

BENEFICIARY ENROLLMENT NOTIFICATION AND
ELIGIBILITY SIMPLIFICATION ACT OF 2020

DECEMBER 8, 2020.—Ordered to be printed

Mr. PALLONE, from the Committee on Energy and Commerce,
submitted the following

R E P O R T

[To accompany H.R. 2477]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 2477) to amend title XVIII of the Social Security Act to establish a system to notify individuals approaching Medicare eligibility, to simplify and modernize the eligibility enrollment process, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Beneficiary Enrollment Notification and Eligibility Simplification Act of 2020” or the “BENES Act of 2020”.

SEC. 2. BENEFICIARY ENROLLMENT NOTIFICATION AND ELIGIBILITY SIMPLIFICATION.**(a) ELIGIBILITY AND ENROLLMENT NOTICES.—**

(1) AS PART OF SOCIAL SECURITY ACCOUNT STATEMENT FOR INDIVIDUALS ATTAINING AGES 63 TO 65.—Section 1143(a) of the Social Security Act (42 U.S.C. 1320b–13(a)) is amended by adding at the end the following new paragraph:

“(4) MEDICARE ELIGIBILITY INFORMATION.—

“(A) IN GENERAL.—In the case of statements provided on or after the date that is 2 years after the date of the enactment of this paragraph to individuals who are attaining ages 63, 64, and 65, the statement shall also include a notice containing the information described in subparagraph (B).

“(B) CONTENTS OF NOTICE.—The notice required under subparagraph (A) shall include a clear, simple explanation of—

“(i) eligibility for benefits under the Medicare program under title XVIII, and in particular benefits under parts B and C of such title;

“(ii) the reasons a late enrollment penalty for failure to timely enroll could be assessed and how such late enrollment penalty is calculated, in particular for benefits under such part B;

“(iii) the availability of relief from such late enrollment penalty and retroactive enrollment under section 1837(h) (including as such section is applied under sections 1818(c) and 1818A(c)(3)), with examples of circumstances under which such relief may be granted and examples of circumstances under which such relief would not be granted;

“(iv) coordination of benefits (including primary and secondary coverage scenarios) pursuant to section 1862(b), in particular for benefits under such part B;

“(v) enrollment, eligibility, and coordination of benefits under title XVIII with respect to populations, for whom there are special considerations, such as residents of Puerto Rico and veterans; and

“(vi) available unbiased online resources for additional information on eligibility for benefits under the Medicare program under title XVIII, including under part C of such title.

“(C) DEVELOPMENT OF NOTICE.—

“(i) IN GENERAL.—The Secretary, in coordination with the Commissioner of Social Security, and taking into consideration information collected pursuant to clause (ii), shall, not later than 12 months after the last day of the period for the request of information described in clause (ii), develop the notice to be provided pursuant to subparagraph (A).

“(ii) REQUEST FOR INFORMATION.—Not later than 6 months after the date of the enactment of this paragraph, the Secretary shall request written information, including recommendations, from stakeholders (including the groups described in subparagraph (D)) on the information to be included in the notice.

“(iii) NOTICE IMPROVEMENT.—Beginning 4 years after the date of the enactment of this paragraph, and not less than once every 2 years thereafter, the Secretary, in coordination with the Commissioner of Social Security, shall—

“(I) review the content of the notice to be provided under subparagraph (A);

“(II) request written information, including recommendations on the notice through a request for information process as described in clause (ii); and

“(III) update and revise such notice as the Secretary deems appropriate.

“(D) GROUPS.—For purposes of subparagraph (C)(ii), the groups described in this subparagraph include the following:

“(i) Individuals who are 60 years of age or older.

“(ii) Veterans.

“(iii) Individuals with disabilities.

“(iv) Individuals with end stage renal disease.

“(v) Low-income individuals and families.

“(vi) Employers (including human resources professionals).

“(vii) States (including representatives of State-run Health Insurance Exchanges, Medicaid offices, and Departments of Insurance).

“(viii) State Health Insurance Assistance Programs.

“(ix) Health insurers.

“(x) Health insurance agents and brokers.

“(xi) Such other groups as specified by the Secretary.

“(E) POSTING OF NOTICE ON WEBSITES.—The Commissioner of Social Security and the Secretary shall post the notice required under subparagraph (A) in a prominent location on their respective Department Internet websites.

“(F) NO EFFECT ON OBLIGATION TO MAIL STATEMENTS.—Nothing in this paragraph shall be construed to relieve the Commissioner of Social Security from any requirement under subsection (c), including the requirement to mail a statement on an annual basis to each eligible individual who is not receiving benefits under title II and for whom a mailing address can be determined through such methods as the Commissioner determines to be appropriate.”

(2) INDIVIDUALS IN MEDICARE WAITING PERIOD.—Title XI of the Social Security Act is amended by inserting after section 1144 the following new section:

“MEDICARE ENROLLMENT NOTIFICATION AND ELIGIBILITY NOTICES FOR INDIVIDUALS IN
MEDICARE WAITING PERIOD

“SEC. 1144A. (a) NOTICES.—

“(1) IN GENERAL.—The Commissioner of Social Security shall distribute the notice to be provided pursuant to section 1143(a)(4), as may be modified under paragraph (2), to individuals in the 24-month waiting period under section 226(b) of this Act.

“(2) AUTHORITY TO MODIFY NOTICE.—The Secretary, in coordination with the Commissioner of Social Security, may modify the notice to be distributed under paragraph (1) as necessary to take into account the individuals described in such paragraph.

“(3) POSTING OF NOTICE ON WEBSITES.—The Commissioner of Social Security and the Secretary shall post the notice required under paragraph (1) in a prominent location on their respective Department Internet websites.

“(b) TIMING.—Beginning 2 years after the date of the enactment of this section, a notice required under subsection (a)(1) shall be mailed to an individual not fewer than 2 times in accordance with the following:

“(1) The notice shall be provided to such individual not later than 3 months prior to the date on which such individual’s enrollment period begins as provided under section 1837.

“(2) The notice shall subsequently be provided to such individual not later than 1 month prior to such date.”

(b) BENEFICIARY ENROLLMENT SIMPLIFICATION.—

(1) EFFECTIVE DATE OF COVERAGE.—Section 1838(a) of the Social Security Act (42 U.S.C. 1395q(a)) is amended—

(A) by amending paragraph (2) to read as follows:

“(2)(A) in the case of an individual who enrolls pursuant to subsection (d) of section 1837 before the month in which he first satisfies paragraph (1) or (2) of section 1836, the first day of such month,

“(B) in the case of an individual who first satisfies such paragraph in a month beginning before January 2023 and who enrolls pursuant to such subsection (d)—

“(i) in such month in which he first satisfies such paragraph, the first day of the month following the month in which he so enrolls,

“(ii) in the month following such month in which he first satisfies such paragraph, the first day of the second month following the month in which he so enrolls, or

“(iii) more than one month following such month in which he satisfies such paragraph, the first day of the third month following the month in which he so enrolls,

“(C) in the case of an individual who first satisfies such paragraph in a month beginning on or after January 1, 2023, and who enrolls pursuant to such subsection (d) in such month in which he first satisfies such paragraph or in any subsequent month of his initial enrollment period, the first day of the month following the month in which he so enrolls, or

“(D) in the case of an individual who enrolls pursuant to subsection (e) of section 1837 in a month beginning—

“(i) before January 1, 2023, the July 1 following the month in which he so enrolls; or

“(ii) on or after January 1, 2023, the first day of the month following the month in which he so enrolls; or”; and

(B) by amending paragraph (3) to read as follows:

“(3) in the case of an individual who is deemed to have enrolled—

“(A) on or before the last day of the third month of his initial enrollment period, the first day of the month in which he first meets the applicable requirements of section 1836 or July 1, 1973, whichever is later, or

“(B) on or after the first day of the fourth month of his initial enrollment period, and where such month begins—

“(i) before January 1, 2023, as prescribed under subparagraphs (B)(i), (B)(ii), (B)(iii), and (D)(i) of paragraph (2), or

“(ii) on or after January 1, 2023, as prescribed under subparagraphs (C) and (D)(ii) of paragraph (2).”.

(2) SPECIAL ENROLLMENT PERIODS FOR EXCEPTIONAL CIRCUMSTANCES.—

(A) ENROLLMENT.—Section 1837 of the Social Security Act (42 U.S.C. 1395p) is amended by adding at the end the following new subsection:

“(m) Beginning January 1, 2023, the Secretary may establish special enrollment periods in the case of individuals who satisfy paragraph (1) or (2) of section 1836 and meet such exceptional conditions as the Secretary may provide, such as individuals who reside in an area with an emergency or disaster as determined by the Secretary.”.

