

109TH CONGRESS
1ST SESSION

H. R. 2487

To amend title XVIII of the Social Security Act, as amended by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide additional beneficiary protections.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2005

Mr. CARDIN 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

A BILL

To amend title XVIII of the Social Security Act, as amended by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide additional beneficiary protections.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Preserving Medicare for All Act of 2005”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
 Sec. 2. Authority to negotiate prices.
 Sec. 3. Guaranteed prescription drug benefits.
 Sec. 4. Full reimbursement for qualified retiree prescription drug plans.
 Sec. 5. Repeal of Comparative Cost Adjustment (CCA) program.
 Sec. 6. Repeal of MA Regional Plan Stabilization Fund.
 Sec. 7. Repeal of cost containment provisions.

1 **SEC. 2. AUTHORITY TO NEGOTIATE PRICES.**

2 Subsection (i) of section 1860D–11, as added by sec-
 3 tion 101 of the Medicare Prescription Drug, Improvement,
 4 and Modernization Act of 2003 (Public Law 108–173),
 5 is repealed.

6 **SEC. 3. GUARANTEED PRESCRIPTION DRUG BENEFITS.**

7 (a) IN GENERAL.—Section 1860D–3 of the Social
 8 Security Act, as added by section 101 of the Medicare Pre-
 9 scription Drug, Improvement, and Modernization Act of
 10 2003 (Public Law 108–173), is amended to read as fol-
 11 lows:

12 “ACCESS TO A CHOICE OF QUALIFIED PRESCRIPTION
 13 DRUG COVERAGE

14 “SEC. 1860D–3. (a) ASSURING ACCESS TO A CHOICE
 15 OF COVERAGE.—

16 “(1) CHOICE OF AT LEAST THREE PLANS IN
 17 EACH AREA.—The Secretary shall ensure that each
 18 part D eligible individual has available, consistent
 19 with paragraph (2), a choice of enrollment in—

20 “(A) a nationwide prescription drug plan
 21 offered by the Secretary in accordance with
 22 subsection (b); and

1 “(B) at least 2 qualifying plans (as defined
2 in paragraph (3)) in the area in which the indi-
3 vidual resides, at least one of which is a pre-
4 scription drug plan.

5 “(2) REQUIREMENT FOR DIFFERENT PLAN
6 SPONSORS.—The requirement in paragraph (1)(B) is
7 not satisfied with respect to an area if only one enti-
8 ty offers all the qualifying plans in the area.

9 “(3) QUALIFYING PLAN DEFINED.—For pur-
10 poses of this section, the term ‘qualifying plan’
11 means—

12 “(A) a prescription drug plan;

13 “(B) an MA–PD plan described in section
14 1851(a)(2)(A)(i) that provides—

15 “(i) basic prescription drug coverage;

16 or

17 “(ii) qualified prescription drug cov-
18 erage that provides supplemental prescrip-
19 tion drug coverage so long as there is no
20 MA monthly supplemental beneficiary pre-
21 mium applied under the plan, due to the
22 application of a credit against such pre-
23 mium of a rebate under section
24 1854(b)(1)(C); or

1 “(C) a nationwide prescription drug plan
2 offered by the Secretary in accordance with
3 subsection (b).

4 “(b) HHS AS PDP SPONSOR FOR A NATIONWIDE
5 PRESCRIPTION DRUG PLAN.—

6 “(1) IN GENERAL.—The Secretary, through the
7 Administrator of the Centers for Medicare & Med-
8 icaid Services, shall take such steps as may be nec-
9 essary to qualify and serve as a PDP sponsor and
10 to offer a prescription drug plan that offers basic
11 prescription drug coverage throughout the United
12 States. Such a plan shall be in addition to, and not
13 in lieu of, other prescription drug plans offered
14 under this part.

15 “(2) PREMIUM; SOLVENCY; AUTHORITIES.—In
16 carrying out paragraph (1), the Secretary—

17 “(A) shall establish a premium in the
18 amount of \$35 for months in 2006 and, for
19 months in subsequent years, in the amount
20 specified in this paragraph for months in the
21 previous year increased by the annual percent-
22 age increase described in section 1860D-
23 2(b)(6) (relating to growth in medicare pre-
24 scription drug costs per beneficiary) for the
25 year involved;

1 (1) by inserting “under a qualified retiree pre-
2 scription drug plan (as defined in section 1860D-
3 22(a)(2)),” after “under section 1860D-14,”; and

4 (2) by inserting “, under such a qualified re-
5 tiree prescription drug plan,” after “(other than
6 under such section”.

7 (b) EQUALIZATION OF SUBSIDIES.—Notwithstanding
8 any other provision of law, the Secretary of Health and
9 Human Services shall provide for such increase in the spe-
10 cial subsidy payment amounts under section 1860D-
11 22(a)(3) of the Social Security Act, as added by section
12 101(a) of the Medicare Prescription Drug, Improvement,
13 and Modernization Act of 2003 (Public Law 108-173),
14 as may be appropriate to provide for payments in the ag-
15 gregate equivalent to the payments that would have been
16 made under section 1860D-15 of such Act if the individ-
17 uals were not enrolled in a qualified retiree prescription
18 drug plan. In making such computation, the Secretary
19 shall not take into account the application of the amend-
20 ments made by section 1202 of the Medicare Prescription
21 Drug, Improvement, and Modernization Act of 2003.

22 **SEC. 5. REPEAL OF COMPARATIVE COST ADJUSTMENT**
23 **(CCA) PROGRAM.**

24 Subtitle E of title II of the Medicare Prescription
25 Drug, Improvement, and Modernization Act of 2003 (Pub-

1 lie Law 108–173), and the amendments made by such
2 subtitle, are repealed.

3 **SEC. 6. REPEAL OF MA REGIONAL PLAN STABILIZATION**
4 **FUND.**

5 (a) IN GENERAL.—Section 1858 of the Social Secu-
6 rity Act, as added by section 221(c) of the Medicare Pre-
7 scription Drug, Improvement, and Modernization Act of
8 2003 (Public Law 108–173), is amended—

9 (1) by striking subsection (e);

10 (2) by redesignating subsections (f), (g), and
11 (h) as subsections (e), (f), and (g), respectively; and

12 (3) in subsection (e), as so redesignated, by
13 striking “subject to subsection (e),”.

14 (b) CONFORMING AMENDMENT.—Section 1851(i)(2)
15 of the Social Security Act (42 U.S.C. 1395w–21(i)(2)), as
16 amended by section 221(d)(5) of the Medicare Prescrip-
17 tion Drug, Improvement, and Modernization Act of 2003
18 (Public Law 108–173), is amended by striking “1858(h)”
19 and inserting “1858(g)”.

20 **SEC. 7. REPEAL OF COST CONTAINMENT PROVISIONS.**

21 Subtitle A of title VIII of the Medicare Prescription
22 Drug, Improvement, and Modernization Act of 2003 (Pub-
23 lic Law 108–173) is repealed and any provisions of law

- 1 amended by such subtitle are restored as if such subtitle
- 2 had not been enacted.

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