

109TH CONGRESS  
1ST SESSION

# S. 635

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 SENATE OF THE UNITED STATES

MARCH 16, 2005

Mr. SANTORUM (for himself, Mr. CONRAD, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Finance

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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.—Not later than January 1, 2007, the Secretary of  
11 Health and Human Services shall—

12 (1) review the surgical procedures specified  
13 under section 1833(i)(1) of the Social Security Act

1 (42 U.S.C. 1395l(i)(1)) and evaluate whether to in-  
2 clude in such procedures the full range of dialysis  
3 access procedures, including all reasonable and nec-  
4 essary intervention procedures for the repair and  
5 maintenance of an individual's dialysis access, such  
6 as the placement, insertion, and maintenance serv-  
7 ices related to fistulas, synthetic grafts, tunnel cath-  
8 eters, and peritoneal dialysis catheters; and

9 (2) revise such units to reflect the findings of  
10 the evaluation.

11 (b) REVISION OF RBRVS TO REFLECT THE DIF-  
12 FICULTY OF VASCULAR ACCESS PROCEDURES.—Not later  
13 than January 1, 2007, the Secretary of Health and  
14 Human Services shall—

15 (1) review the relative value units determined  
16 under section 1848(c)(2) of the Social Security Act  
17 (42 U.S.C. 1395w-4(c)(2)) that are applicable with  
18 respect to physicians' services for vascular access  
19 procedures; and

20 (2) revise such units to accurately reflect the  
21 difficulty of such procedures.

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

24 (a) ESTABLISHMENT.—Subject to the succeeding  
25 provisions of this section, the Secretary of Health and

1 Human Services (in this section referred to as the “Sec-  
2 retary”) shall establish demonstration projects under  
3 which the Secretary shall evaluate methods that improve  
4 the quality of care provided to medicare beneficiaries with  
5 end-stage renal disease.

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

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

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

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

1 (A) reflect the interactions of payments  
2 under parts A and B of title XVIII of the So-  
3 cial Security Act; and

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

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

11 (d) EVALUATION AND REPORT.—

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

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

22 (e) WAIVER AUTHORITY.—The Secretary shall waive  
23 compliance with the requirements of title XVIII of the So-  
24 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 (f) 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 such sums as may  
 11 be necessary to carry out this section.

12 **SEC. 103. REQUIRED TRAINING FOR PATIENT CARE DIALY-**  
 13 **SIS TECHNICIANS.**

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

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

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

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

3           “(C) is competent to provide dialysis-related  
4           services.

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

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

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

24          “(5) A provider of services or a renal dialysis facility  
25          shall provide such regular performance review and regular

1 in-service education as assures that individuals serving as  
 2 patient care dialysis technicians for the provider or facility  
 3 are competent to perform dialysis-related services.”.

4 **TITLE II—ENSURING QUALITY**  
 5 **THROUGH IMPROVEMENTS IN**  
 6 **THE ESRD PAYMENT SYSTEM**

7 **SEC. 201. ESTABLISHMENT OF ANNUAL UPDATE FRAME-**  
 8 **WORK FOR THE MEDICARE ESRD COMPOSITE**  
 9 **RATE.**

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

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

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

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

23 “(II) converting the amount determined in  
 24 subclause (I) to an increase applicable to the

1           basic case-mix adjusted payment amounts es-  
2           tablished under such subparagraph; and

3           “(ii) with respect to the composite rate compo-  
4           nent of the basic case-mix adjusted system described  
5           in subparagraph (B)(i), for dialysis services fur-  
6           nished—

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

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

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

1 (b) ESRD MARKET BASKET PERCENTAGE INCREASE  
2 DEFINED.—Section 1881(b) of the Social Security Act  
3 (42 U.S.C. 1395rr(b)) is amended by adding at the end  
4 the following new paragraph:

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

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

17 (ii) the cost of such mix of goods and services  
18 for the preceding calendar year.

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

24 (i) the adoption of scientific and technological  
25 innovations used to provide dialysis services;

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

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

5           “(iv) any other relevant factor.

6           “(C) The Secretary shall annually review and update  
7           the items and services included in the mix of goods and  
8           services used to determine the percentage under subpara-  
9           graph (A).

10          “(D) The costs described in this subparagraph in-  
11          clude—

12           “(i) labor costs, including direct patient care  
13           costs and administrative labor costs, vacation and  
14           holiday pay, payroll taxes, and employee benefits;

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

17           “(iii) overhead costs, including medical director  
18           fees, temporary services, general and administrative  
19           costs, interest expenses, and bad debt;

20           “(iv) capital costs, including rent, real estate  
21           taxes, depreciation, utilities, repairs, and mainte-  
22           nance; and

23           “(v) such other allowable costs as the Secretary  
24           may specify.”.