(B) COVERAGE PERIOD.—Section 1838 of the Social Security Act (42 U.S.C. 1395q) is amended by adding at the end the following new subsection:

“(g) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(m), the coverage period shall begin on a date the Secretary provides in a manner consistent (to the extent practicable) with protecting continuity of health benefit coverage.”.

(C) CONFORMING AMENDMENT.—Section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)) is amended, in the first sentence, by striking “or (l)” and inserting “, (l), or (m)”.

(3) TECHNICAL CORRECTION.—Section 1839(b) of the Social Security Act (42 U.S.C. 1395r(b)) is amended by adding at the end the following new sentence: “For purposes of determining any increase under this subsection for individuals whose enrollment occurs on or after January 1, 2023, the second sentence of this subsection shall be applied by substituting ‘close of the month’ for ‘close of the enrollment period’ each place it appears.”.

(4) REPORT.—Not later than January 1, 2023, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means and Committee on Energy and Commerce of the House of Representatives and the Committee on Finance and Special Committee on Aging of the Senate a report on how to align existing Medicare enrollment periods under title XVIII of the Social Security Act, including the general enrollment period under part B of such title and the annual, coordinated election period under the Medicare Advantage program under part C of such title and under the prescription drug program under part D of such title. Such report shall include recommendations consistent with the goals of maximizing coverage continuity and choice and easing beneficiary transition.

I. PURPOSE AND SUMMARY

H.R. 2477, the “Beneficiary Enrollment Notification and Eligibility Simplification Act of 2020”, or the “BENES Act of 2020”, introduced by Representative Raul Ruiz (D-CA), would improve beneficiary outreach and education, reduce gaps in coverage and simplify the Medicare part B enrollment process. Specifically, the BENES Act of 2020 would require the Federal Government to send advance notices about the enrollment process to individuals between the ages of 63 and 65, who are approaching Medicare eligibility. It would require that part B coverage begin during the first month after the month an individual enrolls through either the initial enrollment period or general enrollment period. The bill would require the Secretary of the Department of Health and Human Services (HHS) to submit a report to Congress on how to align most effectively the part B general enrollment period with the coordinated election period for Medicare Advantage and part D. It would also allow for the Secretary to establish a special enrollment period for part B coverage for individuals experiencing exceptional circumstances such as residing in an emergency or disaster area.

II. BACKGROUND AND NEED FOR THE LEGISLATION

Individuals eligible to enroll in Medicare part A also have the option to enroll in Medicare part B, which generally covers physician and outpatient services while part A covers hospital and inpatient services. Those individuals under age 65 who are receiving or have applied for Social Security benefits or who have received Social Security Disability Insurance (SSDI) for at least 24 months are automatically enrolled in Medicare part A and part B when they turn 65.¹

Those who are not automatically enrolled in Medicare at age 65 must elect to enroll. Most individuals are eligible for premium-free part A and therefore may elect to enroll in part A at any point after they become Medicare eligible without facing a late enrollment penalty. However, individuals choosing to enroll in premium part A or part B must enroll during either their initial enrollment period (IEP), the general enrollment period (GEP), or a special enrollment period (SEP) and may be subject to a late enrollment penalty (LEP).

An individual's part B initial enrollment period lasts a total of 7 months and includes the three months before the individual turns 65, the month the individual turns 65, and the three months after the individual turns 65. The date Medicare coverage begins is dependent on the date during the IEP that the individual enrolls. If a person enrolls during the first three months of the IEP, their coverage will begin the first day of the month they turn 65. If they enroll during the last four months of the IEP the start of their coverage would be delayed for one to three months after the date they enroll.²

Beneficiaries who elect not to enroll in part B during their initial enrollment period may be required to pay a lifetime late enrollment penalty if they choose to enroll in part B at a later date. The LEP could amount to as much as a 10 percent increase in the individual's monthly part B premium for each 12-month period wherein they did not enroll in part B coverage.³ In 2019, 764,000, or 1.4 percent of, part B enrollees paid the late enrollment penalty.⁴ As a result, their premiums were 28 percent higher, on average, than they would have been without the penalty.⁵

Outside of the initial enrollment period, individuals may enroll in part B via the general enrollment period that occurs annually for three months (January 1 to March 31). Those who enroll at any point during the GEP would have their coverage begin on July 1 of that year. Individuals enrolling through the GEP would still be subject to the part B late enrollment penalty.

A special enrollment period exists for those who have been continuously receiving employer sponsored coverage from their or their

¹Congressional Research Service, *Medicare: Part B Premiums* (May 6, 2020) (crsreports.congress.gov/product/pdf/R/R40082); Medicare.gov, *How do I get Parts A&B?* (www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b) (accessed Sept. 8, 2020).

²Medicare.gov, *When will my coverage start?* (www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/when-will-my-coverage-start) (accessed Sept. 8, 2020).

³Medicare.gov, *Part B enrollment penalty* (www.medicare.gov/your-medicare-costs/part-b-costs/part-b-late-enrollment-penalty) (accessed Sept. 8, 2020).

⁴Congressional Research Service, *Medicare Part B: Enrollment and Premiums* (May 6, 2020) (crsreports.congress.gov/product/pdf/R/R40082).

⁵*Id.*

spouse's employer.⁶ This SEP begins once an individual becomes eligible for Medicare and ends eight months after their employer-sponsored coverage ends or employment ends, whichever is first. In order to be eligible for the SEP an individual must currently be enrolled or have been enrolled in qualifying employer coverage within the past eight months and have been continuously covered by their qualifying employer coverage or Medicare since they became Medicare eligible with no more than eight consecutive months of a lapse in coverage.⁷ Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage, retiree health coverage, Veterans Affairs (VA) coverage, and individual health coverage (such as through the Marketplaces) do not count as qualifying coverage. Individuals who enroll via this SEP are not subject to late enrollment penalties and would see their coverage begin either on the first day of the month they enroll or, by choice, on the first day of any of the following three months after they enroll.

A growing number of Americans are choosing to work later in life and delaying their Social Security benefits past age 65. In 2016, only 60 percent of Medicare eligible 65-year-olds were taking Social Security, compared to 92 percent in 2002.⁸ According to an analysis of data from the Census Bureau and Bureau of Labor Statistics, the percentage of retirement-age individuals in the workforce has doubled since 1985, from 10 percent to 20 percent in 2019.⁹ Older Americans who are still working may choose to stay on their employer's plan rather than sign up for Medicare.

Ongoing changes in Social Security eligibility have also contributed to this shift. Historically, the eligibility age for both Medicare and Social Security was 65 years old. In 1983, however, Congress passed legislation to gradually increase the age for full Social Security benefits to age 67 by the year 2027, with early retirement benefits still available at age 62.¹⁰ This growing disparity in the eligibility age for these two programs will increasingly lead to people becoming Medicare eligible prior to applying for Social Security.

Individuals who are not receiving Social Security benefits receive minimal notification from the Social Security Administration (SSA) or the Centers for Medicare and Medicaid Services (CMS) regarding enrollment. Currently, SSA mails personalized Social Security statements to workers aged 60 and over who have not elected to receive Social Security benefits. These statements are mailed three months prior to the individual's birthday and contain only limited information on Medicare enrollment.¹¹ For individuals who have applied for or are receiving Social Security benefits, SSA shares their information with CMS who in turn sends a "Welcome to

⁶ Social Security Administration, *How to Apply for Medicare Part B During Your Special Enrollment Period* (www.ssa.gov/pubs/EN-05-10012.pdf) (accessed Sept. 8, 2020).

⁷ Medicare Rights Center, *Enrolling in Medicare with job-based insurance* (www.medicareinteractive.org/get-answers/coordinating-medicare-with-other-types-of-insurance/job-based-insurance-and-medicare/enrolling-in-medicare-with-job-based-insurance) (accessed Sept. 8, 2020).

⁸ The Medicare Payment Advisory Commission, *Beneficiary enrollment in Medicare: Eligibility notification, enrollment process, and Part B late-enrollment penalties* (June 2019) (medpac.gov/docs/defaultsource/reports/jun19_ch1_medpac_reporttocongress_sec.pdf).

⁹ United Income, *Older Americans in the Workforce* (Apr. 22, 2019) (unitedincome.capitalone.com/library/older-americans-in-the-workforce).

¹⁰ Social Security Administration, *Retirement Benefits* (www.ssa.gov/benefits/retirement/planner/agereduction.html) (accessed Sept 8, 2020).

¹¹ Social Security Administration, *Get Your Social Security Statement* (www.ssa.gov/myaccount/statement.html) (accessed Sept. 8, 2020).

Medicare” packet three months before the individual’s 65th birthday to confirm they have been automatically enrolled in Medicare and provide comprehensive information regarding Medicare benefits.

