

106TH CONGRESS
1ST SESSION

H. R. 746

To amend title XVIII of the Social Security Act to provide for home health case manager services under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1999

Mr. STARK 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 provide for home health case manager services 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; FINDINGS.**

4 SHORT TITLE.—This Act may be cited as the “Medi-
5 care Home Health Case Manager Act of 1999”.

1 **SEC. 2. ESTABLISHMENT OF MEDICARE HOME HEALTH**
2 **CARE CASE MANAGERS FOR LONG TERM**
3 **HOME HEALTH SPELLS OF ILLNESS.**

4 (a) REQUIREMENT FOR CASE MANAGEMENT PLAN
5 FOR BENEFICIARIES REQUIRING EXTENDED HOME
6 HEALTH SERVICES.—

7 (1) IN GENERAL.—Section 1861(m) of the So-
8 cial Security Act (42 U.S.C. 1395x(m)) is amended,
9 in the matter preceding paragraph (1), by inserting
10 after “under a plan (for furnishing such items and
11 services to such individual) established and periodi-
12 cally reviewed by a physician” the following: “and,
13 in the case of such services furnished (or likely to
14 be required to be furnished) for an extended period
15 (as defined by the Secretary in regulations), under
16 a home health case management plan (as defined in
17 subsection (uu)(2)) established by a home health
18 case manager (as defined in subsection (uu)(1)) in
19 consultation with the physician and, if available, the
20 family of the individual”.

21 (2) DEFINITIONS.—Section 1861 of such Act
22 (42 U.S.C. 1395x) is amended by adding at the end
23 the following new subsection:

1 “Home Health Case Manager

2 “(uu)(1) The term ‘home health case manager’
3 means a public agency or private organization (or a sub-
4 division thereof) that—

5 “(A) develops, coordinates, and monitors the
6 delivery of home health services by home health
7 agencies to an individual;

8 “(B) has experience and expertise in the fur-
9 nishing of home health services; and

10 “(C) meets such other standards as the Sec-
11 retary finds necessary for the effective and efficient
12 development and oversight of home health case man-
13 agement plans and to ensure the health and safety
14 of individuals furnished services under such a plan.

15 “(2) The term ‘home health case management plan’
16 means a structured plan for the delivery of home health
17 services that is developed by a home health case manager,
18 after consultation with the physician and, if available, the
19 family of the individual involved.

20 “(3) The term ‘home health case manager services’
21 means the development, coordination, and monitoring of
22 a home health case management plan for an individual
23 furnished (or likely to be required to be furnished) home
24 health services for an extended period (as defined by the

1 Secretary in regulations under subsection (m)) and in-
 2 cludes the periodic review of such a plan.”.

3 (3) GUIDANCE ON INITIATION OF CASE MAN-
 4 AGER SERVICES.—The Secretary of Health and
 5 Human Services shall provide guidance on the proc-
 6 ess or processes that may be used to identify Medi-
 7 care beneficiaries requiring home health services for
 8 extended periods and to develop home health case
 9 management plans on a timely basis.

10 (4) LIMITATION ON REFERRALS.—Section 1877
 11 of the Social Security Act (42 U.S.C. 1395nn) shall
 12 apply to a referral by a home health case manager
 13 to a home health agency in the same manner as
 14 such section applies to a referral by a physician to
 15 an entity described in section 1877(a)(2) of such
 16 Act.

17 (b) COVERAGE OF AND PAYMENT FOR HOME
 18 HEALTH CASE MANAGER SERVICES.—

19 (1) PART A.—

20 (A) COVERAGE.—Section 1812(a)(3) of
 21 such Act (42 U.S.C. 1395d(a)(3)) is amended
 22 by inserting before the semicolon “, and home
 23 health case manager services (as defined in sec-
 24 tion 1861(uu)(3))”.

1 (B) ELIGIBILITY.—Section 1814(a)(2)(C)
2 of such Act (42 U.S.C. 1395f(a)(2)(C)) is
3 amended by inserting “and, in the case of such
4 services furnished (or likely to be required to be
5 furnished) for an extended period (as defined
6 by the Secretary under section 1861(m)), under
7 a home health case management plan that has
8 been established and periodically reviewed by a
9 home health case manager” after “is periodically
10 reviewed by a physician”.

11 (C) PAYMENT.—Section 1812 of such Act
12 (42 U.S.C. 1395d) is amended by adding at the
13 end the following new subsection:

14 “(h)(1) Payment under this part for home health
15 case manager services (as defined in section 1861(uu)(3))
16 shall be made pursuant to the fee schedule established by
17 the Secretary under section 1834(m).

18 “(2) Payment may be made under this title for home
19 health case manager services with respect to an individual
20 only—

21 “(A) for the initial development of the home
22 health case management plan for the individual, and

23 “(B) for the subsequent review and modifica-
24 tion of such plan, as provided by the Secretary in
25 regulations.”.

