

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2620

To amend the Older Americans Act of 1965 to authorize the Assistant Secretary for Aging to provide allotments to eligible States to provide older individuals with financial assistance to select a flexible range of home and community-based long-term care services or supplies, provided in a manner that respects the individuals' choices and preferences.

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## IN THE SENATE OF THE UNITED STATES

APRIL 7, 2006

Mrs. CLINTON introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Older Americans Act of 1965 to authorize the Assistant Secretary for Aging to provide allotments to eligible States to provide older individuals with financial assistance to select a flexible range of home and community-based long-term care services or supplies, provided in a manner that respects the individuals' choices and preferences.

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 “Community-Based  
5       Choices for Older Americans Act of 2006”.

1 **SEC. 2. PURPOSE.**

2 The purpose of this Act is to provide grants to States  
3 in order to achieve the following:

4 (1) To enable eligible individuals to make in-  
5 formed choices about the long-term care services and  
6 supplies that best meet their needs and preferences.

7 (2) To provide financial assistance to older indi-  
8 viduals to purchase a flexible range of long-term  
9 care services or supplies in a manner that respects  
10 the individuals' cultural, ethnic, and lifestyle pref-  
11 erences in the least restrictive settings possible.

12 (3) To make the purchase of long-term care  
13 services and supplies delivered in a home or commu-  
14 nity-based setting, such as a naturally occurring re-  
15 tirement community, more affordable for individuals  
16 with financial need.

17 (4) To help families continue to care for their  
18 older relatives with long-term care needs, including  
19 older individuals with physical and cognitive impair-  
20 ments, and to help reduce the number of older indi-  
21 viduals who are forced to impoverish themselves in  
22 order to pay for the long-term care services and sup-  
23 plies they need.

24 (5) To help relieve financial pressure on the  
25 medicaid program by delaying or preventing older

1 individuals from spending down their income and as-  
 2 sets to medicaid eligibility thresholds.

3 (6) To concentrate the resources made available  
 4 under this Act to those individuals with the greatest  
 5 economic need for long-term care services and sup-  
 6 plies.

7 **SEC. 3. ESTABLISHMENT OF THE NATIONAL LONG-TERM**  
 8 **CARE CHOICE PROGRAM.**

9 The Older Americans Act of 1965 (42 U.S.C. 3001  
 10 et seq.) is amended by adding at the end the following:

11 **“TITLE VIII—NATIONAL LONG-**  
 12 **TERM CARE CHOICE PROGRAM**

13 **“SEC. 801. DEFINITIONS.**

14 “In this title:

15 “(1) CAREGIVER.—The term ‘caregiver’ means  
 16 an adult family member, or another individual, who  
 17 is a paid or unpaid provider of home or community-  
 18 based care to an eligible individual.

19 “(2) CONSUMER CHOICE.—The term ‘consumer  
 20 choice’ means the opportunity for an eligible indi-  
 21 vidual—

22 “(A) to have greater control over the cov-  
 23 ered long-term care services and supplies the in-  
 24 dividual receives; and

25 “(B) to elect—

1 “(i) to receive a payment under this  
 2 title through a fiscal intermediary as de-  
 3 scribed in section 806(b)(2)(B) for the  
 4 purpose of purchasing covered long-term  
 5 care services or supplies; or

6 “(ii) to receive such services or sup-  
 7 plies from a provider paid by the State in-  
 8 volved (or its designee) as described in sec-  
 9 tion 806(b)(2)(A).

10 “(3) COVERED LONG-TERM CARE SERVICES OR  
 11 SUPPLIES.—

12 “(A) IN GENERAL.—Subject to subpara-  
 13 graph (B), the term ‘covered long-term care  
 14 services or supplies’ means any of the following  
 15 services or supplies, but only if, with respect to  
 16 an eligible individual, such services or supplies  
 17 are not available or not eligible for payment by  
 18 any entity carrying out a program described in  
 19 section 804(b)(8) or a similar third party:

20 “(i) Adult day services (including  
 21 health and social day care services).

22 “(ii) Bill paying.

23 “(iii) Care-related supplies and equip-  
 24 ment.

25 “(iv) Companion services.