H.R. 2477 provides a commonsense, bipartisan solution to several Medicare enrollment challenges. First, the BENES Act would require the Social Security Administration to include additional information on Medicare enrollment in Social Security statements sent to individuals three months before their 63rd, 64th, and 65th birthdays. This would ensure that comprehensive information regarding Medicare enrollment is included in Social Security statements at a time when it is most relevant to the individual. The updated statement would, for example, include information on eligibility, reasons for a late enrollment penalty, the availability of relief from the late enrollment penalty, and coordination of benefits with other sources of insurance. The information would be developed by the Secretary of HHS and Commissioner of Social Security in consultation with relevant stakeholders.

Second, the bill would require that part B coverage begin the first day of the month following the month that an individual enrolls whether through the initial enrollment period or general enrollment period. Currently, individuals enrolling during their IEP may have to wait up to three months after the date they enroll for their coverage to begin depending on when they enroll during their IEP. Furthermore, individuals enrolling through the GEP must wait until July 1st for their coverage to begin, which could mean up to a six-month gap in coverage.

Third, the bill would allow for the Secretary to establish a special enrollment period for part B coverage for individuals experiencing exceptional circumstances such as residing in an emergency or disaster area. The Secretary currently has this authority for Medicare Advantage and Medicare part D. This special enrollment period authority will help ensure that individuals can still access Medicare when circumstances such as a natural disaster or pandemic prevent them from meeting enrollment deadlines.

Finally, the bill would require the Secretary of HHS to submit a report to Congress on how to align most effectively the part B general enrollment period with the coordinated election period for Medicare Advantage and part D. Currently, the annual coordinated election period runs from October 15th through December 7th.¹² Aligning these periods may reduce confusion and simplify enrollment by allowing beneficiaries to make all their coverage decisions at the same time.

III. COMMITTEE HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress, the following hearing was used to develop or consider H.R. 2477:

On January 8, 2020, the Subcommittee on Health held a hearing entitled “Legislation to Improve Americans’ Health Care Coverage and Outcomes” to consider H.R. 2477. The Subcommittee received testimony from the following witnesses:

¹² Medicare.gov, *Joining a health or drug plan* (www.medicare.gov/sign-up-change-plans/joining-a-health-or-drug-plan) (accessed Sept. 8, 2020).

- Lee Beers, M.D., President-Elect, American Academy of Pediatrics
- Kenneth Mendez, President and Chief Executive Officer, Asthma and Allergy Foundation of America
- Stephanie Zarecky, Mother of Scarlett Pauley, Ambassador Program and Public Relations Manager, SUDC Foundation
- Matthew Cooper, M.D., Director, Kidney and Pancreas Transplantation, Medical Director, QAPI, Medstar Georgetown Transplant Institute, Professor of Surgery, Georgetown University School of Medicine
- Kevin Koser, Patient Advocate, *on behalf of* the National Foundation for Ectodermal Dysplasias
- Fred Riccardi, President, Medicare Rights Center

IV. COMMITTEE CONSIDERATION

Representative Ruiz introduced H.R. 2477 on May 2, 2019, and the bill was referred to the Committee on Energy and Commerce. The bill was subsequently referred to the Subcommittee on Health on May 3, 2019. A legislative hearing was held on H.R. 2477 on January 8, 2020.

On March 11, 2020, the Subcommittee on Health met in open markup session, pursuant to notice, to consider H.R. 2477. During consideration of the bill, an amendment in the nature of a substitute (AINS), offered by Mr. Ruiz, was agreed to by a voice vote. An amendment to the Ruiz AINS, offered by Mr. Schrader of Oregon, was subsequently withdrawn. The Subcommittee on Health then agreed to a motion by Ms. Eshoo, Chairwoman of the subcommittee, to favorably forward H.R. 2477, amended, to the full Committee on Energy and Commerce by a voice vote.

On July 15, 2020, the full Committee met in virtual open markup session, pursuant to notice, to consider H.R. 2477. During consideration of the bill, an amendment offered by Mr. Ruiz was agreed to by a voice vote. Among other matters, Mr. Ruiz's amendment addressed a concern raised by Members of the Minority regarding the text of the beneficiary notice—specifically that private sector sources of plan information should be mentioned on the notice along with the Medicare Plan Finder. An amendment offered by Mr. Schrader of Oregon was subsequently withdrawn. At the conclusion of the consideration of the bill, the full Committee agreed to a motion by Mr. Pallone, Chairman of the committee, to order H.R. 2477 reported favorably to the House, amended, by a voice vote, a quorum being present.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were no record votes taken on H.R. 2477, including the motion for final passage of the bill.

VI. OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight find-

ings and recommendations of the Committee are reflected in the descriptive portion of the report.

VII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

VIII. CONGRESSIONAL BUDGET OFFICE ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 29, 2020.

Hon. FRANK PALLONE, Jr.,
*Chairman, Committee on Energy and Commerce,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2477, the Beneficiary Enrollment Notification and Eligibility Simplification Act of 2020.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Stuart Hammond.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

H.R. 2477, Beneficiary Enrollment Notification and Eligibility Simplification Act of 2020			
As ordered reported by the House Committee on Energy and Commerce on July 15, 2020			
By Fiscal Year, Millions of Dollars	2021	2021-2025	2021-2030
Direct Spending (Outlays)	0	131	447
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	131	447
Spending Subject to Appropriation (Outlays)	0	0	0
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

Bill summary: H.R. 2477 would change enrollment procedures for some Medicare beneficiaries who enroll in the program during the initial enrollment period (when they first become eligible to enroll in Medicare) or during the annual general enrollment period. The bill also would give the Secretary authority to create special enrollment periods in exceptional circumstances beginning in 2023.

Estimated Federal cost: The estimated budgetary effect of H.R. 2477 is shown in Table 1. The costs of the legislation fall within budget function 570 (Medicare).

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 2477

	By fiscal year, millions of dollars—											
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2021–2025	2021–2030
	Increases or Decreases (–) in Direct Spending											
Estimated Budget Authority	0	0	28	48	55	58	60	63	66	69	131	447
Estimated Outlays	0	0	28	48	55	58	60	63	66	69	131	447

Basis of estimate: The Medicare program has three principal components: Part A (Hospital Insurance), Part B (Medical Insurance, which covers doctors’ services, outpatient care, and other medical services), and Part D (which covers outpatient prescription drugs). Most Medicare beneficiaries enroll in the program soon after they become eligible, typically at age 65. Individuals who are eligible for Medicare when they turn 65 can first enroll in the program during a seven-month initial enrollment period beginning three months before the month in which they turn 65 and ending three months after that month. Individuals who enroll in the fifth, sixth, or seventh month of that period must wait one or two additional months before their Medicare coverage begins. Some individuals choose to delay or forego enrollment in Medicare Part B by not enrolling during their initial enrollment period. If those individuals elect to enroll in Part B after their initial enrollment period has ended, they may do so during the general enrollment period, which runs from January through March of each year. Individuals who choose this option must wait until July 1st of that year for their Part B coverage to begin.

H.R. 2477 would eliminate the waiting period for both groups of enrollees beginning in 2023 so that Medicare coverage begins in the month following the month in which the individual is eligible for and enrolls in the program. This change would accelerate when Medicare begins paying for services for beneficiaries who enroll in the program during the final three months of the initial enrollment period (when a beneficiary first becomes eligible to enroll in Medicare) or during the general enrollment period. CBO used historical enrollment data to estimate how many Medicare beneficiaries would gain coverage sooner under the changes to the initial enrollment period and general enrollment period. CBO estimates that about 2 percent of new 65-year-old enrollees would receive Medicare benefits sooner than under current law. CBO estimates that those provisions would increase direct spending by \$447 million over the 2021–2030 period.

The bill also would allow individuals who chose to delay or forego enrollment in Medicare Part B to enroll earlier than the start of the next general enrollment period in some cases where, for instance, the Secretary of HHS determines that the individuals reside in an area with an emergency or disaster. Due to significant uncertainty about the likelihood and duration of such determinations by the Secretary, CBO did not estimate the budgetary effects of any new special enrollment periods allowed under H.R. 2477.

The CBO staff contact for this estimate is Stuart Hammond. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.

IX. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

X. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to improve outreach and education to individuals approaching Medicare eligibility, reduce the time between when an individual enrolls in Medicare and when their coverage begins, provide the Secretary of HHS with the authority to establish a new special enrollment period for part B coverage, and require the Secretary to report to Congress on ways to streamline enrollment in various Medicare benefits.

XI. DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 2477 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

XII. COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

XIII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 2477 contains no earmarks, limited tax benefits, or limited tariff benefits.

