

109TH CONGRESS
2^D SESSION

H. R. 4675

To amend title XIX of the Social Security Act to provide for an offset from the Medicaid clawback for State emergency prescription drug expenditures for covered part D drugs for Medicare beneficiaries.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2006

Mr. PALLONE (for himself, Ms. MCCOLLUM of Minnesota, Mr. JEFFERSON, Ms. BALDWIN, Mr. HOLT, Mr. SANDERS, Mr. McDERMOTT, Mr. HIGGINS, Mr. BOREN, Mr. HONDA, Mr. STARK, Mr. ANDREWS, Mr. GRIJALVA, Mr. BROWN of Ohio, Mr. MICHAUD, Ms. JACKSON-LEE of Texas, Mr. BERRY, Mr. LYNCH, Mr. KUCINICH, Mr. CONYERS, Mr. FRANK of Massachusetts, Mr. NADLER, Mr. COSTA, and Ms. LEE) 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

A BILL

To amend title XIX of the Social Security Act to provide for an offset from the Medicaid clawback for State emergency prescription drug expenditures for covered part D drugs for Medicare beneficiaries.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Medicare State Reim-
3 bursement Act of 2006”.

4 **SEC. 2. FEDERAL RESPONSIBILITY FOR STATE PRESCRIP-**
5 **TION DRUG EXPENDITURES FOR COVERED**
6 **PART D DRUGS FOR MEDICARE BENE-**
7 **FICIARIES.**

8 Section 1935(c) of the Social Security Act (42 U.S.C.
9 1396v–5(c)) is amended—

10 (1) in paragraph (1)(A), by striking “Each of
11 the 50 States” and inserting “Subject to paragraph
12 (7), each of the 50 States”; and

13 (2) by adding at the end the following new
14 paragraph:

15 “(7) OFFSET FOR STATE PRESCRIPTION DRUG
16 EXPENDITURES FOR COVERED PART D DRUGS FOR
17 MEDICARE BENEFICIARIES.—

18 “(A) IN GENERAL.—The amount of pay-
19 ment for a month (beginning with January
20 2006) under paragraph (1) shall be reduced by
21 an amount equal to the sum of—

22 “(i) the amount (as documented by
23 the State) that the State expended during
24 the month for payment for covered part D
25 drugs for part D eligible individuals who
26 are enrolled in a prescription drug plan

1 under part D of title XVIII but were un-
2 able to access on a timely basis prescrip-
3 tion drug benefits to which they were enti-
4 tled under such plan; and

5 “(ii) interest on such amount (for the
6 period beginning on the day after the date
7 on which an expenditure described in sub-
8 paragraph (A) is made and ending on the
9 date on which payment under paragraph
10 (1)) at a rate equal to the weighted aver-
11 age of interest on three-month marketable
12 Treasury securities determined for such
13 period, increased by 0.1 percentage point.

14 “(B) RECOVERY OF REDUCED PAYMENT
15 FROM PRESCRIPTION DRUG PLANS.—The Sec-
16 retary shall provide for recovery of payment re-
17 ductions made under subparagraph (A) from
18 those prescription drug plans under part D of
19 title XVIII or MA–PD plans under part C of
20 such title that would otherwise be responsible
21 for the expenditures described in subparagraph
22 (A)(i). Any such amounts recovered shall be de-
23 posited into the Medicare Prescription Drug Ac-

1 count in the Federal Supplementary Medical
2 Insurance Trust Fund.”.

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