- 1 “(v) Congregate meals.
- 2 “(vi) Environmental modifications.
- 3 “(vii) Fiscal intermediary services.
- 4 “(viii) Home-delivered meals.
- 5 “(ix) Home health services.
- 6 “(x) Homemaker services (including
- 7 chore services).
- 8 “(xi) Mental and behavioral health
- 9 services.
- 10 “(xii) Nutritional counseling.
- 11 “(xiii) Personal care services.
- 12 “(xiv) Personal emergency response
- 13 systems.
- 14 “(xv) Respite care.
- 15 “(xvi) Telemedicine devices.
- 16 “(xvii) Transition services for individ-
- 17 uals who have a plan that meets such re-
- 18 quirements as a State shall establish, to
- 19 relocate from a nursing home to a home or
- 20 community-based setting within 60 days.
- 21 “(xviii) Transportation.
- 22 “(xix) Any service or supply that a
- 23 State describes in its State plan and is ap-
- 24 proved by the Assistant Secretary.

1           “(xx) Any service or supply that is re-  
 2           requested by an eligible individual (in coordi-  
 3           nation with the individual’s service coordi-  
 4           nator) and that is approved by the State.

5           “(B) EXCLUSIONS.—

6           “(i) SERVICE COORDINATION.—Such  
 7           term does not include a service directly  
 8           provided by the service coordinator for an  
 9           eligible individual as part of service coordi-  
 10          nation under this title.

11          “(ii) SERVICES FOR NURSING HOME  
 12          RESIDENTS.—Such term does not include  
 13          any service for a resident of a nursing  
 14          home, except a service described in sub-  
 15          paragraph (A)(xvii).

16          “(4) ELIGIBLE INDIVIDUAL.—The term ‘eligible  
 17          individual’ means an individual—

18               “(A) who is age 60 or older;

19               “(B) who is not eligible for medical assist-  
 20               ance under the medicaid program established  
 21               under title XIX of the Social Security (42  
 22               U.S.C. 1396 et seq.);

23               “(C) who meets such income eligibility and  
 24               total asset criteria as a State may establish;

25               “(D) who—

1           “(i)(I) is unable to perform (without  
2           substantial assistance from another indi-  
3           vidual) at least 2 activities of daily living  
4           (such as eating, toileting, transferring,  
5           bathing, dressing, and continence); or

6           “(II) at the option of the State, is un-  
7           able to perform at least 3 such activities  
8           without such assistance;

9           “(ii) has a level of disability similar  
10          (as determined by the State) to the level of  
11          disability described in clause (i); or

12          “(iii) requires substantial supervision  
13          due to cognitive or mental impairment; and

14          “(E) who satisfies such other eligibility cri-  
15          teria as the State may establish in accordance  
16          with such guidance as the Assistant Secretary  
17          may provide.

18          “(5) ELIGIBLE STATE.—The term ‘eligible  
19          State’ means a State with an approved State plan  
20          under section 804.

21          “(6) FISCAL INTERMEDIARY.—The term ‘fiscal  
22          intermediary’ means an entity that—

23                 “(A) assists individuals who choose to em-  
24                 ploy providers of covered long-term care serv-  
25                 ices or supplies directly, to—

1           “(i) carry out employer-related re-  
2           sponsibilities, as designated by a State  
3           with the approval of the Assistant Sec-  
4           retary;

5           “(ii) assure compliance with Federal,  
6           State, and local law; and

7           “(iii) assure compliance with other re-  
8           quirements designated by the State; and

9           “(B) receives and disburses, as described  
10          in section 806(b)(2)(B), payments described in  
11          section 806(b).

12          “(7) FISCAL INTERMEDIARY SERVICE.—The  
13          term ‘fiscal intermediary service’ means a service to  
14          enable an eligible individual to carry out a responsi-  
15          bility described in subparagraph (A)(i) or (B) of  
16          paragraph (6) or assure compliance with Federal,  
17          State, or local law, or another requirement des-  
18          ignated by the State.

19          “(8) LONG-TERM CARE.—The term ‘long-term  
20          care’ means a wide range of supportive social,  
21          health, and mental health services for individuals  
22          who do not have the capacity for self-care due to ill-  
23          ness or frailty.