1 (2) PART B.—

2 (A) COVERAGE.—Section 1832(a)(2)(A) of
3 such Act (42 U.S.C. 1395k(a)(2)(A)) is amend-
4 ed by inserting before the semicolon “, and
5 home health case manager services (as defined
6 in section 1861(uu)(3))”.

7 (B) ELIGIBILITY.—Section 1835(a)(2) of
8 such Act (42 U.S.C. 1395n(a)(2)) is amended
9 by inserting “and, in the case of such services
10 furnished (or likely to be required to be fur-
11 nished) for an extended period (as defined by
12 the Secretary under section 1861(m)), under a
13 home health case management plan that has
14 been established and periodically reviewed by a
15 home health case manager” after “is periodi-
16 cally reviewed by a physician”.

17 (C) PAYMENT.—Section 1833 of such Act
18 (42 U.S.C. 1395l) is amended—

19 (i) in subsection (a)(2)—

20 (I) by striking “and” at the end
21 of subparagraph (F);

22 (II) by adding “and” at the end
23 of subparagraph (G); and

1 (III) by adding after subpara-
 2 graph (G) the following new subpara-
 3 graph:

4 “(H) subject to subsection (u), with re-
 5 spect to home health case manager services (as
 6 defined in section 1861(uu)(3), the amount de-
 7 termined under the fee schedule established
 8 under section 1834(m);”, and

9 (ii) by adding at the end the following
 10 new subsection:

11 “(u) Payment may be made under this title for home
 12 health case manager services with respect to an individual
 13 only—

14 “(1) for the initial development of the home
 15 health case management plan for the individual, and

16 “(2) for the subsequent review and modification
 17 of such plan, as provided by the Secretary in regula-
 18 tions.”.

19 (3) ESTABLISHMENT OF FEE SCHEDULE.—Sec-
 20 tion 1834 of such Act (42 U.S.C. 1395m) is amend-
 21 ed by adding at the end the following new section:

22 “(m) ESTABLISHMENT OF FEE SCHEDULE FOR
 23 HOME HEALTH CASE MANAGER SERVICES.—

24 “(1) IN GENERAL.—The Secretary shall estab-
 25 lish a fee schedule for payment for home health case

1 manager services. Such schedule may provide for
2 rates that differ for such services that comprise the
3 establishment of a home health case management
4 plan and that comprise review and modification of
5 such a plan.

6 “(2) CONSIDERATIONS.—In establishing such
7 fee schedule, the Secretary shall consider appro-
8 priate regional and operational differences and ad-
9 justments to payment rates to account for inflation
10 and other relevant factors.

11 “(3) CONSULTATION.—In establishing the fee
12 schedule for home health case manager services
13 under this subsection, the Secretary shall consult
14 with appropriate organizations representing individ-
15 uals and entities who furnish referral services for
16 home health services and share with such organiza-
17 tions relevant data in establishing such schedule.

18 “(4) ALTERNATIVE PAYMENT UNDER COMPETI-
19 TIVE BIDDING.—

20 “(A) IN GENERAL.—Notwithstanding the
21 preceding provisions of this subsection, the Sec-
22 retary may, by region, use a competitive process
23 to contract with home health case managers for
24 furnishing home health case manager services.

“(B) PAYMENT.—Payment under this paragraph shall be made on the basis of negotiated all-inclusive rates. The amount of payment made by the Secretary to a home health case manager for home health case manager services under this title for services covered under a contract shall be less than the aggregate amount of the payments that the Secretary would have otherwise made for the services.

“(C) CONTRACT PERIOD.—A contract period shall be three years (subject to renewal), as long as the entity continues to meet quality and other contractual standards.”.

(c) EFFECTIVE DATE.—The amendments made by this section apply with respect to home health services furnished on or after October 1, 2001.

SEC. 3. REPORT TO CONGRESS ON FEASIBILITY OF CASE MANAGERS WITH RESPECT TO OTHER MEDICAL CARE SERVICES.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study of the types of services consisting of post-acute hospital care furnished under the Medicare program under title XVIII of the Social Security Act to determine whether use of case managers and case management plans similar to home health case managers

1 (as defined in section 1861(uu)(1)) and home health case
2 management plans (as defined in section 1861(uu)(2)) is
3 feasible and appropriate for each such type of service. In
4 conducting the study, the Secretary shall also determine
5 whether such case managers and case management plans
6 may improve quality of care and patient outcomes under
7 the medicare program, may result in cost savings to the
8 program, and may reduce incidents of waste, fraud and
9 abuse against the program.

10 (b) REPORT.—Not later than January 1, 2002, the
11 Secretary shall submit to Congress a report containing the
12 determinations made pursuant to the study conducted
13 under subsection (a) and any recommendations for legisla-
14 tive and administrative action the Secretary deems appro-
15 priate.

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