

108TH CONGRESS  
1ST SESSION

# S. 526

To amend title XVIII of the Social Security Act to improve access to Medicare+Choice plans for special needs medicare beneficiaries by allowing plans to target enrollment to special needs beneficiaries.

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## IN THE SENATE OF THE UNITED STATES

MARCH 5, 2003

Mr. HATCH (for himself, Mr. GRAHAM of Florida, Mr. KENNEDY, Mr. COLEMAN, Ms. MIKULSKI, Mr. ALLARD, and Mr. DAYTON) introduced the following bill; which was read twice and referred to the Committee on Finance

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# A BILL

To amend title XVIII of the Social Security Act to improve access to Medicare+Choice plans for special needs medicare beneficiaries by allowing plans to target enrollment to special needs beneficiaries.

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 Improve-  
5       ments for Special Needs Beneficiaries Act of 2003”.

1 **SEC. 2. SPECIALIZED MEDICARE+CHOICE PLANS FOR SPE-**  
2 **CIAL NEEDS BENEFICIARIES.**

3 (a) TREATMENT AS COORDINATED CARE PLAN.—  
4 Section 1851(a)(2)(A) of the Social Security Act (42  
5 U.S.C. 1395w–21(a)(2)(A)) is amended by adding at the  
6 end the following new sentence: “Specialized  
7 Medicare+Choice plans for special needs beneficiaries (as  
8 defined in section 1859(b)(4)) may be any type of coordi-  
9 nated care plan.”.

10 (b) SPECIALIZED MEDICARE+CHOICE PLAN FOR  
11 SPECIAL NEEDS BENEFICIARIES DEFINED.—Section  
12 1859(b) of such Act (42 U.S.C. 1395w–29(b)) is amended  
13 by adding at the end the following new paragraph:

14 “(4) SPECIALIZED MEDICARE+CHOICE PLANS  
15 FOR SPECIAL NEEDS BENEFICIARIES.—

16 “(A) IN GENERAL.—The term ‘specialized  
17 Medicare+Choice plan for special needs bene-  
18 ficiaries’ means a Medicare+Choice plan that  
19 exclusively serves special needs beneficiaries (as  
20 defined in subparagraph (B)).

21 “(B) SPECIAL NEEDS BENEFICIARY.—The  
22 term ‘special needs beneficiary’ means a  
23 Medicare+Choice eligible individual who—

24 “(i) is institutionalized (as defined by  
25 the Secretary);

1                         “(ii) is entitled to medical assistance  
2                         under a State plan under title XIX; or  
3                         “(iii) meets such requirements as the  
4                         Secretary may determine would benefit  
5                         from enrollment in such a specialized  
6                         Medicare+Choice plan described in sub-  
7                         paragraph (A) for individuals with severe  
8                         or disabling chronic conditions.”.

9                         (c) RESTRICTION ON ENROLLMENT PERMITTED.—  
10                         Section 1859 of such Act (42 U.S.C. 1395w-29) is  
11                         amended by adding at the end the following new sub-  
12                         section:

13                         “(f) RESTRICTION ON ENROLLMENT FOR SPECIAL-  
14                         IZED MEDICARE+CHOICE PLANS FOR SPECIAL NEEDS  
15                         BENEFICIARIES.—In the case of a specialized  
16                         Medicare+Choice plan (as defined in subsection (b)(4)),  
17                         notwithstanding any other provision of this part and in  
18                         accordance with regulations of the Secretary and for peri-  
19                         ods before January 1, 2008, the plan may restrict the en-  
20                         rollment of individuals under the plan to individuals who  
21                         are within 1 or more classes of special needs bene-  
22                         ficiaries.”.

23                         (d) REPORT TO CONGRESS.—Not later than Decem-  
24                         ber 31, 2006, the Secretary of Health and Human Serv-  
25                         ices shall submit to Congress a report that assesses the

1 impact of specialized Medicare+Choice plans for special  
2 needs beneficiaries on the cost and quality of services pro-  
3 vided to enrollees. Such report shall include an assessment  
4 of the costs and savings to the medicare program as a  
5 result of amendments made by subsections (a), (b), and  
6 (c).

7 (e) EFFECTIVE DATES.—

8 (1) IN GENERAL.—The amendments made by  
9 subsections (a), (b), and (c) shall take effect on the  
10 date of enactment of this Act.

11 (2) DEADLINE FOR ISSUANCE OF REQUIRE-  
12 MENTS FOR SPECIAL NEEDS BENEFICIARIES; TRAN-  
13 SITION.—No later than the date that is 1 year after  
14 the date of enactment of this Act, the Secretary of  
15 Health and Human Services shall issue final regula-  
16 tions to establish requirements for special needs  
17 beneficiaries under section 1859(b)(4)(B)(iii) of the  
18 Social Security Act, as added by subsection (b).