24          “(9) NATURALLY OCCURRING RETIREMENT  
25          COMMUNITY.—The term ‘naturally occurring retire-

1       ment community’ means a residential area (such as  
2       an apartment building, housing complex or develop-  
3       ment, or neighborhood) not originally built for older  
4       individuals but in which a substantial number of in-  
5       dividuals have aged in place and become older indi-  
6       viduals.

7               “(10) NURSING HOME.—The term ‘nursing  
8       home’ means—

9                       “(A) a nursing facility, as defined in sec-  
10                      tion 1919(a) of the Social Security Act (42  
11                      U.S.C. 1396r(a));

12                     “(B) a skilled nursing facility, as defined  
13                     in section 1819(a) of such Act (42 U.S.C.  
14                     1395i–3(a)); and

15                     “(C) a residential care facility that directly  
16                     provides care or services described in paragraph  
17                     (1) of section 1919(a) of the Social Security  
18                     Act (42 U.S.C. 1396r(a)) but does not receive  
19                     payment for such care or services under the  
20                     medicare or medicaid programs established  
21                     under titles XVIII and XIX, respectively, of the  
22                     Social Security Act (42 U.S.C. 1395 et seq.,  
23                     1396 et seq.).

24               “(11) QUALIFIED PROVIDER.—The term ‘quali-  
25       fied provider’ means a provider of covered long-term

1 care services or supplies who meets such licensing,  
2 quality, and other standards as the State may estab-  
3 lish.

4 “(12) REPRESENTATIVE.—The term ‘represent-  
5 ative’ means a person appointed by the eligible indi-  
6 vidual, or legally acting on the individual’s behalf, to  
7 represent or advise the individual in financial or  
8 service coordination matters.

9 “(13) SERVICE COORDINATION.—The term  
10 ‘service coordination’ means a service that—

11 “(A) is provided to an eligible individual,  
12 at the direction of the eligible individual or a  
13 representative of the eligible individual (as ap-  
14 propriate); and

15 “(B) consists of facilitating consumer  
16 choice or carrying out—

17 “(i) a function described in section  
18 805; or

19 “(ii) a function described in section  
20 804(9), as determined appropriate by the  
21 State involved.

22 “(14) SERVICE COORDINATOR.—The term  
23 ‘service coordinator’ means an individual who—

24 “(A) provides service coordination for an  
25 eligible individual; and

1           “(B) is trained or experienced in the skills  
2           that are required to facilitate consumer choice  
3           and carry out the functions described in para-  
4           graph (13)(B).

5           “(15) STATE.—The term ‘State’ means each of  
6           the 50 States, the District of Columbia, the Com-  
7           monwealth of Puerto Rico, Guam, the United States  
8           Virgin Islands, American Samoa, and the Common-  
9           wealth of the Northern Mariana Islands.

10 **“SEC. 802. ALLOTMENTS TO ELIGIBLE STATES.**

11           “(a) ALLOTMENTS.—

12           “(1) IN GENERAL.—The Assistant Secretary  
13           shall make an allotment to each eligible State for a  
14           fiscal year, to enable the State to carry out a pro-  
15           gram that pays for the Federal share of the cost of  
16           providing covered long-term care services and sup-  
17           plies for eligible individuals under this title. The As-  
18           sistant Secretary shall make the allotment in an  
19           amount determined under section 803.

20           “(2) LIMITATIONS.—From an allotment made  
21           under paragraph (1) for a program carried out in a  
22           State under this title for a fiscal year, not more than  
23           15 percent may be used to pay for administrative  
24           costs (other than service coordination) of the pro-  
25           gram.

1       “(b) FEDERAL SHARE.—From that allotment for  
2 that fiscal year—

3           “(1) funds from the allotment shall be available  
4 to such State for paying a Federal share equal to  
5 such percentage as the State determines to be ap-  
6 propriate, but not more than 75 percent, of the cost  
7 of administration of the program carried out in the  
8 State under this title; and

9           “(2) the remainder of such allotment shall be  
10 available to such State only for paying a Federal  
11 share equal to such percentage as the State deter-  
12 mines to be appropriate, but not more than 85 per-  
13 cent, of the cost of providing covered long-term care  
14 services and supplies through the program.