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

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

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

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

14 **SEC. 203. GAO STUDY AND REPORT ON IMPACT OF G-**  
15 **CODES.**

16 (a) STUDY.—The Comptroller General of the United  
17 States shall conduct a study on the impact of the tem-  
18 porary codes for nephrologists’ services applicable under  
19 the fee schedule for physicians’ services under section  
20 1848 of the Social Security Act (42 U.S.C. 1395w-4)  
21 (commonly known as “G-codes”).

22 (b) REPORT.—Not later than the date that is 6  
23 months after the date of enactment of this Act, the Comp-  
24 troller General shall submit to Congress a report on the  
25 study conducted under subsection (a) together with rec-

1 ommendations for such legislation and administrative ac-  
2 tion as the Comptroller General determines appropriate.

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

7 **SEC. 301. SUPPORT OF PUBLIC AND PATIENT EDUCATION**  
8 **INITIATIVES REGARDING KIDNEY DISEASE.**

9 (a) CHRONIC KIDNEY DISEASE DEMONSTRATION  
10 PROJECTS.—

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

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

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

22 (2) SCOPE AND DURATION.—

23 (A) SCOPE.—The Secretary shall select at  
24 least 3 States in which to conduct demonstra-  
25 tion projects under this subsection. In selecting

1 the States under this subparagraph, the Sec-  
2 retary shall take into account the size of the  
3 population of medicare beneficiaries with end-  
4 stage renal disease and ensure the participation  
5 of individuals who reside in rural and urban  
6 areas.

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

11 (3) EVALUATION AND REPORT.—

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

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

23 (4) AUTHORIZATION OF APPROPRIATIONS.—

24 There are authorized to be appropriated to carry out

1 this subsection \$2,000,000 for each of fiscal years  
2 2007 through 2011.

3 (b) ESRD SELF-MANAGEMENT DEMONSTRATION  
4 PROJECTS.—

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

9 (2) SCOPE AND DURATION.—

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

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

23 (3) EVALUATION AND REPORT.—

1 (A) EVALUATION.—The Secretary shall  
2 conduct an evaluation of the demonstration  
3 projects conducted under this subsection.

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

12 (4) AUTHORIZATION OF APPROPRIATIONS.—  
13 There are authorized to be appropriated to carry out  
14 this subsection \$2,000,000 for each of fiscal years  
15 2007 through 2011.

16 **SEC. 302. MEDICARE COVERAGE OF KIDNEY DISEASE PA-**  
17 **TIENT EDUCATION SERVICES.**

18 (a) COVERAGE OF KIDNEY DISEASE EDUCATION  
19 SERVICES.—

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

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

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

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

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

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

11 “Kidney Disease Education Services

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

14 “(A) furnished to an individual with kidney dis-  
15 ease who, according to accepted clinical guidelines  
16 identified by the Secretary, will require dialysis or a  
17 kidney transplant;

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

21 “(C) designed—

22 “(i) to provide comprehensive information  
23 regarding—

24 “(I) the management of comorbidities;

1           “(II) the prevention of uremic com-  
2           plications; and

3           “(III) each option for renal replace-  
4           ment therapy (including home and in-cen-  
5           ter as well as vascular access options and  
6           transplantation); and

7           “(ii) to ensure that the individual has the  
8           opportunity to actively participate in the choice  
9           of therapy.

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

11           “(A) a physician (as described in subsection  
12           (r)(1));

13           “(B) an individual who—

14               “(i) is—

15                   “(I) a registered nurse;

16                   “(II) a registered dietitian or nutri-  
17                   tion professional (as defined in subsection  
18                   (vv)(2));

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

21                   “(IV) a physician assistant, nurse  
22                   practitioner, or clinical nurse specialist (as  
23                   those terms are defined in subsection  
24                   (aa)(5)); or

25                   “(V) a transplant coordinator; and

1           “(ii) meets such requirements related to  
2           experience and other qualifications that the  
3           Secretary finds necessary and appropriate for  
4           furnishing the services described in paragraph  
5           (1); or

6           “(C) a renal dialysis facility subject to the re-  
7           quirements of section 1881(b)(1) with personnel  
8           who—

9           “(i) provide the services described in para-  
10          graph (1); and

11          “(ii) meet the requirements of subpara-  
12          graph (A) or (B).

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

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

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

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

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

12               (4) PAYMENT TO RENAL DIALYSIS FACILI-  
13 TIES.—Section 1881(b) of the Social Security Act  
14 (42 U.S.C. 1395rr(b)), as amended by section  
15 201(b), is amended by adding at the end the fol-  
16 lowing new paragraph:

17       “(15) For purposes of paragraph (12), the single  
18 composite weighted formulas determined under such para-  
19 graph shall not take into account the amount of payment  
20 for kidney disease education services (as defined in section  
21 1861(bbb)). Instead, payment for such services shall be  
22 made to the renal dialysis facility on an assignment-re-  
23 lated basis under section 1848.”.

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

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

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

8           (C) by adding at the end the following new  
9       subparagraph:

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

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

1 intent that resulted in the enactment of that sub-  
2 section.

