

105TH CONGRESS
2D SESSION

H. R. 4720

To amend title XVIII of the Social Security Act to extend for 6 months the contracts of certain managed care organizations under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1998

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

A BILL

To amend title XVIII of the Social Security Act to extend for 6 months the contracts of certain managed care organizations under the Medicare Program.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare HMO Bene-
5 ficiary Emergency Relief Act of 1998”.

1 **SEC. 2. SIX-MONTH MORATORIUM ON TERMINATION OF**
2 **RISK-SHARING CONTRACTS.**

3 (a) IN GENERAL.—Subject to subsection (b), and
4 notwithstanding subsection (k) of section 1876 of the So-
5 cial Security Act (42 U.S.C. 1395mm), if an eligible orga-
6 nization has a risk-sharing contract under section 1876
7 of such Act in effect on December 31, 1998, and does not
8 covert such contract to a contract to offer a
9 Medicare+Choice plan under part C of such Act (42
10 U.S.C. 1395w–21 et seq.) effective on January 1, 1999,
11 then such risk-sharing contract shall be deemed to be ex-
12 tended through June 30, 1999, under the same terms and
13 conditions applicable to such risk-sharing contract.

14 (b) EXCEPTION.—Subsection (a) shall not apply to
15 an eligible organization with a risk-sharing contract if the
16 Secretary of Health and Human Services determines that
17 the reason for not converting such contract to a contract
18 to offer a Medicare+Choice plan is that the organization
19 is unable to offer such plan due to financial hardship on
20 the part of the organization.

21 (c) OPEN ENROLLMENT.—Notwithstanding section
22 1851(e)(6) of the Social Security Act (42 U.S.C. 1395w–
23 21(e)(6)), a Medicare+Choice organization that is offer-
24 ing a Medicare+Choice plan in an area that is affected
25 by a contract extension described in subsection (a) shall
26 accept, during the period beginning with November 1,

1 1998, and ending on June 30, 1999, elections to enroll
2 in such plan by individuals who are currently enrolled
3 under the contract that is being extended.

4 (d) AUTHORITY TO RENEGOTIATE CONTRACT.—Dur-
5 ing the period that a risk-sharing contract is being ex-
6 tended pursuant to subsection (a), the Secretary and the
7 eligible organization whose contract is being extended may
8 negotiate for a new contract under section 1857 of the
9 Social Security Act (42 U.S.C. 1395w–27), including the
10 submission by the organization of a new adjusted commu-
11 nity rate for benefits, which may enable such organization
12 to convert such contract to a contract to offer a
13 Medicare+Choice plan. In negotiating the new contract,
14 the Secretary shall ensure that individuals enrolled under
15 the risk-sharing contract are not adversely affected by the
16 new contract.

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