15       “(c) SUPPLEMENT, NOT SUPPLANT.—Allotments  
16 made to a State under this section shall supplement and  
17 not supplant other Federal or State payments that are  
18 made for the provision of long-term care services or sup-  
19 ports under—

20           “(1) the medicaid program carried out under  
21 title XIX of the Social Security Act (42 U.S.C. 1396  
22 et seq.);

23           “(2) a program funded under title XX of such  
24 Act (42 U.S.C. 1397 et seq.);

1           “(3) a program funded under title III of this  
2       Act; or

3           “(4) any other Federal or State program.

4 **“SEC. 803. ALLOTMENTS.**

5       “(a) ALLOTMENTS.—

6           “(1) IN GENERAL.—Subject to subsection (b),  
7       from sums appropriated for a fiscal year to carry  
8       out this title, the Assistant Secretary shall allot to  
9       each eligible State an amount that bears the same  
10      relationship to such sums as the number of individ-  
11      uals who are age 60 or older and whose income does  
12      not exceed 100 percent of the poverty line who re-  
13      side in the State bears to the total number of such  
14      individuals who reside in all States.

15          “(2) DATA.—For purposes of paragraph (1),  
16      the number of individuals described in that para-  
17      graph shall be determined on the basis of the most  
18      recent available data from the Bureau of the Cen-  
19      sus.

20          “(3) DEFINITION.—In paragraph (1), the term  
21      ‘State’ does not include a State specified in sub-  
22      section (b).

23          “(b) ALLOTMENTS TO TERRITORIES.—Of the sums  
24      appropriated for a fiscal year to carry out this title, the  
25      Assistant Secretary shall allot an amount equal to 0.25

1 percent of such sums among the following commonwealths  
2 and territories according to the percentage specified for  
3 each such commonwealth or territory:

4           “(1) The Commonwealth of Puerto Rico, 91.6  
5 percent.

6           “(2) Guam, 3.5 percent.

7           “(3) The United States Virgin Islands, 2.6 per-  
8 cent.

9           “(4) American Samoa, 1.2 percent.

10           “(5) The Commonwealth of the Northern Mar-  
11 iana Islands, 1.1 percent.

12           “(c) AVAILABILITY OF AMOUNTS ALLOTTED.—

13           “(1) IN GENERAL.—Except as provided in para-  
14 graph (2), an amount allotted to an eligible State for  
15 a fiscal year shall remain available for expenditure  
16 by the State for the 2 succeeding fiscal years.

17           “(2) AVAILABILITY OF REDISTRIBUTED  
18 AMOUNTS.—An amount redistributed to an eligible  
19 State under subsection (d) in a fiscal year shall be  
20 available for expenditure by the State for the suc-  
21 ceeding fiscal year.

22           “(d) REDISTRIBUTION OF UNSPENT FUNDS.—An  
23 amount that is not expended by an eligible State during  
24 the period in which such amount is available under sub-  
25 section (c) shall be redistributed by the Assistant Sec-

1 retary according to a formula determined by the Assistant  
2 Secretary that takes into account the extent to which an  
3 eligible State has exhausted, or is likely to exhaust, its  
4 allotment for that fiscal year.

5 **“SEC. 804. STATE PLANS.**

6       “(a) IN GENERAL.—In order to receive an allotment  
7 made under section 802 for an eligible State for a fiscal  
8 year, the State shall submit to the Assistant Secretary for  
9 approval a State plan that includes the information and  
10 assurances described in subsection (b).

11       “(b) CONTENTS.—

12               “(1) ELIGIBILITY.—The plan shall include de-  
13 scriptions of the eligibility criteria and methodologies  
14 that the State will apply, consistent with section  
15 801(4), to determine whether an individual is an eli-  
16 gible individual for the program carried out in the  
17 State under this title.

18               “(2) PRIORITY FOR ELIGIBLE INDIVIDUALS  
19 WITH GREATEST ECONOMIC NEED.—The plan shall  
20 include an assurance that, in establishing and apply-  
21 ing the eligibility criteria and methodologies de-  
22 scribed in paragraph (1), the State will give priority  
23 to providing assistance to those eligible individuals  
24 who have the greatest economic need, as defined by  
25 the State.

