

106TH CONGRESS  
1ST SESSION

# H. R. 1900

To expand the use of competitive bidding under the Medicare Program.

---

## IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1999

Mr. STARK (for himself and Mr. McDERMOTT) 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 expand the use of competitive bidding 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 Competitive  
5 Bidding Expansion Act of 1999”.

6 **SEC. 2. EXPANDING THE USE OF COMPETITIVE BIDDING**  
7 **UNDER THE MEDICARE PROGRAM.**

8 (a) EXPANSION OF CURRENT DEMONSTRATION  
9 PROJECT AUTHORITY.—

1           (1) IN GENERAL.—On and after January 1,  
2           2004, the Secretary of Health and Human Services  
3           may exercise authority under section 4011 of the  
4           Balanced Budget Act of 1997 (relating to medicare  
5           prepaid competitive pricing demonstration project)  
6           and under section 1847 of the Social Security Act  
7           (42 U.S.C. 1395w–3), inserted by section 4319(a) of  
8           the Balanced Budget Act of 1997, without regard  
9           to—

10                   (A) any limitation on the number of  
11                   projects, sites, or areas served, the population  
12                   served, or the period of authorization; and

13                   (B) the need for any further monitoring or  
14                   reports under 4011(d) of the Balanced Budget  
15                   Act of 1997 or any termination otherwise re-  
16                   quired under section 1847(e) of the Social Se-  
17                   curity Act (42 U.S.C. 1395w–3(e)).

18           (2) USE OF FISCAL INTERMEDIARIES AND CAR-  
19           RIERS.—In implementing paragraph (1), the Sec-  
20           retary, to the extent feasible, shall provide for ad-  
21           ministration of competitive bidding through the use  
22           of local fiscal intermediaries and carriers and con-  
23           sortia of contractors. Such projects may cover com-  
24           bined payments under parts A and B of title XVIII  
25           of the Social Security Act.

1           (3) PRICE AND QUALITY.—Any authority exer-  
2       cised under this subsection shall take into account  
3       both the price and quality of items and services pro-  
4       vided.

5       (b) COVERAGE OF ADDITIONAL SERVICES.—

6           (1) IN GENERAL.—In addition to the authority  
7       provided under subsection (a), the Secretary of  
8       Health and Human Services is authorized to provide  
9       for payment under the medicare program on the  
10      basis of competitive bidding for services not covered  
11      under the demonstration projects referred to in sub-  
12      section (a). Such projects may cover services such as  
13      organ transplant services, lithotripsy services, diag-  
14      nostic imaging, and non-emergency ambulance serv-  
15      ices.

16          (2) EXTRA WEIGHT FOR QUALITY.—In con-  
17      ducting demonstration projects under this sub-  
18      section, the Secretary shall provide additional weight  
19      when considering providers with a demonstrated  
20      quality of services.

○