

can be tens of thousands of dollars, which is where long-term care facilities, nursing home coverage for private-pay patients, out-of-pocket patients, exist today.

This bill at least gives patients the opportunity to challenge that decision. But the fact of the matter is, what we need to do is to restore the 3-day rule, which is in statute. It has been there since 1965. Observation status is something new within the last 10 years, and what we need to do as a Congress is to restore that 3-day rule, which says to a patient: If you are coded observation or if you are coded inpatient, it should not interfere with your medically prescribed course of treatment at the time that you are discharged from the hospital.

That, unfortunately, is not going to be fixed as a result of this legislation. We should build on this legislation and again restore Medicare's promise, which, again, from day one, has said that medically prescribed care will be covered by the system at time of discharge from a hospital for longer than 3 days.

The horror stories of people who in some instances were in hospital for 9 days with broken bones, broken hips, who, again, are staring at a 10 to \$15,000 fee to be admitted to a nursing home—again, 600,000 cases in 2012.

So again, we need to build on this legislation, but fundamentally, we need to restore the 3-day rule which has been in statute since 1965. We will be introducing that legislation later this week. It will be a bipartisan bill. We think we can withstand the test of any pay-fors to make sure that it allows the Medicare system's finances to stay in a stable condition. In the meantime, we should pass this legislation today.

Again, I want to salute the Member from Texas for his leadership on this issue.

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Mr. DOGGETT. Mr. Speaker, I concur with the gentleman from Connecticut.

I yield back the balance of my time.
Mr. RYAN of Wisconsin. I agree, Mr. Speaker.

I yield back the balance of my time.
The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the bill, H.R. 876, as amended. The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. RYAN of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

MEDICARE DMEPOS COMPETITIVE BIDDING IMPROVEMENT ACT OF 2015

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass

the bill (H.R. 284) to amend title XVIII of the Social Security Act to require State licensure and bid surety bonds for entities submitting bids under the Medicare durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) competitive acquisition program, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare DMEPOS Competitive Bidding Improvement Act of 2015".

SEC. 2. REQUIRING BID SURETY BONDS AND STATE LICENSURE FOR ENTITIES SUBMITTING BIDS UNDER THE MEDICARE DMEPOS COMPETITIVE ACQUISITION PROGRAM.

(a) BID SURETY BONDS.—Section 1847(a)(1) of the Social Security Act (42 U.S.C. 1395w-3(a)(1)) is amended by adding at the end the following new subparagraphs:

“(G) REQUIRING BID BONDS FOR BIDDING ENTITIES.—With respect to rounds of competitions beginning under this subsection for contracts beginning not earlier than January 1, 2017, and not later than January 1, 2019, an entity may not submit a bid for a competitive acquisition area unless, as of the deadline for bid submission, the entity has obtained (and provided the Secretary with proof of having obtained) a bid surety bond (in this paragraph referred to as a ‘bid bond’) in a form specified by the Secretary consistent with subparagraph (H) and in an amount that is not less than \$50,000 and not more than \$100,000 for each competitive acquisition area in which the entity submits the bid.

“(H) TREATMENT OF BID BONDS SUBMITTED.—

“(i) FOR BIDDERS THAT SUBMIT BIDS AT OR BELOW THE MEDIAN AND ARE OFFERED BUT DO NOT ACCEPT THE CONTRACT.—In the case of a bidding entity that is offered a contract for any product category for a competitive acquisition area, if—

“(I) the entity's composite bid for such product category and area was at or below the median composite bid rate for all bidding entities included in the calculation of the single payment amounts for such product category and area; and

“(II) the entity does not accept the contract offered for such product category and area,

the bid bond submitted by such entity for such area shall be forfeited by the entity and the Secretary shall collect on it.

“(ii) TREATMENT OF OTHER BIDDERS.—In the case of a bidding entity for any product category for a competitive acquisition area, if the entity does not meet the bid forfeiture conditions in subclauses (I) and (II) of clause (i) for any product category for such area, the bid bond submitted by such entity for such area shall be returned within 90 days of the public announcement of the contract suppliers for such area.”.