1           “(3) NEEDS AND PREFERENCES OF ELIGIBLE  
2 INDIVIDUALS.—The plan shall include a description  
3 of how the State will ensure that the needs and pref-  
4 erences of an eligible individual are addressed in all  
5 aspects of the program.

6           “(4) PAYMENTS FOR SERVICES.—The plan  
7 shall include an assurance that the State will make  
8 payments, at the election of an eligible individual, in  
9 accordance with section 806(b)(2), and will provide  
10 a fiscal intermediary for each eligible individual  
11 electing to receive a payment as described in section  
12 806(b)(2)(B).

13           “(5) SERVICES AND SUPPLIES.—The plan shall  
14 describe the services and supplies that the State will  
15 make available to an eligible individual, consistent  
16 with the definition of covered long-term services or  
17 supplies specified in section 801(3).

18           “(6) COST-SHARING.—The plan shall include a  
19 description of the methodologies to be used—

20                   “(A) to calculate the ability of an eligible  
21 individual to pay for covered long-term care  
22 services or supplies without assistance under  
23 the program carried out under this title;

24                   “(B) based on the calculation of ability to  
25 pay, to determine the amount of cost-sharing

1 that the eligible individual will be responsible  
2 for under the program, set on a sliding scale  
3 based on income;

4 “(C) to collect cost-sharing amounts, both  
5 in cases in which the State makes payments di-  
6 rectly to a qualified provider as described in  
7 section 806(b)(2)(A), and in cases in which the  
8 State makes payments to a fiscal intermediary  
9 on behalf of an eligible individual, as described  
10 in section 806(b)(2)(B); and

11 “(D) to track expenditures by eligible indi-  
12 viduals for the purchase of covered long-term  
13 care services or supplies.

14 “(7) COST-SHARING REQUIREMENTS FOR PRO-  
15 VIDERS.—The plan shall provide an assurance that  
16 the State will require each provider involved in the  
17 program carried out in the State under this title—

18 “(A) to protect the privacy and confiden-  
19 tiality of each eligible individual with respect to  
20 the income, and any cost-sharing amount deter-  
21 mined under paragraph (6), of an eligible indi-  
22 vidual;

23 “(B) to establish appropriate procedures to  
24 account for cost-sharing amounts; and

1           “(C) to widely distribute State-created  
2 written materials in languages reflecting the  
3 reading abilities of eligible individuals that de-  
4 scribe the criteria for cost-sharing, and the  
5 State’s sliding scale described in paragraph  
6 (6)(B).

7           “(8) COORDINATION WITH OTHER PRO-  
8 GRAMS.—The plan shall include a description of the  
9 methods by which the State will, as appropriate,  
10 refer individuals who apply for assistance under a  
11 program carried out under this title for eligibility de-  
12 terminations under—

13           “(A) the State medicaid program carried  
14 out under title XIX of the Social Security Act  
15 (42 U.S.C. 1396 et seq.);

16           “(B) the medicare program carried out  
17 under title XVIII of such Act (42 U.S.C. 1395  
18 et seq.);

19           “(C) a program funded under title XX of  
20 such Act (42 U.S.C. 1397 et seq.);

21           “(D) other programs funded under this  
22 Act; and

23           “(E) other Federal or State programs that  
24 provide long-term care.

1           “(9) ENTITIES AND PROCEDURES.—The plan  
2 shall include a description of the entities and proce-  
3 dures that the State will use to carry out the fol-  
4 lowing functions:

5                   “(A) Establishing eligibility for the pro-  
6 gram carried out under this title.

7                   “(B) Assessing the need of an eligible indi-  
8 vidual for covered long-term care services or  
9 supplies.

10                   “(C) Determining the amount of payments  
11 described in section 806(b) to be made for the  
12 eligible individual under the program.

13                   “(D) Evaluating the cost-sharing by the el-  
14 igible individual under the program.

15                   “(E) In the case of an eligible individual  
16 who elects to receive payments as described in  
17 section 806(b)(2)(B), helping the eligible indi-  
18 vidual or the eligible individual’s representative  
19 (as appropriate) identify, retain, and negotiate  
20 and terminate agreements with, qualified pro-  
21 viders of covered long-term services or supplies.