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

6 **SEC. 303. BLOOD FLOW MONITORING DEMONSTRATION**  
7 **PROJECTS.**

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

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

17 (c) EVALUATION AND REPORT.—

18 (1) EVALUATION.—The Secretary shall conduct  
19 an evaluation of the demonstration projects con-  
20 ducted under this section.

21 (2) REPORT.—Not later than 6 months after  
22 the date on which the demonstration projects under  
23 this section are completed, the Secretary shall sub-  
24 mit to Congress a report on the evaluation con-  
25 ducted under paragraph (1) together with rec-

1 ommendations for such legislation and administra-  
 2 tive action as the Secretary determines appropriate.

3 (d) WAIVER AUTHORITY.—The Secretary shall waive  
 4 compliance with the requirements of title XVIII of the So-  
 5 cial Security Act (42 U.S.C. 1395 et seq.) to such extent  
 6 and for such period as the Secretary determines is nec-  
 7 essary to conduct the demonstration projects.

8 (e) AUTHORIZATION OF APPROPRIATIONS.—

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

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

18 **TITLE IV—IMPROVING QUALITY**  
 19 **THROUGH IMPROVED COV-**  
 20 **ERAGE**

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

22 (a) IN GENERAL.—The Secretary of Health and  
 23 Human Services (in this section referred to as the “Sec-  
 24 retary”) shall provide appropriate incentives to improve  
 25 the home dialysis benefit for individuals on behalf of whom

1 payment may be made under section 1881 of the Social  
2 Security Act (42 U.S.C. 1395rr).

3 (b) CONSIDERATIONS.—In developing the incentives  
4 under subsection (a), the Secretary shall consider revising  
5 the fee schedule for physicians' services under section  
6 1848 of the Social Security Act (42 U.S.C. 1395w-4) so  
7 that the amount paid for services related to end-stage  
8 renal disease furnished to home dialysis patients is equal  
9 to the amount paid for services related to end-stage renal  
10 disease furnished to other patients with 4 or more face-  
11 to-face physician visits per month.

12 **SEC. 402. INSTITUTE OF MEDICINE EVALUATION AND RE-**  
13 **PORT ON HOME DIALYSIS.**

14 (a) EVALUATION.—

15 (1) IN GENERAL.—Not later than the date that  
16 is 2 months after the date of enactment of this Act,  
17 the Secretary of Health and Human Services (in this  
18 section referred to as the “Secretary”) shall enter  
19 into an arrangement under which the Institute of  
20 Medicine of the National Academy of Sciences (in  
21 this section referred to as the “Institute”) shall con-  
22 duct an evaluation of the barriers that exist to in-  
23 creasing the number of individuals with end-stage  
24 renal disease who elect to receive home dialysis serv-

1 ices under the medicare program under title XVIII  
2 of the Social Security Act (42 U.S.C. 1395 et seq.).

3 (2) SPECIFIC MATTERS EVALUATED.—In con-  
4 ducting the evaluation under paragraph (1), the In-  
5 stitute shall—

6 (A) compare current medicare home dialy-  
7 sis costs and payments with current in-center  
8 and hospital dialysis costs and payments;

9 (B) catalogue and evaluate the incentives  
10 and disincentives in the current reimbursement  
11 system that influence whether patients receive  
12 home dialysis services;

13 (C) evaluate patient education services and  
14 how such services impact the treatment choices  
15 made by patients; and

16 (D) consider such other matters as the In-  
17 stitute determines appropriate.

18 (3) SCOPE OF REVIEW.—The Institute shall  
19 consider a variety of perspectives, including the per-  
20 spectives of physicians, other health care profes-  
21 sionals, hospitals, dialysis facilities, health plans,  
22 purchasers, and patients.

23 (b) REPORT.—Not later than the date that is 18  
24 months after the date of enactment of this Act, the Insti-  
25 tute shall submit to the Secretary and appropriate com-

1 mittees of Congress a report on the evaluation conducted  
2 under subsection (a)(1) describing the findings of such  
3 evaluation and recommendations for implementing incen-  
4 tives to encourage patients to elect to receive home dialysis  
5 services under the medicare program.

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

10 **SEC. 403. END-STAGE RENAL DISEASE (ESRD) ADVISORY**  
11 **COMMITTEE.**

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

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

1 munity, the dialysis provider community, and health eco-  
2 nomics.

3 (c) PURPOSE OF THE COMMITTEE.—

4 (1) DUTIES.—The Committee shall provide a  
5 forum for expert discussion and deliberation and the  
6 formulation of advice and recommendations to the  
7 Secretary about medicare coverage for End-Stage  
8 Renal Disease patients, as described under section  
9 1881 of the Social Security Act (42 U.S.C. 1395rr).

10 (2) REPORT.—The Committee shall provide the  
11 Secretary with periodic reports that summarize the  
12 Committee's activities and its recommendations for  
13 such legislation and administrative action as it con-  
14 siderers appropriate.

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

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