XIV. ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

XV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 designates that the short title may be cited as the “Beneficiary Enrollment Notification and Eligibility Simplification Act of 2020” or the “BENES Act of 2020”.

Sec. 2. Beneficiary enrollment notification and eligibility simplification

Section 2 would require the Federal Government to send advance notice about the enrollment process to individuals approaching Medicare eligibility (aged 63–65). It would require that part B coverage begin during the first month after the month an individual enrolls, through either the initial enrollment period or general enrollment period. The bill would require the Secretary of the Department of Health and Human Services to submit a report to Congress on how to align most effectively the part B general enrollment period with the coordinated election period for Medicare Advantage and part D. It would also allow for the Secretary to establish a special enrollment period for part B coverage for individuals experiencing exceptional circumstances such as residing in an emergency or disaster area.

XVII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

SOCIAL SECURITY ACT

* * * * *

TITLE XI—GENERAL PROVISIONS, PEER REVIEW, AND ADMINISTRATIVE SIMPLIFICATION

* * * * *

PART A—GENERAL PROVISIONS

* * * * *

SOCIAL SECURITY ACCOUNT STATEMENTS

Provision Upon Request

SEC. 1143. (a)(1) Beginning not later than October 1, 1990, the Commissioner of Social Security shall provide upon the request of an eligible individual a social security account statement (hereinafter referred to as the “statement”).

(2) Each statement shall contain—

(A) the amount of wages paid to and self-employment income derived by the eligible individual as shown by the records of the Commissioner at the date of the request;

(B) an estimate of the aggregate of the employer, employee, and self-employment contributions of the eligible individual for old-age, survivors, and disability insurance as shown by the records of the Commissioner on the date of the request;

(C) a separate estimate of the aggregate of the employer, employee, and self-employment contributions of the eligible individual for hospital insurance as shown by the records of the Commissioner on the date of the request;

(D) an estimate of the potential monthly retirement, disability, survivor, and auxiliary benefits payable on the eligible individual's account together with a description of the benefits payable under the medicare program of title XVIII; and

(E) in the case of an eligible individual described in paragraph (3)(C)(ii), an explanation, in language calculated to be understood by the average eligible individual, of the operation of the provisions under sections 202(k)(5) and 215(a)(7) and an explanation of the maximum potential effects of such provisions on the eligible individual's monthly retirement, survivor, and auxiliary benefits.

(3) For purposes of this section, the term "eligible individual" means an individual—

(A) who has a social security account number,

(B) who has attained age 25 or over, and

(C)(i) has wages or net earnings from self-employment, or (ii) with respect to whom the Commissioner has information that the pattern of wages or self-employment income indicate a likelihood of noncovered employment.

(4) *MEDICARE ELIGIBILITY INFORMATION.*—

(A) *IN GENERAL.*—*In the case of statements provided on or after the date that is 2 years after the date of the enactment of this paragraph to individuals who are attaining ages 63, 64, and 65, the statement shall also include a notice containing the information described in subparagraph (B).*

(B) *CONTENTS OF NOTICE.*—*The notice required under subparagraph (A) shall include a clear, simple explanation of—*

(i) eligibility for benefits under the Medicare program under title XVIII, and in particular benefits under parts B and C of such title;

(ii) the reasons a late enrollment penalty for failure to timely enroll could be assessed and how such late enrollment penalty is calculated, in particular for benefits under such part B;

(iii) the availability of relief from such late enrollment penalty and retroactive enrollment under section 1837(h) (including as such section is applied under sections 1818(c) and 1818A(c)(3)), with examples of circumstances under which such relief may be granted and examples of circumstances under which such relief would not be granted;

(iv) coordination of benefits (including primary and secondary coverage scenarios) pursuant to section 1862(b), in particular for benefits under such part B;

(v) enrollment, eligibility, and coordination of benefits under title XVIII with respect to populations, for whom there are special considerations, such as residents of Puerto Rico and veterans; and

(vi) available unbiased online resources for additional information on eligibility for benefits under the Medicare program under title XVIII, including under part C of such title.

(C) DEVELOPMENT OF NOTICE.—

(i) IN GENERAL.—The Secretary, in coordination with the Commissioner of Social Security, and taking into consideration information collected pursuant to clause (ii), shall, not later than 12 months after the last day of the period for the request of information described in clause (ii), develop the notice to be provided pursuant to subparagraph (A).

(ii) REQUEST FOR INFORMATION.—Not later than 6 months after the date of the enactment of this paragraph, the Secretary shall request written information, including recommendations, from stakeholders (including the groups described in subparagraph (D)) on the information to be included in the notice.

(iii) NOTICE IMPROVEMENT.—Beginning 4 years after the date of the enactment of this paragraph, and not less than once every 2 years thereafter, the Secretary, in coordination with the Commissioner of Social Security, shall—

(I) review the content of the notice to be provided under subparagraph (A);

(II) request written information, including recommendations on the notice through a request for information process as described in clause (ii); and

(III) update and revise such notice as the Secretary deems appropriate.

(D) GROUPS.—For purposes of subparagraph (C)(ii), the groups described in this subparagraph include the following:

(i) Individuals who are 60 years of age or older.

(ii) Veterans.

(iii) Individuals with disabilities.

(iv) Individuals with end stage renal disease.

(v) Low-income individuals and families.

(vi) Employers (including human resources professionals).

(vii) States (including representatives of State-run Health Insurance Exchanges, Medicaid offices, and Departments of Insurance).

(viii) State Health Insurance Assistance Programs.

(ix) Health insurers.

(x) Health insurance agents and brokers.

(xi) Such other groups as specified by the Secretary.

(E) POSTING OF NOTICE ON WEBSITES.—The Commissioner of Social Security and the Secretary shall post the notice required under subparagraph (A) in a prominent location on their respective Department Internet websites.

(F) NO EFFECT ON OBLIGATION TO MAIL STATEMENTS.—Nothing in this paragraph shall be construed to relieve the Commissioner of Social Security from any requirement under subsection (c), including the requirement to mail a statement on an annual basis to each eligible individual who is not receiving benefits under title II and for whom a mailing address can be deter-

mined through such methods as the Commissioner determines to be appropriate.

Notice to Eligible Individuals

(b) The Commissioner shall, to the maximum extent practicable, take such steps as are necessary to assure that eligible individuals are informed of the availability of the statement described in subsection (a).

Mandatory Provision of Statements

(c)(1) By not later than September 30, 1995, the Commissioner shall provide a statement to each eligible individual who has attained age 60 by October 1, 1994, and who is not receiving benefits under title II and for whom a current mailing address can be determined through such methods as the Commissioner determines to be appropriate. In fiscal years 1995 through 1999 the Commissioner shall provide a statement to each eligible individual who attains age 60 in such fiscal years and who is not receiving benefits under title II and for whom a current mailing address can be determined through such methods as the Commissioner determines to be appropriate. The Commissioner shall provide with each statement to an eligible individual notice that such statement is updated annually and is available upon request.

(2) Beginning not later than October 1, 1999, the Commissioner shall provide a statement on an annual basis to each eligible individual who is not receiving benefits under title II and for whom a mailing address can be determined through such methods as the Commissioner determines to be appropriate. With respect to statements provided to eligible individuals who have not attained age 50, such statements need not include estimates of monthly retirement benefits. However, if such statements provided to eligible individuals who have not attained age 50 do not include estimates of retirement benefit amounts, such statements shall include a description of the benefits (including auxiliary benefits) that are available upon retirement.

Disclosure to Governmental Employees of Effect of Noncovered Employment

(d)(1) In the case of any individual commencing employment on or after January 1, 2005, in any agency or instrumentality of any State (or political subdivision thereof, as defined in section 218(b)(2)) in a position in which service performed by the individual does not constitute "employment" as defined in section 210, the head of the agency or instrumentality shall ensure that, prior to the date of the commencement of the individual's employment in the position, the individual is provided a written notice setting forth an explanation, in language calculated to be understood by the average individual, of the maximum effect on computations of primary insurance amounts (under section 215(a)(7)) and the effect on benefit amounts (under section 202(k)(5)) of monthly periodic payments or benefits payable based on earnings derived in such service. Such notice shall be in a form which shall be prescribed by the Commissioner of Social Security.

(2) The written notice provided to an individual pursuant to paragraph (1) shall include a form which, upon completion and signature by the individual, would constitute certification by the individual of receipt of the notice. The agency or instrumentality providing the notice to the individual shall require that the form be completed and signed by the individual and submitted to the agency or instrumentality and to the pension, annuity, retirement, or similar fund or system established by the governmental entity involved responsible for paying the monthly periodic payments or benefits, before commencement of service with the agency or instrumentality.

