

105TH CONGRESS
2D SESSION

S. 2562

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 SENATE OF THE UNITED STATES

OCTOBER 6 (legislative day, OCTOBER 2), 1998

Mr. DODD (for himself, Mr. DASCHLE, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Finance

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”.

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

8 (a) IN GENERAL.—Subject to subsection (b), and
9 notwithstanding subsection (k) of section 1876 of the So-

1 cial Security Act (42 U.S.C. 1395mm), if an eligible orga-
 2 nization has a risk-sharing contract under section 1876
 3 of such Act in effect on December 31, 1998, and does not
 4 covert such contract to a contract to offer a
 5 Medicare+Choice plan under part C of such Act (42
 6 U.S.C. 1395w-21) effective on January 1, 1999, then
 7 such risk-sharing contract shall be deemed to be extended
 8 through June 30, 1999, under the same terms and condi-
 9 tions applicable to such risk-sharing contract.

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

17 (c) OPEN ENROLLMENT.—Notwithstanding section
 18 1851(e)(6) of the Social Security Act (42 U.S.C. 1395w-
 19 21(e)(6)), a Medicare+Choice organization that is offer-
 20 ing a Medicare+Choice plan in an area that is affected
 21 by a contract extension described in subsection (a) shall
 22 accept, during the period beginning with November 1,
 23 1998, and ending on June 30, 1999, elections to enroll
 24 in such plan by individuals who are currently enrolled
 25 under the contract that is being extended.

1 (d) AUTHORITY TO RENEGOTIATE CONTRACT.—
2 During the period that a risk-sharing contract is being
3 extended pursuant to subsection (a), the Secretary and the
4 eligible organization whose contract is being extended may
5 negotiate for a new contract under section 1857 (including
6 the submission by the organization of a new adjusted com-
7 munity rate for benefits) which may enable such organiza-
8 tion to convert such contract to a contract to offer a
9 Medicare+Choice plan. In negotiating the new contract,
10 the Secretary shall ensure that individuals enrolled under
11 the risk-sharing contract are not adversely affected by the
12 new contract.

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