(b) STATE LICENSURE.—

(1) IN GENERAL.—Section 1847(b)(2)(A) of the Social Security Act (42 U.S.C. 1395w-3(b)(2)(A)) is amended by adding at the end the following new clause:

“(v) The entity meets applicable State licensure requirements.”.

(2) CONSTRUCTION.—Nothing in the amendment made by paragraph (1) shall be construed as affecting the authority of the Secretary of Health and Human Services to require State licensure of an entity under the

Medicare competitive acquisition program under section 1847 of the Social Security Act (42 U.S.C. 1395w-3) before the date of the enactment of this Act.

(c) GAO REPORT ON BID BOND IMPACT ON SMALL SUPPLIERS.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study that evaluates the effect of the bid surety bond requirement under the amendment made by subsection (a) on the participation of small suppliers in the Medicare DMEPOS competitive acquisition program under section 1847 of the Social Security Act (42 U.S.C. 1395w-3).

(2) REPORT.—Not later than 6 months after the date contracts are first awarded subject to such bid surety bond requirement, the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1). Such report shall include recommendations for changes in such requirement in order to ensure robust participation by legitimate small suppliers in the Medicare DMEPOS competition acquisition program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from California (Ms. LINDA T. SÁNCHEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 284, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

I simply want to, again, commend our committee, Republicans and Democrats, for working on a bipartisan basis to fix a problem in the Medicare Program that needs fixing.

I want to specifically highlight Mr. TIBERI, a senior member of our committee from Ohio, along with Mr. LARSON, a senior member of the committee from the Democratic side of the aisle, for working together to fix a very deep flaw in a competitive bidding system which needs a lot of work to be improved.

At this time, I yield such time as he may consume to the gentleman from Ohio (Mr. TIBERI) for the purpose of describing and explaining the need for this legislation.

Mr. TIBERI. Thank you, Mr. Chairman, for your support of H.R. 284, the Medicare Competitive Bidding Improvement Act which, as you said, I introduced with my friend and colleague from Connecticut, Mr. JOHN LARSON.

The bill does fix a fundamental flaw in the Medicare durable medical equipment Competitive Bidding Program by simply requiring that bids be binding. It will promote fairer competition. More importantly, it protects our seniors and supports small businesses.

DME includes items like home oxygen, blood sugar monitors, and walkers for seniors. The Competitive Bidding Program was intended to reduce out-of-pocket costs for these seniors.

However, over the last several years, it has become very clear, Mr. Speaker, that the bidding process is extremely flawed, in large part because the bids are not binding. This encourages low-ball bidding—or suicide bidding—which artificially drives down prices and will eventually lead to market failure because there is no performance on many of these bids, meaning seniors don't get their equipment.

I have heard from seniors, beneficiaries, and small business suppliers in my State of Ohio that the program is impeding access to needed items for seniors, like the ones I just described, ultimately harming their health and making costs more expensive for our seniors and the program itself. This is absolutely unacceptable.

The goal of the bill is to reduce the number of bad actors who are now participating in the program by simply imposing a penalty if the supplier who wins the bid doesn't accept the contract to the bid they won.

The bill will help ensure that these suppliers submit bids in good faith, creating more certainty for those suppliers, and, most importantly, making sure that seniors get the supplies and the equipment that they need and qualify for, increasing access to more quality products and services at the end of the process.

If this bill is signed into law, seniors across the country will no longer have to worry about whether the company in their area will provide the information and, more importantly, the equipment to which they bid on and actually be able to provide that wheelchair, walker, or oxygen tank that that senior so desperately needs.

As the chairman of the Ways and Means Committee mentioned, the bill has bipartisan support. It is a commonsense bill that actually passed the Ways and Means Committee unanimously. It was scored by the Congressional Budget Office to actually save taxpayer dollars over the next 10 years.