22                   “(F) Monitoring payments made for an eli-  
23 gible individual to ensure that—

1           “(i) the cost-sharing amounts that the  
2           eligible individual is responsible for under  
3           the State plan are paid;

4           “(ii) the payments made by the State  
5           for the eligible individual—

6                   “(I) are made in a timely fash-  
7                   ion; and

8                   “(II) do not exceed the annual  
9                   assistance amount established for the  
10                  eligible individual under section  
11                  806(a); and

12           “(iii) when appropriate, the payments  
13           are made by the State in an expedited  
14           manner to account for health status  
15           changes of an eligible individual that re-  
16           quire rapid responses.

17           “(G) Establishing a quality assurance sys-  
18           tem that assesses the covered long-term services  
19           or supplies provided for the eligible individual  
20           to ensure that the qualified provider of such  
21           services or supplies meets such licensing, qual-  
22           ity, or other standards as the State may estab-  
23           lish in accordance with paragraph (11).

1           “(H) Providing information to eligible indi-  
2           viduals about average market rates for covered  
3           long-term care services or supplies.

4           “(I) Administering payments in a timely  
5           fashion and in accordance with a written care  
6           plan described in section 805(1) for an eligible  
7           individual (that takes into account payment  
8           rates established by the eligible individual or a  
9           representative of the eligible individual (as ap-  
10          propriate)), including the methods for—

11                   “(i) making payments directly to a  
12                   qualified provider as described in section  
13                   806(b)(2)(A);

14                   “(ii) making payments to a fiscal  
15                   intermediary on behalf of an eligible indi-  
16                   vidual, as described in section  
17                   806(b)(2)(B), for the purchase of such  
18                   services or supplies; and

19                   “(iii) making payments (when appro-  
20                   priate) in an expedited manner to account  
21                   for health status changes of the eligible in-  
22                   dividual that require rapid responses.

23           “(J) Carrying out such other activities as  
24           the eligible State determines are appropriate

1 with respect to the eligible individual or the  
2 program carried out under this title.

3 “(10) SERVICE COORDINATORS.—The plan shall  
4 include a description of how the State will—

5 “(A) provide a service coordinator (directly  
6 or by contract) for each eligible individual re-  
7 ceiving assistance under the program carried  
8 out under this title; and

9 “(B) ensure that the service coordinator  
10 carries out the responsibilities described in sec-  
11 tion 805, including any responsibilities assigned  
12 by the State under section 805(5).

13 “(11) QUALIFIED PROVIDERS.—The plan shall  
14 include a description of any licensing, quality, or  
15 other standards for qualified providers (including  
16 both providers paid directly by the State as de-  
17 scribed in section 806(b)(2)(A) or through payments  
18 made to a fiscal intermediary on behalf of an eligible  
19 individual, as described in section 806(b)(2)(B).

20 “(12) QUALITY ASSURANCE.—The plan shall  
21 include a description of the procedures to be used to  
22 ensure the quality and appropriateness of the cov-  
23 ered long-term care services or supplies provided to  
24 an eligible individual and the program carried out  
25 under this title, which shall include—

1           “(A) a quality assessment and improve-  
2           ment strategy that establishes—

3                   “(i) standards that provide for access  
4                   to covered long-term care services or sup-  
5                   plies within reasonable time frames and  
6                   that are designed to ensure the continuity  
7                   and adequacy of such services or supplies;  
8                   and

9                   “(ii) procedures for monitoring and  
10                  evaluating the quality and appropriateness  
11                  of the covered long-term care services or  
12                  supplies provided to eligible individuals  
13                  under the program carried out under this  
14                  title; and

15               “(B) a mechanism for obtaining feedback  
16               from eligible individuals and others regarding  
17               their experiences with, and recommendations  
18               for improvement of, the program carried out  
19               under this title.

20               “(13) OUTREACH.—The plan shall include a de-  
21               scription of the procedures by which the State will  
22               conduct outreach for enrollment (including outreach  
23               to persons residing in naturally occurring retirement  
24               communities) in the program carried out under this  
25               title.

