and Human Services (in this  
12 section referred to as the “Secretary”) shall submit  
13 to Congress a report on the number of medicare  
14 beneficiaries who are entitled to kidney disease edu-  
15 cation services (as defined in section 1861(bbb) of  
16 the Social Security Act, as added by paragraph (2))  
17 under title XVIII of such Act and who receive such  
18 services, together with such recommendations for  
19 legislative and administrative action as the Secretary  
20 determines to be appropriate to fulfill the legislative  
21 intent that resulted in the enactment of that sub-  
22 section.

23 (b) EFFECTIVE DATE.—The amendments made by  
24 this section shall apply to services furnished on and after  
25 January 1, 2007.

1 **SEC. 303. BLOOD FLOW MONITORING DEMONSTRATION**  
2 **PROJECTS.**

3 (a) **ESTABLISHMENT.**—The Secretary of Health and  
4 Human Services (in this section referred to as the “Sec-  
5 retary”) shall establish demonstration projects to evaluate  
6 how blood flow monitoring affects the quality and cost of  
7 care for medicare beneficiaries with end-stage renal dis-  
8 ease.

9 (b) **DURATION.**—The demonstration projects under  
10 this section shall be conducted for a period of not longer  
11 than 5 years that begins on January 1, 2007.

12 (c) **EVALUATION AND REPORT.**—

13 (1) **EVALUATION.**—The Secretary shall conduct  
14 an evaluation of the demonstration projects con-  
15 ducted under this section.

16 (2) **REPORT.**—Not later than 6 months after  
17 the date on which the demonstration projects under  
18 this section are completed, the Secretary shall sub-  
19 mit to Congress a report on the evaluation con-  
20 ducted under paragraph (1) together with rec-  
21 ommendations for such legislation and administra-  
22 tive action as the Secretary determines appropriate.

23 (d) **WAIVER AUTHORITY.**—The Secretary shall waive  
24 compliance with the requirements of title XVIII of the So-  
25 cial Security Act (42 U.S.C. 1395 et seq.) to such extent

1 and for such period as the Secretary determines is nec-  
2 essary to conduct the demonstration projects.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—

4 (1) IN GENERAL.—Payments for the costs of  
5 carrying out the demonstration project under this  
6 section shall be made from the Federal Supple-  
7 mentary Medical Insurance Trust Fund under sec-  
8 tion 1841 of such Act (42 U.S.C. 1395t).

9 (2) AMOUNT.—There are authorized to be ap-  
10 propriated from such Trust Fund \$1,000,000 for  
11 each of fiscal years 2007 through 2011 to carry out  
12 this section.

13 **TITLE IV—IMPROVING QUALITY**  
14 **THROUGH IMPROVED COV-**  
15 **ERAGE**

16 **SEC. 401. IMPROVING THE HOME DIALYSIS BENEFIT.**

17 (a) IN GENERAL.—The Secretary of Health and  
18 Human Services (in this section referred to as the “Sec-  
19 retary”) shall provide appropriate incentives to improve  
20 the home dialysis benefit for individuals on behalf of whom  
21 payment may be made under section 1881 of the Social  
22 Security Act (42 U.S.C. 1395rr).

23 (b) CONSIDERATIONS.—In developing the incentives  
24 under subsection (a), the Secretary shall consider revising  
25 the fee schedule for physicians’ services under section

1 1848 of the Social Security Act (42 U.S.C. 1395w-4) so  
2 that the amount paid for services related to end-stage  
3 renal disease furnished to home dialysis patients is equal  
4 to the amount paid for services related to end-stage renal  
5 disease furnished to other patients with 4 or more face-  
6 to-face physician visits per month.

7 **SEC. 402. INSTITUTE OF MEDICINE EVALUATION AND RE-**  
8 **PORT ON HOME DIALYSIS.**

9 (a) EVALUATION.—

10 (1) IN GENERAL.—Not later than the date that  
11 is 2 months after the date of enactment of this Act,  
12 the Secretary of Health and Human Services (in this  
13 section referred to as the “Secretary”) shall enter  
14 into an arrangement under which the Institute of  
15 Medicine of the National Academy of Sciences (in  
16 this section referred to as the “Institute”) shall con-  
17 duct an evaluation of the barriers that exist to in-  
18 creasing the number of individuals with end-stage  
19 renal disease who elect to receive home dialysis serv-  
20 ices under the medicare program under title XVIII  
21 of the Social Security Act (42 U.S.C. 1395 et seq.).

22 (2) SPECIFIC MATTERS EVALUATED.—In con-  
23 ducting the evaluation under paragraph (1), the In-  
24 stitute shall—

1 (A) compare current medicare home dialy-  
2 sis costs and payments with current in-center  
3 and hospital dialysis costs and payments;

4 (B) catalogue and evaluate the incentives  
5 and disincentives in the current reimbursement  
6 system that influence whether patients receive  
7 home dialysis services;

8 (C) evaluate patient education services and  
9 how such services impact the treatment choices  
10 made by patients; and

11 (D) consider such other matters as the In-  
12 stitute determines appropriate.

13 (3) SCOPE OF REVIEW.—The Institute shall  
14 consider a variety of perspectives, including the per-  
15 spectives of physicians, other health care profes-  
16 sionals, hospitals, dialysis facilities, health plans,  
17 purchasers, and patients.

18 (b) REPORT.—Not later than the date that is 18  
19 months after the date of enactment of this Act, the Insti-  
20 tute shall submit to the Secretary and appropriate com-  
21 mittees of Congress a report on the evaluation conducted  
22 under subsection (a)(1) describing the findings of such  
23 evaluation and recommendations for implementing incen-  
24 tives to encourage patients to elect to receive home dialysis  
25 services under the medicare program.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated such sums as may be  
3 necessary for the purposes of conducting the evaluation  
4 and preparing the report required by this section.

5 **SEC. 403. END-STAGE RENAL DISEASE (ESRD) ADVISORY**  
6 **COMMITTEE.**

7 (a) ESTABLISHMENT.—Pursuant to section 222 of  
8 the Public Health Service Act (42 U.S.C. 217a), the Sec-  
9 retary of Health and Human Services shall establish with-  
10 in 1 year of the date of enactment of this Act an inde-  
11 pendent, multidisciplinary, nonpartisan End-Stage Renal  
12 Disease Advisory Committee (in this section referred to  
13 as the “Committee”).

14 (b) MEMBERSHIP.—The Committee shall consist of  
15 such members as the Secretary may appoint who shall  
16 serve for such term as the Secretary may specify. In ap-  
17 pointing members of the Committee, the Secretary shall  
18 consult with the dialysis community and shall include indi-  
19 viduals drawn from diverse backgrounds, such as medi-  
20 cine, nursing, health care policy, the dialysis patient com-  
21 munity, the dialysis provider community, and health eco-  
22 nomics.

23 (c) PURPOSE OF THE COMMITTEE.—

24 (1) DUTIES.—The Committee shall provide a  
25 forum for expert discussion and deliberation and the

1 formulation of advice and recommendations to the  
2 Secretary about medicare coverage for End-Stage  
3 Renal Disease patients, as described under section  
4 1881 of the Social Security Act (42 U.S.C. 1395rr).

5 (2) REPORT.—The Committee shall provide the  
6 Secretary with periodic reports that summarize the  
7 Committee’s activities and its recommendations for  
8 such legislation and administrative action as it con-  
9 siders appropriate.

10 (d) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated such sums as may be  
12 necessary to carry out the purposes of this section.

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