

108TH CONGRESS  
2D SESSION

# H. R. 4781

To amend titles XVIII and XIX of the Social Security Act to provide for equitable treatment of residents of territories with respect to transitional assistance and low-income subsidies under the Medicare prescription drug benefit program.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2004

Ms. BORDALLO (for herself, Mrs. CHRISTENSEN, Mr. FALEOMAVAEGA, and Mr. ACEVEDO-VILÁ) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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

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## A BILL

To amend titles XVIII and XIX of the Social Security Act to provide for equitable treatment of residents of territories with respect to transitional assistance and low-income subsidies under the Medicare prescription drug benefit 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 “MMA Territorial Eq-  
5       uity for Low-Income Individuals Act of 2004”.

1 **SEC. 2. EQUITABLE TREATMENT OF RESIDENTS OF TERRI-**  
2 **TORIES UNDER MEDICARE PRESCRIPTION**  
3 **DRUG TRANSITIONAL ASSISTANCE PROGRAM.**

4 (a) IN GENERAL.—Subsection (b)(2)(A) of section  
5 1860D–31 of the Social Security Act (42 U.S.C. 1395w–  
6 141) is amended by inserting after “or the District of Co-  
7 lumbia” the following: “or in Puerto Rico, the Virgin Is-  
8 lands, Guam, American Samoa, or the Commonwealth of  
9 the Northern Mariana Islands”.

10 (b) CONFORMING CHANGE IN AVAILABILITY OF  
11 FUNDS.—Subsection (j)(2) of such section is amended—

12 (1) by striking “for the entire period of the op-  
13 eration of this section” and inserting “for 2004”;  
14 and

15 (2) by striking subparagraph (D).

16 (c) ADDITIONAL CONFORMING AMENDMENTS.—(1)  
17 Subsection (b) of such section is amended—

18 (A) by adding at the end of paragraph (2)(A)  
19 the following: “The poverty line to be applied under  
20 this subparagraph to an individual residing in a ter-  
21 ritory shall be the same as the poverty line applica-  
22 ble to individuals residing in the continental United  
23 States.”; and

24 (B) by adding at the end of paragraph (3) the  
25 following: “The poverty line to be applied under this  
26 paragraph to an individual residing in a territory

1 shall be the same as the poverty line applicable to  
 2 individuals residing in the continental United  
 3 States.”.

4 (2) Subsection (f)(3)(C)(ii) of such section is amend-  
 5 ed by striking “that is one of the 50 States or the District  
 6 of Columbia”.

7 (d) EFFECTIVE DATE.—The amendments made by  
 8 this section shall take effect on January 1, 2005.

9 **SEC. 3. EQUITABLE TREATMENT OF RESIDENTS OF TERRI-**  
 10 **TORIES IN PREMIUM AND COST-SHARING**  
 11 **SUBSIDIES UNDER MEDICARE PRESCRIPTION**  
 12 **DRUG PROGRAM.**

13 (a) IN GENERAL.—Section 1860D–14(a)(3) of the  
 14 Social Security Act (42 U.S.C. 1395w–114(a)(3)) is  
 15 amended by striking subparagraph (F).

16 (b) CONFORMING AMENDMENTS.—

17 (1) Section 1935 of such Act (42 U.S.C. 1396v)  
 18 is amended—

19 (A) in subsections (a) and (c)(1), by strik-  
 20 ing “subject to subsection (e)”;

21 (B) in subsection (c)(1)(A), by striking  
 22 “Each of the 50 States and the District of Co-  
 23 lumbia” and inserting “Each State”;

24 (C) in subsection (c)(2)(A)(i), by striking  
 25 “and” at the end of subclause (I), and by add-

ing after subclause (II) the following new sub-  
clause:

“(III) in the case of a territory  
subject to a limitation on payments  
under this title under subsections (f)  
and (g) of section 1108, the ratio of  
the total amounts of the payment lim-  
itations under such subsections for  
such territory for fiscal year 2003, to  
the total amounts that would be pay-  
able to such territory under this title  
for such fiscal year but for such pay-  
ment limitations; and”; and

(D) by striking subsection (e).

(2) Section 1108(f) of such Act (42 U.S.C.  
1308(f)) is amended by striking “and section  
1935(e)(1)(B)”.

(3) Section 1860D–14(a)(3)(C) of such Act (42  
U.S.C. 1395w–114(a)(3)(C)) is amended by adding  
at the end the following: “The poverty line to be ap-  
plied in the territories shall be the same as the pov-  
erty line applied to States in the continental United  
States.”.

(c) EFFECTIVE DATE.—The amendments made by  
this section shall be effective as if included in the enact-

1 ment of the Medicare Prescription Drug, Improvement,  
2 and Modernization Act of 2003 (Public Law 108–173).

3 **SEC. 4. INSTITUTE OF MEDICINE REPORT ON ACCESS OF**  
4 **MEDICARE BENEFICIARIES IN TERRITORIES**  
5 **TO PRESCRIPTION DRUGS.**

6 (a) IN GENERAL.—The Secretary of Health and  
7 Human Services shall request the Institute of Medicine  
8 of the National Academy of Sciences to undertake a study  
9 that examines the access of medicare beneficiaries residing  
10 in the United States territories to prescription drugs dur-  
11 ing each of 3 periods:

12 (1) BEFORE MMA.—The period before the date  
13 of the enactment of the Medicare Prescription Drug,  
14 Improvement, and Modernization Act of 2003 (Pub-  
15 lic Law 108–173).

16 (2) DISCOUNT CARD AND TRANSITIONAL AS-  
17 SISTANCE.—The period during the implementation  
18 of the discount card and transitional assistance pro-  
19 gram (under section 1860D–31 of the Social Secu-  
20 rity Act).

21 (3) IMPLEMENTATION OF PRESCRIPTION DRUG  
22 BENEFIT.—The period beginning on January 1,  
23 2006.

24 (b) REPORT.—The study under subsection (a) shall  
25 include a report to the Secretary, the Committees on Ways

1 and Means and Energy and Commerce of the House of  
2 Representatives, and the Committee on Finance of the  
3 Senate, on the results of such study. Such report shall  
4 include information on—

5           (1) the relative cost of prescription drugs to  
6        medicare beneficiaries residing in the territories,  
7        both retail and as affected through benefit changes  
8        effected under the Medicare Prescription Drug, Im-  
9        provement, and Modernization Act of 2003 (Public  
10       Law 108–173); and

11           (2) statistical health improvements of such  
12        beneficiaries as a result of the enactment of such  
13        law.

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