

**Calendar No. 656**108<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**S. 2694**

To amend title XVIII of the Social Security Act to provide for the automatic enrollment of medicaid beneficiaries for prescription drug benefits under part D of such title, and for other purposes.

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**IN THE SENATE OF THE UNITED STATES**

JULY 20, 2004

Mr. BINGAMAN introduced the following bill; which was read the first time

JULY 21, 2004

Read the second time and placed on the calendar

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**A BILL**

To amend title XVIII of the Social Security Act to provide for the automatic enrollment of medicaid beneficiaries for prescription drug benefits under part D of such title, and for other purposes.

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 Assurance  
5 of Rx Transitional Assistance Act of 2004”.

1 **SEC. 2. AUTOMATIC ENROLLMENT OF MEDICAID BENE-**  
 2 **FICIARIES ELIGIBLE FOR MEDICARE PRE-**  
 3 **SCRIPTION DRUG BENEFITS.**

4 (a) AUTOMATIC ENROLLMENT OF BENEFICIARIES  
 5 RECEIVING MEDICAL ASSISTANCE FOR MEDICARE COST-  
 6 SHARING UNDER MEDICAID.—Section 1860D-  
 7 14(a)(3)(B)(v) (42 U.S.C. 1395w-114(a)(3)(B)(v)) is  
 8 amended to read as follows:

9 “(v) TREATMENT OF MEDICAID BENE-  
 10 FICIARIES.—Subject to subparagraph (F),  
 11 the Secretary shall provide that part D eli-  
 12 gible individuals who are—

13 “(I) full-benefit dual eligible indi-  
 14 viduals (as defined in section  
 15 1935(e)(6)) or who are recipients of  
 16 supplemental security income benefits  
 17 under title XVI shall be treated as  
 18 subsidy eligible individuals described  
 19 in paragraph (1); and

20 “(II) not described in subclause  
 21 (I), but who are determined for pur-  
 22 poses of the State plan under title  
 23 XIX to be eligible for medical assist-  
 24 ance under clause (i), (iii), or (iv) of  
 25 section 1902(a)(10)(E), shall be treat-  
 26 ed as being determined to be subsidy

1 eligible individuals described in para-  
2 graph (1).”.

3 (b) ASSURANCE OF TRANSITIONAL ASSISTANCE  
4 UNDER DRUG DISCOUNT CARD PROGRAM.—

5 (1) IN GENERAL.—Section 1860D–31(b)(2)(A)  
6 of the Social Security Act (42 U.S.C. 1395w–  
7 141(b)(2)(A)) is amended by adding at the end the  
8 following new sentence: “Subject to subparagraph  
9 (B), each discount card eligible individual who is de-  
10 scribed in section 1860D–14(a)(3)(B)(v) shall be  
11 considered to be a transitional assistance eligible in-  
12 dividual.”.

13 (2) AUTOMATIC ENROLLMENT OF MEDICAID  
14 BENEFICIARIES.—Section 1860D–31(c)(1) of the  
15 Social Security Act (42 U.S.C. 1395w–141(c)(1)) is  
16 amended by adding at the end the following new  
17 subparagraph:

18 “(F) AUTOMATIC ENROLLMENT OF CER-  
19 TAIN BENEFICIARIES.—

20 “(i) IN GENERAL.—Subject to clause  
21 (ii), the Secretary shall—

22 “(I) enroll each discount card eli-  
23 gible individual who is described in  
24 section 1860D–14(a)(3)(B)(v), but  
25 who has not enrolled in an endorsed

1 discount card program as of August  
2 15, 2004, in an endorsed discount  
3 card program selected by the Sec-  
4 retary that serves residents of the  
5 State in which the individual resides;  
6 and

7 “(II) notwithstanding paragraphs  
8 (2) and (3) of subsection (f), auto-  
9 matically determine that such indi-  
10 vidual is a transitional assistance eli-  
11 gible individual (including whether  
12 such individual is a special transi-  
13 tional assistance eligible individual)  
14 without requiring any self-certification  
15 or subjecting such individual to any  
16 verification under such paragraphs.

17 “(ii) OPT-OUT.—The Secretary shall  
18 not enroll an individual under clause (i) if  
19 the individual notifies the Secretary that  
20 such individual does not wish to be en-  
21 rolled and be determined to be a transi-  
22 tional assistance eligible individual under  
23 such clause before the individual is so en-  
24 rolled.”.

1           (3) NOTICE OF ELIGIBILITY FOR TRANSITIONAL  
2 ASSISTANCE.—Section 1860D–31(d) of the Social  
3 Security Act (42 U.S.C. 1395w–141(d)) is amended  
4 by adding at the end the following new paragraph:

5           “(4) NOTICE OF ELIGIBILITY TO MEDICAID  
6 BENEFICIARIES.—Not later than July 15, 2004,  
7 each State or the Secretary (at the option of each  
8 State) shall mail to each discount card eligible indi-  
9 vidual who is described in section 1860D–  
10 14(a)(3)(B)(v), but who has not enrolled in an en-  
11 dorsed discount card program as of July 1, 2004, a  
12 notice stating that—

13           “(A) such individual is eligible to enroll in  
14 an endorsed discount card program and to re-  
15 ceive transitional assistance under subsection  
16 (g);

17           “(B) if such individual does not enroll be-  
18 fore August 15, 2004, such individual will auto-  
19 matically be enrolled in an endorsed discount  
20 card program selected by the Secretary unless  
21 the individual notifies the Secretary that such  
22 individual does not wish to be so enrolled;

23           “(C) if the individual is enrolled in an en-  
24 dorsed discount card program during 2004, the  
25 individual will be permitted to change enroll-

1           ment under subsection (e)(1)(C)(ii) for 2005;  
2           and

3           “(D) there is no obligation to use the en-  
4           dorsed discount card program or transitional  
5           assistance when purchasing prescription  
6           drugs.”.

7           (c) EFFECTIVE DATE.—The amendments made by  
8           this section shall take effect as if included in the enact-  
9           ment of section 101 of the Medicare Prescription Drug,  
10          Improvement, and Modernization Act of 2003 (Public Law  
11          108–173; 117 Stat. 2071).



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