* * * * *

MEDICARE ENROLLMENT NOTIFICATION AND ELIGIBILITY NOTICES FOR INDIVIDUALS IN MEDICARE WAITING PERIOD

SEC. 1144A. (a) NOTICES.—

(1) *IN GENERAL.*—The Commissioner of Social Security shall distribute the notice to be provided pursuant to section 1143(a)(4), as may be modified under paragraph (2), to individuals in the 24-month waiting period under section 226(b) of this Act.

(2) *AUTHORITY TO MODIFY NOTICE.*—The Secretary, in coordination with the Commissioner of Social Security, may modify the notice to be distributed under paragraph (1) as necessary to take into account the individuals described in such paragraph.

(3) *POSTING OF NOTICE ON WEBSITES.*—The Commissioner of Social Security and the Secretary shall post the notice required under paragraph (1) in a prominent location on their respective Department Internet websites.

(b) *TIMING.*—Beginning 2 years after the date of the enactment of this section, a notice required under subsection (a)(1) shall be mailed to an individual not fewer than 2 times in accordance with the following:

(1) *The notice shall be provided to such individual not later than 3 months prior to the date on which such individual's enrollment period begins as provided under section 1837.*

(2) *The notice shall subsequently be provided to such individual not later than 1 month prior to such date.*

* * * * *

TITLE XVIII—HEALTH INSURANCE FOR THE AGED AND DISABLED

* * * * *

PART B—SUPPLEMENTARY MEDICAL INSURANCE BENEFITS FOR THE AGED AND DISABLED

* * * * *

ENROLLMENT PERIODS

SEC. 1837. (a) An individual may enroll in the insurance program established by this part only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed in or under this section.

(c) In the case of individuals who first satisfy paragraph (1) or (2) of section 1836 before March 1, 1966, the initial general enrollment period shall begin on the first day of the second month which begins after the date of enactment of this title and shall end on May 31, 1966. For purposes of this subsection and subsection (d), an individual who has attained age 65 and who satisfies paragraph (1) of section 1836 but not paragraph (2) of such section shall be treated as satisfying such paragraph (1) on the first day on which he is (or on filing application would have been) entitled to hospital insurance benefits under part A.

(d) In the case of an individual who first satisfies paragraph (1) or (2) of section 1836 on or after March 1, 1966, his initial enrollment period shall begin on the first day of the third month before the month in which he first satisfies such paragraphs and shall end seven months later. Where the Secretary finds that an individual who has attained age 65 failed to enroll under this part during his initial enrollment period (based on a determination by the Secretary of the month in which such individual attained age 65), because such individual (relying on documentary evidence) was mistaken as to his correct date of birth, the Secretary shall establish for such individual an initial enrollment period based on his attaining age 65 at the time shown in such documentary evidence (with a coverage period determined under section 1838 as though he had attained such age at that time).

(e) There shall be a general enrollment period during the period beginning on January 1 and ending on March 31 of each year.

(f) Any individual—

(1) who is eligible under section 1836 to enroll in the medical insurance program by reason of entitlement to hospital insurance benefits as described in paragraph (1) of such section, and

(2) whose initial enrollment period under subsection (d) begins after March 31, 1973, and

(3) who is residing in the United States, exclusive of Puerto Rico,

shall be deemed to have enrolled in the medical insurance program established by this part.

(g) All of the provisions of this section shall apply to individuals satisfying subsection (f), except that—

(1) in the case of an individual who satisfies subsection (f) by reason of entitlement to disability insurance benefits described in section 226(b), his initial enrollment period shall begin on the first day of the later of (A) April 1973 or (B) the third month before the 25th month of such entitlement, and shall reoccur with each continuous period of eligibility (as defined in section 1839(d)) and upon attainment of age 65;

(2)(A) in the case of an individual who is entitled to monthly benefits under section 202 or 223 on the first day of his initial enrollment period or becomes entitled to monthly benefits under section 202 during the first 3 months of such period, his enrollment shall be deemed to have occurred in the third month of his initial enrollment period, and

(B) in the case of an individual who is not entitled to benefits under section 202 on the first day of his initial enrollment period and does not become so entitled during the first 3 months of such period, his enrollment shall be deemed to have oc-

curred in the month in which he files the application establishing his entitlement to hospital insurance benefits provided such filing occurs during the last 4 months of his initial enrollment period; and

(3) in the case of an individual who would otherwise satisfy subsection (f) but does not establish his entitlement to hospital insurance benefits until after the last day of his initial enrollment period (as defined in subsection (d) of this section), his enrollment shall be deemed to have occurred on the first day of the earlier of the then current or immediately succeeding general enrollment period (as defined in subsection (e) of this section).

(h) In any case where the Secretary finds that an individual's enrollment or nonenrollment in the insurance program established by this part or part A pursuant to section 1818 is unintentional, inadvertent, or erroneous and is the result of the error, misrepresentation, or inaction of an officer, employee, or agent of the Federal Government, or its instrumentalities, the Secretary may take such action (including the designation for such individual of a special initial or subsequent enrollment period, with a coverage period determined on the basis thereof and with appropriate adjustments of premiums) as may be necessary to correct or eliminate the effects of such error, misrepresentation, or inaction.

(i)(1) In the case of an individual who—

(A) at the time the individual first satisfies paragraph (1) or (2) of section 1836, is enrolled in a group health plan described in section 1862(b)(1)(A)(v) by reason of the individual's (or the individual's spouse's) current employment status, and

(B) has elected not to enroll (or to be deemed enrolled) under this section during the individual's initial enrollment period, there shall be a special enrollment period described in paragraph (3). In the case of an individual not described in the previous sentence who has not attained the age of 65, at the time the individual first satisfies paragraph (1) of section 1836, is enrolled in a large group health plan (as that term is defined in section 1862(b)(1)(B)(iii)) by reason of the individual's current employment status (or the current employment status of a family member of the individual), and has elected not to enroll (or to be deemed enrolled) under this section during the individual's initial enrollment period, there shall be a special enrollment period described in paragraph (3)(B).

(2) In the case of an individual who—

(A)(i) has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual's initial enrollment period, or (ii) is an individual described in paragraph (1)(A);

(B) has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a group health plan described in section 1862(b)(1)(A)(v) by reason of the individual's (or individual's spouse's) current employment status; and

(C) has not terminated enrollment under this section at any time at which the individual is not enrolled in such a group health plan by reason of the individual's (or individual's spouse's) current employment status,

there shall be a special enrollment period described in paragraph (3). In the case of an individual not described in the previous sentence who has not attained the age of 65, has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual's initial enrollment period, or is an individual described in the second sentence of paragraph (1), has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a large group health plan (as that term is defined in section 1862(b)(1)(B)(iii)) by reason of the individual's current employment status (or the current employment status of a family member of the individual), and has not terminated enrollment under this section at any time at which the individual is not enrolled in such a large group health plan by reason of the individual's current employment status (or the current employment status of a family member of the individual), there shall be a special enrollment period described in paragraph (3)(B).

(3)(A) The special enrollment period referred to in the first sentences of paragraphs (1) and (2) is the period including each month during any part of which the individual is enrolled in a group health plan described in section 1862(b)(1)(A)(v) by reason of current employment status ending with the last day of the eighth consecutive month in which the individual is at no time so enrolled.

(B) The special enrollment period referred to in the second sentences of paragraphs (1) and (2) is the period including each month during any part of which the individual is enrolled in a large group health plan (as that term is defined in section 1862(b)(1)(B)(iii)) by reason of the individual's current employment status (or the current employment status of a family member of the individual) ending with the last day of the eighth consecutive month in which the individual is at no time so enrolled.

(4)(A) In the case of an individual who is entitled to benefits under part A pursuant to section 226(b) and—

(i) who at the time the individual first satisfies paragraph (1) of section 1836—

(I) is enrolled in a group health plan described in section 1862(b)(1)(A)(v) by reason of the individual's current or former employment or by reason of the current or former employment status of a member of the individual's family, and

(II) has elected not to enroll (or to be deemed enrolled) under this section during the individual's initial enrollment period; and

(ii) whose continuous enrollment under such group health plan is involuntarily terminated at a time when the enrollment under the plan is not by reason of the individual's current employment or by reason of the current employment of a member of the individual's family,

there shall be a special enrollment period described in subparagraph (B).

(B) The special enrollment period referred to in subparagraph (A) is the 6-month period beginning on the first day of the month which includes the date of the enrollment termination described in subparagraph (A)(ii).

(j) In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 226(h), the following special rules apply:

(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month in which the individual satisfies the requirement of section 1836(1).

(2) In applying subsection (g)(1), the initial enrollment period shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.