I encourage my colleagues to support the bill, and I thank Mr. LARSON for his partnership.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I yield myself such time as I may consume.

I know that this legislation has been in the works by Representatives TIBERI and my good friend Mr. LARSON from the State of Connecticut. Unfortunately, he could not be here to speak on his own bill due to unforeseen circumstances, so I am but a poor fill-in for Mr. LARSON.

The bill is a commonsense bill that will save a lot of money. The durable medical equipment Competitive Bidding Program has reduced well-documented overpayments to DME providers.

It is estimated that it would result in \$42 billion in savings over a 10-year pe-

riod, with \$26 billion in savings for the Federal Government and more than \$17 billion in out-of-pocket savings for beneficiaries themselves.

This legislation, as I mentioned, was introduced in the Ways and Means Committee by Representatives TIBERI and LARSON. What they are essentially trying to get at is the issue of low-ball bidders, and what this legislation would do is require bonds for companies who wish to participate in the program.

The Ways and Means Committee did pass this bill out of the committee on a unanimous voice vote, and I, as well, support its passage. I urge my colleagues to support H.R. 284 as a commonsense solution that will save money in the long run.

I yield back the balance of my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself the balance of my time to say the gentlewoman understates the point. She is a perfectly fine fill-in for Mr. LARSON.

I congratulate my colleagues on the committee for seeing a problem and rushing to fix this problem. This is what we are supposed to do here.

We are legislating a solution to make sure that senior citizens have access to the highest quality, lowest price durable medical equipment. There is a flaw in the law in how that is being done, and this bill rectifies that.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the bill, H.R. 284, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROTECTING VOLUNTEER FIRE-FIGHTERS AND EMERGENCY RESPONDERS ACT

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1191) to amend the Internal Revenue Code of 1986 to ensure that emergency services volunteers are not taken into account as employees under the shared responsibility requirements contained in the Patient Protection and Affordable Care Act, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1191

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Protecting Volunteer Firefighters and Emergency Responders Act".

SEC. 2. EMERGENCY SERVICES, GOVERNMENT, AND CERTAIN NONPROFIT VOLUNTEERS.

(a) IN GENERAL.—Section 4980H(c) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (5), (6), and (7) as

paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) SPECIAL RULES FOR CERTAIN EMERGENCY SERVICES, GOVERNMENT, AND NONPROFIT VOLUNTEERS.—

"(A) EMERGENCY SERVICES VOLUNTEERS.—Qualified services rendered as a bona fide volunteer to an eligible employer shall not be taken into account under this section as service provided by an employee. For purposes of the preceding sentence, the terms 'qualified services', 'bona fide volunteer', and 'eligible employer' shall have the respective meanings given such terms under section 457(e).

"(B) CERTAIN OTHER GOVERNMENT AND NON-PROFIT VOLUNTEERS.—

"(i) IN GENERAL.—Services rendered as a bona fide volunteer to a specified employer shall not be taken into account under this section as service provided by an employee.

"(ii) BONA FIDE VOLUNTEER.—For purposes of this subparagraph, the term 'bona fide volunteer' means an employee of a specified employer whose only compensation from such employer is in the form of—

"(I) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or

"(II) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers.

"(iii) SPECIFIED EMPLOYER.—For purposes of this subparagraph, the term 'specified employer' means—

"(I) any government entity, and

"(II) any organization described in section 501(c) and exempt from tax under section 501(a).

"(iv) COORDINATION WITH SUBPARAGRAPH (A).—This subparagraph shall not fail to apply with respect to services merely because such services are qualified services (as defined in section 457(e)(11)(C))."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentlewoman from California (Ms. LINDA T. SÁNCHEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin.

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1191, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

This is a very commonsense bill aimed at protecting our volunteer firefighters across America. I want to congratulate the gentleman from Pennsylvania (Mr. BARLETTA) for bringing this issue to our attention. It is something that he, as a former mayor, is very familiar with.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. BARLETTA) for the purposes of explaining his bill.