

106TH CONGRESS
1ST SESSION

S. 1837

To amend title XIX of the Social Security Act to provide low-income medicare beneficiaries with medical assistance for out-of-pocket expenditures for outpatient prescription drugs.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 1, 1999

Mr. BAUCUS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XIX of the Social Security Act to provide low-income medicare beneficiaries with medical assistance for out-of-pocket expenditures for outpatient prescription drugs.

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 “Healthy Seniors Act
5 of 1999”.

1 **SEC. 2. PRESCRIPTION DRUG ASSISTANCE UNDER THE**
 2 **MEDICAID PROGRAM.**

3 (a) ELIGIBILITY.—Section 1902(a)(10) of the Social
 4 Security Act (42 U.S.C. 1396a(a)(10)) is amended—

5 (1) in subparagraph (E)(iv)(II), by striking
 6 “and” at the end;

7 (2) in subparagraph (F), by adding “and” at
 8 the end; and

9 (3) by inserting after subparagraph (F) the fol-
 10 lowing:

11 “(G) for making medical assistance de-
 12 scribed in section 1905(v) available (but only
 13 for prescribed drugs available under the State
 14 plan furnished during fiscal year 2000 and each
 15 fiscal year thereafter), for individuals who—

16 “(i) are not otherwise eligible for med-
 17 ical assistance for prescribed drugs under
 18 the State plan;

19 “(ii) are enrolled in part B of title
 20 XVIII; and

21 “(iii) whose income does not exceed
 22 175 percent of the official poverty line (as
 23 defined by the Office of Management and
 24 Budget, and revised annually in accord-
 25 ance with section 673(2) of the Omnibus

1 Budget Reconciliation Act of 1981) for a
2 family of the size involved;”.

3 (b) BENEFIT.—Section 1905 of the Social Security
4 Act (42 U.S.C. 1396d) is amended by adding at the end
5 the following:

6 “(v)(1) For purposes of section 1902(a)(10)(G), the
7 medical assistance described in this subsection is the ap-
8 plicable percentage (determined under paragraph (2)) of
9 a low-income medicare beneficiary’s out-of-pocket expendi-
10 tures for prescribed drugs available under the State plan.

11 “(2) For purposes of paragraph (1), the applicable
12 percentage is—

13 “(A) in the case of a low-income medicare
14 beneficiary whose income does not exceed 100
15 percent of the official poverty line (as defined
16 by the Office of Management and Budget, and
17 revised annually in accordance with section
18 673(2) of the Omnibus Budget Reconciliation
19 Act of 1981 for a family of the size involved),
20 100 percent;

21 “(B) in the case of a low-income medicare
22 beneficiary whose income exceeds 100 but does
23 not exceed 125 percent of such poverty line, 75
24 percent;

1 “(C) in the case of a low-income medicare
 2 beneficiary whose income exceeds 125 but does
 3 not exceed 150 percent of such poverty line, 50
 4 percent; and

5 “(D) in the case of a low-income medicare
 6 beneficiary whose income exceeds 150 but does
 7 not exceed 175 percent of such poverty line, 25
 8 percent.

9 “(3) In this subsection, the term ‘low-income medi-
 10 care beneficiary’ means an individual described in section
 11 1902(a)(10)(G).”.

12 (c) CONFORMING AMENDMENT.—Section 1903(f)(4)
 13 of the Social Security Act (42 U.S.C. 1396b(f)(4)) is
 14 amended by striking “or 1905(u)” and inserting
 15 “1905(u), or 1902(a)(10)(G)”.

16 (d) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to medical assistance provided be-
 18 ginning with fiscal year 2000.

19 **SEC. 3. PAYMENTS TO STATES FOR COSTS AT A FEDERAL**
 20 **MATCHING RATE OF 100 PERCENT.**

21 (a) IN GENERAL.—Section 1903 of the Social Secu-
 22 rity Act (42 U.S.C. 1396b) is amended—

23 (1) in the first sentence of subsection (b), by in-
 24 serting “and 1903(x)” after “1933(d)”; and

25 (2) by adding at the end the following:

1 “(x) With respect to medical assistance described in
 2 section 1905(v) for individuals described in section
 3 1902(a)(10)(G), and amounts expended for the proper
 4 and efficient administration of such sections, the Federal
 5 medical assistance percentage for such medical assistance
 6 and amounts is equal to 100 percent.”.

7 (b) EFFECTIVE DATE.—The amendments made by
 8 subsection (a) shall apply to medical assistance provided
 9 beginning with fiscal year 2000.

10 **SEC. 4. ON-GOING STATE MAINTENANCE OF EFFORT.**

11 Notwithstanding any other provision of law, the Sec-
 12 retary of Health and Human Services shall reduce pay-
 13 ments to a State under section 1903(a) of the Social Secu-
 14 rity Act (42 U.S.C. 1396b(a)) for a calendar quarter in
 15 a fiscal year to the extent that the Secretary determines
 16 that, for a quarter beginning on or after January 1,
 17 2000—

18 (1) the level of State expenditures for medicare
 19 beneficiaries under any State-funded prescription
 20 drug program for such quarter is less than the level
 21 of such expenditures under such program during fis-
 22 cal year 1999; or

23 (2) the level of State expenditures for medical
 24 assistance provided to medicare beneficiaries under
 25 title XIX of such Act (42 U.S.C. 1396 et seq.) for

- 1 such quarter is less than the level of such expendi-
- 2 tures under such title during fiscal year 1999.

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