(k)(1) In the case of an individual who—

(A) at the time the individual first satisfies paragraph (1) or (2) of section 1836, is described in paragraph (3), and has elected not to enroll (or to be deemed enrolled) under this section during the individual's initial enrollment period; or

(B) has terminated enrollment under this section during a month in which the individual is described in paragraph (3), there shall be a special enrollment period described in paragraph (2).

(2) The special enrollment period described in this paragraph is the 6-month period beginning on the first day of the month which includes the date that the individual is no longer described in paragraph (3).

(3) For purposes of paragraph (1), an individual described in this paragraph is an individual who—

(A) is serving as a volunteer outside of the United States through a program—

(i) that covers at least a 12-month period; and

(ii) that is sponsored by an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; and

(B) demonstrates health insurance coverage while serving in the program.

(1)(1) In the case of any individual who is a covered beneficiary (as defined in section 1072(5) of title 10, United States Code) at the time the individual is entitled to part A under section 226(b) or section 226A and who is eligible to enroll but who has elected not to enroll (or to be deemed enrolled) during the individual's initial enrollment period, there shall be a special enrollment period described in paragraph (2).

(2) The special enrollment period described in this paragraph, with respect to an individual, is the 12-month period beginning on the day after the last day of the initial enrollment period of the individual or, if later, the 12-month period beginning with the month the individual is notified of enrollment under this section.

(3) In the case of an individual who enrolls during the special enrollment period provided under paragraph (1), the coverage period under this part shall begin on the first day of the month in which the individual enrolls, or, at the option of the individual, the first month after the end of the individual's initial enrollment period.

(4) An individual may only enroll during the special enrollment period provided under paragraph (1) one time during the individual's lifetime.

(5) The Secretary shall ensure that the materials relating to coverage under this part that are provided to an individual described in paragraph (1) prior to the individual's initial enrollment period

contain information concerning the impact of not enrolling under this part, including the impact on health care benefits under the TRICARE program under chapter 55 of title 10, United States Code.

(6) The Secretary of Defense shall collaborate with the Secretary of Health and Human Services and the Commissioner of Social Security to provide for the accurate identification of individuals described in paragraph (1). The Secretary of Defense shall provide such individuals with notification with respect to this subsection. The Secretary of Defense shall collaborate with the Secretary of Health and Human Services and the Commissioner of Social Security to ensure appropriate follow up pursuant to any notification provided under the preceding sentence.

(m) Beginning January 1, 2023, the Secretary may establish special enrollment periods in the case of individuals who satisfy paragraph (1) or (2) of section 1836 and meet such exceptional conditions as the Secretary may provide, such as individuals who reside in an area with an emergency or disaster as determined by the Secretary.

COVERAGE PERIOD

SEC. 1838. (a) The period during which an individual is entitled to benefits under the insurance program established by this part (hereinafter referred to as his "coverage period") shall begin on whichever of the following is the latest:

(1) July 1, 1966, or (in the case of a disabled individual who has not attained age 65) July 1, 1973; or

[(2)(A) in the case of an individual who enrolls pursuant to subsection (d) of section 1837 before the month in which he first satisfies paragraph (1) or (2) of section 1836, the first day of such month, or

[(B) in the case of an individual who enrolls pursuant to such subsection (d) in the month in which he first satisfies such paragraph, the first day of the month following the month in which he so enrolls, or

[(C) in the case of an individual who enrolls pursuant to such subsection (d) in the month following the month in which he first satisfies such paragraph, the first day of the second month following the month in which he so enrolls, or

[(D) in the case of an individual who enrolls pursuant to such subsection (d) more than one month following the month in which he satisfies such paragraph, the first day of the third month following the month in which he so enrolls, or

[(E) in the case of an individual who enrolls pursuant to subsection (e) of section 1837, the July 1 following the month in which he so enrolls; or

[(3)(A) in the case of an individual who is deemed to have enrolled on or before the last day of the third month of his initial enrollment period, the first day of the month in which he first meets the applicable requirements of section 1836 or July 1, 1973, whichever is later, or

[(B) in the case of an individual who is deemed to have enrolled on or after the first day of the fourth month of his initial enrollment period, as prescribed under subparagraphs (B), (C), (D), and (E) of paragraph (2) of this subsection.]

(2)(A) *in the case of an individual who enrolls pursuant to subsection (d) of section 1837 before the month in which he first satisfies paragraph (1) or (2) of section 1836, the first day of such month,*

(B) *in the case of an individual who first satisfies such paragraph in a month beginning before January 2023 and who enrolls pursuant to such subsection (d)—*

(i) *in such month in which he first satisfies such paragraph, the first day of the month following the month in which he so enrolls,*

(ii) *in the month following such month in which he first satisfies such paragraph, the first day of the second month following the month in which he so enrolls, or*

(iii) *more than one month following such month in which he satisfies such paragraph, the first day of the third month following the month in which he so enrolls,*

(C) *in the case of an individual who first satisfies such paragraph in a month beginning on or after January 1, 2023, and who enrolls pursuant to such subsection (d) in such month in which he first satisfies such paragraph or in any subsequent month of his initial enrollment period, the first day of the month following the month in which he so enrolls, or*

(D) *in the case of an individual who enrolls pursuant to subsection (e) of section 1837 in a month beginning—*

(i) *before January 1, 2023, the July 1 following the month in which he so enrolls; or*

(ii) *on or after January 1, 2023, the first day of the month following the month in which he so enrolls; or*

(3) *in the case of an individual who is deemed to have enrolled—*

(A) *on or before the last day of the third month of his initial enrollment period, the first day of the month in which he first meets the applicable requirements of section 1836 or July 1, 1973, whichever is later, or*

(B) *on or after the first day of the fourth month of his initial enrollment period, and where such month begins—*

(i) *before January 1, 2023, as prescribed under subparagraphs (B)(i), (B)(ii), (B)(iii), and (D)(i) of paragraph (2), or*

(ii) *on or after January 1, 2023, as prescribed under subparagraphs (C) and (D)(ii) of paragraph (2).*

(b) *An individual's coverage period shall continue until his enrollment has been terminated—*

(1) *by the filing of notice that the individual no longer wishes to participate in the insurance program established by this part, or*

(2) *for nonpayment of premiums.*

The termination of a coverage period under paragraph (1) shall (except as otherwise provided in section 1843(e)) take effect at the close of the month following the month in which the notice is filed. The termination of a coverage period under paragraph (2) shall take effect on a date determined under regulations, which may be determined so as to provide a grace period in which overdue premiums may be paid and coverage continued. The grace period determined under the preceding sentence shall not exceed 90 days;

except that it may be extended to not to exceed 180 days in any case where the Secretary determines that there was good cause for failure to pay the overdue premiums within such 90-day period.

Where an individual who is deemed to have enrolled for medical insurance pursuant to section 1837(f) files a notice before the first day of the month in which his coverage period begins advising that he does not wish to be so enrolled, the termination of the coverage period resulting from such deemed enrollment shall take effect with the first day of the month the coverage would have been effective. Where an individual who is deemed enrolled for medical insurance benefits pursuant to section 1837(f) files a notice requesting termination of his deemed coverage in or after the month in which such coverage becomes effective, the termination of such coverage shall take effect at the close of the month following the month in which the notice is filed.

(c) In the case of an individual satisfying paragraph (1) of section 1836 whose entitlement to hospital insurance benefits under part A is based on a disability rather than on his having attained the age of 65, his coverage period (and his enrollment under this part) shall be terminated as of the close of the last month for which he is entitled to hospital insurance benefits.

(d) No payments may be made under this part with respect to the expenses of an individual unless such expenses were incurred by such individual during a period which, with respect to him, is a coverage period.

(e) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(i)(3) or 1837(i)(4)(B)—

(1) in any month of the special enrollment period in which the individual is at any time enrolled in a plan (specified in subparagraph (A) or (B), as applicable, of section 1837(i)(3) or specified in section 1837(i)(4)(A)(i)) or in the first month following such a month, the coverage period shall begin on the first day of the month in which the individual so enrolls (or, at the option of the individual, on the first day of any of the following three months), or

(2) in any other month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls.

(f) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(k), the coverage period shall begin on the first day of the month following the month in which the individual so enrolls.

(g) Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1837(m), the coverage period shall begin on a date the Secretary provides in a manner consistent (to the extent practicable) with protecting continuity of health benefit coverage.

AMOUNTS OF PREMIUMS

SEC. 1839. (a)(1) The Secretary shall, during September of 1983 and of each year thereafter, determine the monthly actuarial rate for enrollees age 65 and over which shall be applicable for the succeeding calendar year. Subject to paragraphs (5) and (6), such actu-

arial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to those enrollees age 65 and older will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate, the Secretary shall include an appropriate amount for a contingency margin. In applying this paragraph there shall not be taken into account additional payments under section 1848(o) and section 1853(l)(3) and the Government contribution under section 1844(a)(3).

