

110TH CONGRESS
1ST SESSION

H. R. 2591

To amend part B of title XVIII of the Social Security Act to limit the penalty for late enrollment under part B of the Medicare Program to 10 percent and twice the period of no enrollment, and to exclude periods of COBRA and retiree coverage from such late enrollment penalty.

IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 2007

Mr. FRANK of Massachusetts (for himself, Mr. DELAHUNT, Mr. GOODE, Mr. BRADY of Pennsylvania, Mr. WALSH of New York, Ms. SCHAKOWSKY, Mr. GORDON of Tennessee, Ms. HIRONO, Mr. NEAL of Massachusetts, Mr. GRIJALVA, Mr. CAPUANO, Mr. FARR, Mr. McGOVERN, Mr. HINCHEY, Mr. ABERCROMBIE, Mr. RODRIGUEZ, Mr. MURPHY of Connecticut, Mr. CUMMINGS, Mr. MARKEY, Mr. COHEN, Mr. LOEBSACK, Mrs. TAUSCHER, Mr. LINCOLN DAVIS of Tennessee, Mr. PAYNE, and Mr. GONZALEZ) 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 part B of title XVIII of the Social Security Act to limit the penalty for late enrollment under part B of the Medicare Program to 10 percent and twice the period of no enrollment, and to exclude periods of COBRA and retiree coverage from such late enrollment penalty.

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. LIMITING MEDICARE PART B LATE ENROLL-**
4 **MENT PENALTY TO 10 PERCENT AND TWICE**
5 **THE PERIOD OF NO ENROLLMENT.**

6 (a) IN GENERAL.—The first sentence of section
7 1839(b) of the Social Security Act (42 U.S.C. 1395r(b))
8 is amended by striking “10 percent of the monthly pre-
9 mium so determined for each full 10 months” and insert-
10 ing “10 percent of the monthly premium so determined
11 for premiums paid during a period equal to twice the num-
12 ber of months in each of the full periods of 12 months”.

13 (b) CONFORMING AMENDMENTS.—(1) Section
14 1818(c)(6) of such Act (42 U.S.C. 1395i–2(c)(6)) is
15 amended by striking “may not exceed 10 percent and shall
16 only apply to premiums paid during a period equal to twice
17 the number of months in the full 12-month periods de-
18 scribed in that section and”.

19 (2) Section 1818(g)(2)(B) of such Act (42 U.S.C.
20 1395i–2(g)(2)(B)) is amended by striking “by sub-
21 stituting” and all that follows and inserting the following:
22 “by substituting ‘section 1818 (without any increase re-
23 sulting from the application of section 1839(b) to such
24 section)’ for ‘section 1839 (without any increase under
25 subsection (b) thereof)’.”.

1 (c) EFFECTIVE DATE.—(1) The amendments made
2 by this section shall apply to premiums paid for months
3 beginning after the end of the 90-day period beginning
4 on the date of the enactment of this Act.

5 (2) In applying these amendments, months (before,
6 during, or after the month in which this Act is enacted)
7 in which an individual was or is required to pay an in-
8 creased premium shall be taken into account in deter-
9 mining the month in which the premium will no longer
10 be subject to an increase.

11 SEC. 2. EXCLUSION OF PERIODS OF COBRA AND RETIREE
12 COVERAGE FROM MEDICARE PART B LATE
13 ENROLLMENT PENALTY.

14 (a) IN GENERAL.—The second sentence of section
15 1839(b) of the Social Security Act (42 U.S.C. 1395r(b))
16 is amended by striking “by reason of the individual’s (or
17 the individual’s spouse’s) current employment”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 subsection (a) shall apply to premiums paid for months
20 beginning after the end of the 90-day period beginning
21 on the date of the enactment of this Act.

1 **SEC. 3. SPECIAL ENROLLMENT PERIOD FOR INDIVIDUALS**
2 **WHOSE COBRA OR RETIREE COVERAGE TER-**
3 **MINATES.**

4 (a) **IN GENERAL.**—Section 1837(i) of the Social Se-
5 urity Act (42 U.S.C. 1395p(i)) is amended—

6 (1) in the first sentence of paragraph (1), by
7 striking “by reason of the individual’s (or the indi-
8 vidual’s spouse’s) current employment status” in
9 subparagraph (A);

10 (2) in the first sentence of paragraph (2) by
11 striking “by reason of the individual’s (or the indi-
12 vidual’s spouse’s) current employment status” each
13 place it appears in subparagraphs (B) and (C); and
14 (3) in paragraph (3)(A) by striking “by reason
15 of current employment status”.

16 (b) **EFFECTIVE DATE.**—The amendment made by
17 subsection (a) shall apply to premiums paid for months
18 beginning after the end of the 90-day period beginning
19 on the date of the enactment of this Act.