1           “(14) INDIANS.—The plan shall include a de-  
2           scription of the procedures by which the State will  
3           ensure the provision of assistance under the program  
4           carried out under this title to eligible individuals  
5           who are Indians (as defined in section 4(c) of the  
6           Indian Health Care Improvement Act (25 U.S.C.  
7           1603(e))) or Native Hawaiians, as defined in section  
8           625.

9           “(15) DATA COLLECTION.—The plan shall in-  
10          clude an assurance that the State will annually col-  
11          lect and report to the Assistant Secretary such data  
12          and information related to the program carried out  
13          under this title as the Assistant Secretary may re-  
14          quire, including the information required under sec-  
15          tion 807(a)(1)(B).

16 **“SEC. 805. RESPONSIBILITIES OF SERVICE COORDINATORS.**

17          “Each eligible State shall ensure that the service co-  
18          ordinator for an eligible individual receiving assistance  
19          under the program carried out under this title, at a min-  
20          imum, carries out the following responsibilities:

21                 “(1)(A) Assisting an eligible individual and the  
22                 eligible individual’s representative (as appropriate)  
23                 with the development of a written care plan for the  
24                 eligible individual that—

1           “(i) specifies the covered long-term care  
2 services or supplies that best meet the needs  
3 and preferences of the eligible individual; and

4           “(ii) takes into account the ability of care-  
5 givers to provide adequate and safe care.

6           “(B) Assuring that the care plan is coordinated  
7 with other care plans that may be developed for the  
8 eligible individual under other Federal or State pro-  
9 grams (including care plans applicable to naturally  
10 occurring retirement communities).

11           “(2) Reassessing and, as appropriate, assisting  
12 with revising the care plan for the eligible indi-  
13 vidual—

14           “(A) not less than annually; and

15           “(B) whenever there is a change of health  
16 status or other event that requires a reassess-  
17 ment of the care plan.

18           “(3) Educating—

19           “(A) an eligible individual who elects to re-  
20 ceive payments as described in section  
21 806(b)(2)(B) about available qualified providers  
22 of covered long-term care services or supplies;  
23 and

24           “(B) an eligible individual about specific  
25 covered long-term care services or supplies.

1           “(4) Recommending, as appropriate, methods  
2           for community integration for an eligible individual  
3           who resides in a nursing home and who is relocating  
4           to a home or community-based setting.

5           “(5) Carrying out any other responsibilities as-  
6           signed to the service coordinator by the State.

7   **“SEC. 806. PAYMENTS FOR COVERED LONG-TERM CARE**  
8                           **SERVICES OR SUPPLIES.**

9           “(a) ANNUAL ASSISTANCE AMOUNT.—

10           “(1) IN GENERAL.—Subject to paragraph (2),  
11           an eligible State shall establish an annual assistance  
12           amount for each eligible individual enrolled in the  
13           program carried out under this title based on an as-  
14           sessment of the eligible individual.

15           “(2) COST-SHARING AMOUNT.—The State shall  
16           subtract from the annual assistance amount the in-  
17           dividual’s cost-sharing amount determined under  
18           section 804(b)(6) to obtain the amount of the pay-  
19           ments described in subsection (b).

20           “(3) LIMITATION.—The annual assistance  
21           amount made for an eligible individual under a pro-  
22           gram carried out under this title may not exceed—

23                   “(A) in the case of fiscal year 2007,  
24                   \$8,000; and

1           “(B) in the case of any subsequent fiscal  
2           year, the amount described in this paragraph  
3           for the preceding fiscal year increased by the  
4           percentage increase in the Consumer Price  
5           Index for all urban consumers (all items: U.S.  
6           city average) for the preceding fiscal year.

7           “(b) PAYMENTS.—

8           “(1) WRITTEN CARE PLANS.—Under a program  
9           carried out under this title, an eligible State (or its  
10          designee) shall make payments for the provision or  
11          purchase of covered long-term care services or sup-  
12          plies for eligible individuals in accordance with the  
13          written care plans established for such individuals.