(2) The monthly premium of each individual enrolled under this part for each month after December 1983 shall be the amount determined under paragraph (3), adjusted as required in accordance with subsections (b), (c), (f), and (i), and to reflect any credit provided under section 1854(b)(1)(C)(ii)(III).

(3) The Secretary, during September of each year, shall determine and promulgate a monthly premium rate for the succeeding calendar year that (except as provided in subsection (g)) is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year. Whenever the Secretary promulgates the dollar amount which shall be applicable as the monthly premium rate for any period, he shall, at the time such promulgation is announced, issue a public statement setting forth the actuarial assumptions and bases employed by him in arriving at the amount of an adequate actuarial rate for enrollees age 65 and older as provided in paragraph (1).

(4) The Secretary shall also, during September of 1983 and of each year thereafter, determine the monthly actuarial rate for disabled enrollees under age 65 which shall be applicable for the succeeding calendar year. Such actuarial rate shall be the amount the Secretary estimates to be necessary so that the aggregate amount for such calendar year with respect to disabled enrollees under age 65 will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees. In calculating the monthly actuarial rate under this paragraph, the Secretary shall include an appropriate amount for a contingency margin.

(5)(A) In applying this part (including subsection (i) and section 1833(b)), the monthly actuarial rate for enrollees age 65 and over for 2016 shall be determined as if subsection (f) did not apply.

(B) Subsection (f) shall continue to be applied to paragraph (6)(A) (during a repayment month, as described in paragraph (6)(B)) and without regard to the application of subparagraph (A).

(6)(A) With respect to a repayment month (as described in subparagraph (B)), the monthly premium otherwise established under paragraph (3) shall be increased by, subject to subparagraph (D), \$3.

(B) For purposes of this paragraph, a repayment month is a month during a year, beginning with 2016, for which a balance due amount is computed under subparagraph (C) as greater than zero.

(C) For purposes of this paragraph, the balance due amount computed under this subparagraph, with respect to a month, is the amount estimated by the Chief Actuary of the Centers for Medicare & Medicaid Services to be equal to—

- (i) the amount transferred under section 1844(d)(1); plus
- (ii) the amount that is equal to the aggregate reduction, for all individuals enrolled under this part, in the income related monthly adjustment amount as a result of the application of paragraph (5); minus
- (iii) the amounts payable under this part as a result of the application of this paragraph for preceding months.

(D) If the balance due amount computed under subparagraph (C), without regard to this subparagraph, for December of a year would be less than zero, the Chief Actuary of the Centers for Medicare & Medicaid Services shall estimate, and the Secretary shall apply, a reduction to the dollar amount increase applied under subparagraph (A) for each month during such year in a manner such that the balance due amount for January of the subsequent year is equal to zero.

(b) In the case of an individual whose coverage period began pursuant to an enrollment after his initial enrollment period (determined pursuant to subsection (c) or (d) of section 1837) and not pursuant to a special enrollment period under subsection (i)(4) [or (1)], (l), or (m) of section 1837, the monthly premium determined under subsection (a) (without regard to any adjustment under subsection (i)) shall be increased by 10 percent of the monthly premium so determined for each full 12 months (in the same continuous period of eligibility) in which he could have been but was not enrolled. For purposes of the preceding sentence, there shall be taken into account (1) the months which elapsed between the close of his initial enrollment period and the close of the enrollment period in which he enrolled, plus (in the case of an individual who reenrolls) (2) the months which elapsed between the date of termination of a previous coverage period and the close of the enrollment period in which he reenrolled, but there shall not be taken into account months for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1862(b)(1)(A)(v) by reason of the individual's (or the individual's spouse's) current employment or months during which the individual has not attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a large group health plan as an active individual (as those terms are defined in section 1862(b)(1)(B)(iii)) or months for which the individual can demonstrate that the individual was an individual described in section 1837(k)(3). Any increase in an individual's monthly premium under the first sentence of this subsection with respect to a particular continuous period of eligibility shall not be applicable with respect to any other continuous period of eligibility which such individual may have. No increase in the premium shall be effected for a month in the case of an individual who enrolls under this part during 2001, 2002, 2003, or 2004 and who demonstrates to the Secretary before December 31, 2004, that the individual is a covered beneficiary (as defined in section 1072(5) of title 10, United States Code). The Secretary of Health and Human Services shall consult with the Secretary of Defense in identifying individuals described

in the previous sentence. *For purposes of determining any increase under this subsection for individuals whose enrollment occurs on or after January 1, 2023, the second sentence of this subsection shall be applied by substituting "close of the month" for "close of the period at the end of the enrollment sentence" each place it appears.*

(c) If any monthly premium determined under the foregoing provisions of this section is not a multiple of 10 cents, such premium shall be rounded to the nearest multiple of 10 cents.

(d) For purposes of subsection (b) (and section 1837(g)(1)), an individual's "continuous period of eligibility" is the period beginning with the first day on which he is eligible to enroll under section 1836 and ending with his death; except that any period during all of which an individual satisfied paragraph (1) of section 1836 and which terminated in or before the month preceding the month in which he attained age 65 shall be a separate "continuous period of eligibility" with respect to such individual (and each such period which terminates shall be deemed not to have existed for purposes of subsequently applying this section).

(e)(1) Upon the request of a State (or any appropriate State or local governmental entity specified by the Secretary), the Secretary may enter into an agreement with the State (or such entity) under which the State (or such entity) agrees to pay on a quarterly or other periodic basis to the Secretary (to be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund) an amount equal to the amount of the part B late enrollment premium increases with respect to the premiums for eligible individuals (as defined in paragraph (3)(A)).

(2) No part B late enrollment premium increase shall apply to an eligible individual for premiums for months for which the amount of such an increase is payable under an agreement under paragraph (1).

(3) In this subsection:

(A) The term "eligible individual" means an individual who is enrolled under this part B and who is within a class of individuals specified in the agreement under paragraph (1).

(B) The term "part B late enrollment premium increase" means any increase in a premium as a result of the application of subsection (b).

(f) For any calendar year after 1988, if an individual is entitled to monthly benefits under section 202 or 223 or to a monthly annuity under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974 for November and December of the preceding year, if the monthly premium of the individual under this section for December and for January is deducted from those benefits under section 1840(a)(1) or section 1840(b)(1), and if the amount of the individual's premium is not adjusted for such January under subsection (i), the monthly premium otherwise determined under this section for an individual for that year shall not be increased, pursuant to this subsection, to the extent that such increase would reduce the amount of benefits payable to that individual for that December below the amount of benefits payable to that individual for that November (after the deduction of the premium under this section). For purposes of this subsection, retroactive adjustments or payments and deductions on account of work shall not be taken into account in determining the monthly benefits to which an individual

is entitled under section 202 or 223 or under the Railroad Retirement Act of 1974.

(g) In estimating the benefits and administrative costs which will be payable from the Federal Supplementary Medical Insurance Trust Fund for a year for purposes of determining the monthly premium rate under subsection (a)(3), the Secretary shall exclude an estimate of any benefits and administrative costs attributable to—

(1) the application of section 1861(v)(1)(L)(viii) or to the establishment under section 1861(v)(1)(L)(i)(V) of a per visit limit at 106 percent of the median (instead of 105 percent of the median), but only to the extent payment for home health services under this title is not being made under section 1895 (relating to prospective payment for home health services); and

(2) the medicare prescription drug discount card and transitional assistance program under section 1860D-31.

(h) POTENTIAL APPLICATION OF COMPARATIVE COST ADJUSTMENT IN CCA AREAS.—

(1) IN GENERAL.—Certain individuals who are residing in a CCA area under section 1860C-1 who are not enrolled in an MA plan under part C may be subject to a premium adjustment under subsection (f) of such section for months in which the CCA program under such section is in effect in such area.

(2) NO EFFECT ON LATE ENROLLMENT PENALTY OR INCOME-RELATED ADJUSTMENT IN SUBSIDIES.—Nothing in this subsection or section 1860C-1(f) shall be construed as affecting the amount of any premium adjustment under subsection (b) or (i). Subsection (f) shall be applied without regard to any premium adjustment referred to in paragraph (1).

(3) IMPLEMENTATION.—In order to carry out a premium adjustment under this subsection and section 1860C-1(f) (insofar as it is effected through the manner of collection of premiums under section 1840(a)), the Secretary shall transmit to the Commissioner of Social Security—

(A) at the beginning of each year, the name, social security account number, and the amount of the premium adjustment (if any) for each individual enrolled under this part for each month during the year; and

(B) periodically throughout the year, information to update the information previously transmitted under this paragraph for the year.

(i) REDUCTION IN PREMIUM SUBSIDY BASED ON INCOME.—

(1) IN GENERAL.—In the case of an individual whose modified adjusted gross income exceeds the threshold amount under paragraph (2), the monthly amount of the premium subsidy applicable to the premium under this section for a month after December 2006 shall be reduced (and the monthly premium shall be increased) by the monthly adjustment amount specified in paragraph (3).

(2) THRESHOLD AMOUNT.—For purposes of this subsection, subject to paragraph (6), the threshold amount is—

(A) except as provided in subparagraph (B), \$80,000 (or, beginning with 2018, \$85,000), and

(B) in the case of a joint return, twice the amount applicable under subparagraph (A) for the calendar year.

(3) MONTHLY ADJUSTMENT AMOUNT.—

(A) IN GENERAL.—Subject to subparagraph (B), the monthly adjustment amount specified in this paragraph for an individual for a month in a year is equal to the product of the following:

(i) SLIDING SCALE PERCENTAGE.—Subject to paragraph (6), the applicable percentage specified in the applicable table in subparagraph (C) for the individual minus 25 percentage points.

(ii) UNSUBSIDIZED PART B PREMIUM AMOUNT.—

(I) 200 percent of the monthly actuarial rate for enrollees age 65 and over (as determined under subsection (a)(1) for the year); plus

(II) 4 times the amount of the increase in the monthly premium under subsection (a)(6) for a month in the year.

(B) 3-YEAR PHASE IN.—The monthly adjustment amount specified in this paragraph for an individual for a month in a year before 2009 is equal to the following percentage of the monthly adjustment amount specified in subparagraph (A):

- (i) For 2007, 33 percent.
- (ii) For 2008, 67 percent.

(C) APPLICABLE PERCENTAGE.—

(i) IN GENERAL.—

(I) Subject to paragraphs (5) and (6), for years before 2018:

If the modified adjusted gross income is:	The applicable percentage is:
More than \$80,000 but not more than \$100,000	35 percent
More than \$100,000 but not more than \$150,000	50 percent
More than \$150,000 but not more than \$200,000	65 percent
More than \$200,000	80 percent.

(II) Subject to paragraph (5), for 2018:

If the modified adjusted gross income is:	The applicable percentage is:
More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000	80 percent.

(III) Subject to paragraph (5), for years beginning with 2019:

If the modified adjusted gross income is:	The applicable percentage is:
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More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000 but less than \$500,000	80 percent
At least \$500,000	85 percent.

(ii) **JOINT RETURNS.**—In the case of a joint return, clause (i) shall be applied by substituting dollar amounts which are twice the dollar amounts otherwise applicable under clause (i) for the calendar year except, with respect to the dollar amounts applied in the last row of the table under subclause (III) of such clause (and the second dollar amount specified in the second to last row of such table), clause (i) shall be applied by substituting dollar amounts which are 150 percent of such dollar amounts for the calendar year.

(iii) **MARRIED INDIVIDUALS FILING SEPARATE RETURNS.**—In the case of an individual who—

(I) is married as of the close of the taxable year (within the meaning of section 7703 of the Internal Revenue Code of 1986) but does not file a joint return for such year, and

(II) does not live apart from such individual's spouse at all times during the taxable year, clause (i) shall be applied by reducing each of the dollar amounts otherwise applicable under such clause for the calendar year by the threshold amount for such year applicable to an unmarried individual.

(4) **MODIFIED ADJUSTED GROSS INCOME.**—

(A) **IN GENERAL.**—For purposes of this subsection, the term “modified adjusted gross income” means adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986)—

(i) determined without regard to sections 135, 911, 931, and 933 of such Code; and

(ii) increased by the amount of interest received or accrued during the taxable year which is exempt from tax under such Code.

In the case of an individual filing a joint return, any reference in this subsection to the modified adjusted gross income of such individual shall be to such return's modified adjusted gross income.

(B) **TAXABLE YEAR TO BE USED IN DETERMINING MODIFIED ADJUSTED GROSS INCOME.**—

(i) **IN GENERAL.**—In applying this subsection for an individual's premiums in a month in a year, subject to clause (ii) and subparagraph (C), the individual's modified adjusted gross income shall be such income determined for the individual's last taxable year beginning in the second calendar year preceding the year involved.

(ii) **TEMPORARY USE OF OTHER DATA.**—If, as of October 15 before a calendar year, the Secretary of the

Treasury does not have adequate data for an individual in appropriate electronic form for the taxable year referred to in clause (i), the individual's modified adjusted gross income shall be determined using the data in such form from the previous taxable year. Except as provided in regulations prescribed by the Commissioner of Social Security in consultation with the Secretary, the preceding sentence shall cease to apply when adequate data in appropriate electronic form are available for the individual for the taxable year referred to in clause (i), and proper adjustments shall be made to the extent that the premium adjustments determined under the preceding sentence were inconsistent with those determined using such taxable year.

(iii) NON-FILERS.—In the case of individuals with respect to whom the Secretary of the Treasury does not have adequate data in appropriate electronic form for either taxable year referred to in clause (i) or clause (ii), the Commissioner of Social Security, in consultation with the Secretary, shall prescribe regulations which provide for the treatment of the premium adjustment with respect to such individual under this subsection, including regulations which provide for—

(I) the application of the highest applicable percentage under paragraph (3)(C) to such individual if the Commissioner has information which indicates that such individual's modified adjusted gross income might exceed the threshold amount for the taxable year referred to in clause (i), and

(II) proper adjustments in the case of the application of an applicable percentage under subclause (I) to such individual which is inconsistent with such individual's modified adjusted gross income for such taxable year.

(C) USE OF MORE RECENT TAXABLE YEAR.—

(i) IN GENERAL.—The Commissioner of Social Security in consultation with the Secretary of the Treasury shall establish a procedures under which an individual's modified adjusted gross income shall, at the request of such individual, be determined under this subsection—

(I) for a more recent taxable year than the taxable year otherwise used under subparagraph (B), or

(II) by such methodology as the Commissioner, in consultation with such Secretary, determines to be appropriate, which may include a methodology for aggregating or disaggregating information from tax returns in the case of marriage or divorce.

(ii) STANDARD FOR GRANTING REQUESTS.—A request under clause (i)(I) to use a more recent taxable year may be granted only if—

(I) the individual furnishes to such Commissioner with respect to such year such documenta-

tion, such as a copy of a filed Federal income tax return or an equivalent document, as the Commissioner specifies for purposes of determining the premium adjustment (if any) under this subsection; and

(II) the individual's modified adjusted gross income for such year is significantly less than such income for the taxable year determined under subparagraph (B) by reason of the death of such individual's spouse, the marriage or divorce of such individual, or other major life changing events specified in regulations prescribed by the Commissioner in consultation with the Secretary.

(5) INFLATION ADJUSTMENT.—

(A) IN GENERAL.—Subject to subparagraph (C), in the case of any calendar year beginning after 2007 (other than 2018 and 2019), each dollar amount in paragraph (2) or (3) shall be increased by an amount equal to—

- (i) such dollar amount, multiplied by
- (ii) the percentage (if any) by which the average of the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with August of the preceding calendar year exceeds such average for the 12-month period ending with August 2006 (or, in the case of a calendar year beginning with 2020, August 2018).

(B) ROUNDING.—If any dollar amount after being increased under subparagraph (A) or (C) is not a multiple of \$1,000, such dollar amount shall be rounded to the nearest multiple of \$1,000.

(C) TREATMENT OF ADJUSTMENTS FOR CERTAIN HIGHER INCOME INDIVIDUALS.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to each dollar amount in paragraph (3) of \$500,000.

(ii) ADJUSTMENT BEGINNING 2028.—In the case of any calendar year beginning after 2027, each dollar amount in paragraph (3) of \$500,000 shall be increased by an amount equal to—

- (I) such dollar amount, multiplied by
- (II) the percentage (if any) by which the average of the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with August of the preceding calendar year exceeds such average for the 12-month period ending with August 2026.

(6) TEMPORARY ADJUSTMENT TO INCOME THRESHOLDS.—Notwithstanding any other provision of this subsection, during the period beginning on January 1, 2011, and ending on December 31, 2017—

(A) the threshold amount otherwise applicable under paragraph (2) shall be equal to such amount for 2010; and

(B) the dollar amounts otherwise applicable under paragraph (3)(C)(i) shall be equal to such dollar amounts for 2010.

(7) JOINT RETURN DEFINED.—For purposes of this subsection, the term “joint return” has the meaning given to such term by section 7701(a)(38) of the Internal Revenue Code of 1986.

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