14          “(2) ELECTIONS.—At the election of an eligible  
15          individual, the payments shall be made by the State  
16          (or its designee)—

17                  “(A) directly to a qualified provider of cov-  
18                  ered long-term care services or supplies; or

19                  “(B) to a fiscal intermediary on behalf of  
20                  the eligible individual, to enable the fiscal inter-  
21                  mediary to disburse the payments for the pur-  
22                  chase of such services or supplies—

23                          “(i) in advance to the provider or the  
24                          eligible individual; or

1                   “(ii) as reimbursement for the eligible  
2                   individual.

3           “(c) LIMITATIONS.—In making payments under this  
4 section, a State shall ensure that not more than 10 per-  
5 cent of the funds made available to the State under section  
6 802(a) shall be used to pay for service coordination.

7           “(d) EXCLUSION FROM INCOME.—Payments made  
8 for an eligible individual under this section for a program  
9 carried out under this title shall not be—

10                   “(1) included in the gross income of the eligible  
11 individual for purposes of the Internal Revenue Code  
12 of 1986; or

13                   “(2) treated as income, assets, or benefits, or  
14 otherwise be taken into account, for purposes of de-  
15 termining the individual’s eligibility for, the amount  
16 of benefits under, or the amount of cost-sharing re-  
17 quired by, any other Federal or State program.

18 **“SEC. 807. ANNUAL REPORTS.**

19           “(a) STATE REPORTS.—

20                   “(1) IN GENERAL.—Each eligible State shall—

21                           “(A) evaluate the establishment and oper-  
22 ation of the State plan under this title in each  
23 fiscal year for which the State receives allot-  
24 ments under section 802; and

1           “(B) prepare and submit to the Assistant  
2 Secretary, not later than January 1 of the suc-  
3 ceeding fiscal year, a report that includes the  
4 following:

5           “(i) The number of total unduplicated  
6 eligible individuals and the amount of ex-  
7 penditures made for the individuals, ana-  
8 lyzed by type of payment specified in sub-  
9 paragraph (A) or (B) of section 806(b)(2)  
10 in the program carried out under this title  
11 in the State.

12           “(ii) The number of eligible individ-  
13 uals in the program that received each of  
14 the categories of covered long-term care  
15 services or supplies described in clauses (i)  
16 through (xx) of section 801(3)(A), ana-  
17 lyzed, for each category by type of pay-  
18 ment specified in subparagraph (A) or (B)  
19 of section 806(b)(2).

20           “(iii) The total amount of cost-shar-  
21 ing amounts that the State received from  
22 eligible individuals in the program.

23           “(iv) Information on the age and in-  
24 come of the eligible individuals.

1           “(2) **FORMAT.**—The Assistant Secretary shall  
2           provide guidance to eligible States regarding the for-  
3           mat for the information included in the report re-  
4           quired under paragraph (1) in such manner as to  
5           allow for comparison of the information provided  
6           across such States.

7           “(3) **PUBLIC AVAILABILITY.**—The Assistant  
8           Secretary shall make the State reports submitted  
9           under paragraph (1) available to the public.

10          “(b) **REPORTS BY FISCAL INTERMEDIARIES AND**  
11 **QUALIFIED PROVIDERS.**—The State shall require fiscal  
12 intermediaries and qualified providers participating in the  
13 program carried out in the State under this title to pre-  
14 pare and submit to the State, not less often than twice  
15 a year, reports containing such information as is necessary  
16 for the State to meet the reporting requirements described  
17 in subsection (a) and as is necessary for the administra-  
18 tion of the program.

19          “(c) **REPORT TO CONGRESS.**—At the end of each fis-  
20 cal year, the Assistant Secretary shall prepare and submit  
21 to the Committee on Education and the Workforce of the  
22 House of Representatives and the Committee of Health,  
23 Education, Labor, and Pensions of the Senate a report  
24 that contains a summary of the data submitted under sub-

1 section (a)(1)(B) and a description of any implementa-  
2 tions issues with the programs carried out under this title.

3 **“SEC. 808. AUTHORIZATION OF APPROPRIATIONS.**

4       “There are authorized to be appropriated to the Sec-  
5 retary to carry out this title, such sums as may be nec-  
6 essary for each of fiscal years 2007 through 2012.”.

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