

One Hundred Tenth Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Thursday,
the fourth day of January, two thousand and seven*

An Act

To provide for the extension of transitional medical assistance (TMA), the abstinence education program, and the qualifying individuals (QI) program, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “TMA, Abstinence Education, and QI Programs Extension Act of 2007”.

SEC. 2. EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE (TMA) AND ABSTINENCE EDUCATION PROGRAM THROUGH DECEMBER 31, 2007.

Section 401 of division B of the Tax Relief and Health Care Act of 2006 (Public Law 109–432), as amended by section 1 of Public Law 110–48, is amended—

(1) by striking “September 30” and inserting “December 31”;

(2) by striking “for fiscal year 2006” and inserting “for fiscal year 2007”;

(3) by striking “the fourth quarter of fiscal year 2007” and inserting “the first quarter of fiscal year 2008”; and

(4) by striking “the fourth quarter of fiscal year 2006” and inserting “the first quarter of fiscal year 2007”.

SEC. 3. EXTENSION OF QUALIFYING INDIVIDUAL (QI) PROGRAM THROUGH DECEMBER 2007.

(a) THROUGH DECEMBER 2007.—Section 1902(a)(10)(E)(iv) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is amended by striking “September 2007” and inserting “December 2007”.

(b) EXTENDING TOTAL AMOUNT AVAILABLE FOR ALLOCATION.—Section 1933(g) of such Act (42 U.S.C. 1396u–3(g)) is amended—

(1) in paragraph (2)—

(A) by striking “and” at the end of subparagraph (F);

(B) by striking the period at the end of subparagraph

(G) and inserting “; and”; and

(C) by adding at the end the following new subparagraph:

“(H) for the period that begins on October 1, 2007, and ends on December 31, 2007, the total allocation amount is \$100,000,000.”; and

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking “or (F)” and inserting “(F), or (H)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall be effective as of September 30, 2007.

SEC. 4. EXTENSION OF SSI WEB-BASED ASSET DEMONSTRATION PROJECT TO THE MEDICAID PROGRAM.

(a) **IN GENERAL.**—Beginning on October 1, 2007, and ending on September 30, 2012, the Secretary of Health and Human Services shall provide for the application to asset eligibility determinations under the Medicaid program under title XIX of the Social Security Act of the automated, secure, web-based asset verification request and response process being applied for determining eligibility for benefits under the Supplemental Security Income (SSI) program under title XVI of such Act under a demonstration project conducted under the authority of section 1631(e)(1)(B)(ii) of such Act (42 U.S.C. 1383(e)(1)(B)(ii)).

(b) **LIMITATION.**—Such application shall only extend to those States in which such demonstration project is operating and only for the period in which such project is otherwise provided.

(c) **RULES OF APPLICATION.**—For purposes of carrying out subsection (a), notwithstanding any other provision of law, information obtained from a financial institution that is used for purposes of eligibility determinations under such demonstration project with respect to the Secretary of Health and Human Services under the SSI program may also be shared and used by States for purposes of eligibility determinations under the Medicaid program. In applying section 1631(e)(1)(B)(ii) of the Social Security Act under this subsection, references to the Commissioner of Social Security and benefits under title XVI of such Act shall be treated as including a reference to a State described in subsection (b) and medical assistance under title XIX of such Act provided by such a State.

SEC. 5. 6-MONTH DELAY IN REQUIREMENT TO USE TAMPER-RESISTANT PRESCRIPTION PADS UNDER MEDICAID.

Effective as if included in the enactment of section 7002(b) of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28, 121 Sta. 187), paragraph (2) of such section is amended by striking “September 30, 2007” and inserting “March 31, 2008”.

SEC. 6. ADDITIONAL FUNDING FOR THE MEDICARE PHYSICIAN ASSISTANCE AND QUALITY INITIATIVE FUND.

Section 1848(l)(2) of the Social Security Act (42 U.S.C. 1395w–4(l)(2)) is amended—

(1) in subparagraph (A), by adding at the end the following: “In addition, there shall be available to the Fund for expenditures during 2009 an amount equal to \$325,000,000 and for expenditures during or after 2013 an amount equal to \$60,000,000.”; and

(2) in subparagraph (B)—

(A) in the heading, by striking “FURNISHED DURING 2008”;

(B) by striking “specified in subparagraph (A)” and inserting “specified in the first sentence of subparagraph (A)”; and

(C) by inserting after “furnished during 2008” the following: “and for the obligation of the entire first amount specified in the second sentence of such subparagraph for payment with respect to physicians' services furnished

during 2009 and of the entire second amount so specified for payment with respect to physicians' services furnished on or after January 1, 2013".

SEC. 7. LIMITATION ON IMPLEMENTATION FOR FISCAL YEARS 2008 AND 2009 OF A PROSPECTIVE DOCUMENTATION AND CODING ADJUSTMENT IN RESPONSE TO THE IMPLEMENTATION OF THE MEDICARE SEVERITY DIAGNOSIS RELATED GROUP (MS-DRG) SYSTEM UNDER THE MEDICARE PROSPECTIVE PAYMENT SYSTEM FOR INPATIENT HOSPITAL SERVICES.

(a) **IN GENERAL.**—In implementing the final rule published on August 22, 2007, on pages 47130 through 48175 of volume 72 of the Federal Register, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall apply prospective documentation and coding adjustments (made in response to the implementation of a Medicare Severity Diagnosis Related Group (MS-DRG) system under the hospital inpatient prospective payment system under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) of—

(1) for discharges occurring during fiscal year 2008, 0.6 percent rather than the 1.2 percent specified in such final rule; and

(2) for discharges occurring during fiscal year 2009, 0.9 percent rather than the 1.8 percent specified in such final rule.

(b) **SUBSEQUENT ADJUSTMENTS.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, if the Secretary determines that implementation of such Medicare Severity Diagnosis Related Group (MS-DRG) system resulted in changes in coding and classification that did not reflect real changes in case mix under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) for discharges occurring during fiscal year 2008 or 2009 that are different than the prospective documentation and coding adjustments applied under subsection (a), the Secretary shall—

(A) make an appropriate adjustment under paragraph (3)(A)(vi) of such section 1886(d); and

(B) make an additional adjustment to the standardized amounts under such section 1886(d) for discharges occurring only during fiscal years 2010, 2011, and 2012 to offset the estimated amount of the increase or decrease in aggregate payments (including interest as determined by the Secretary) determined, based upon a retrospective evaluation of claims data submitted under such Medicare Severity Diagnosis Related Group (MS-DRG) system, by the Secretary with respect to discharges occurring during fiscal years 2008 and 2009.

(2) **REQUIREMENT.**—Any adjustment under paragraph (1)(B) shall reflect the difference between the amount the Secretary estimates that implementation of such Medicare Severity Diagnosis Related Group (MS-DRG) system resulted in changes in coding and classification that did not reflect real changes in case mix and the prospective documentation and coding adjustments applied under subsection (a). An adjustment made under paragraph (1)(B) for discharges occurring in a year shall not be included in the determination of standardized amounts for discharges occurring in a subsequent year.

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(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as—

(A) requiring the Secretary to adjust the average standardized amounts under paragraph (3)(A)(vi) of such section 1886(d) other than as provided under this section; or

(B) providing authority to apply the adjustment under paragraph (1)(B) other than for discharges occurring during fiscal years 2010, 2011, and 2012.

(4) JUDICIAL REVIEW.—There shall be no administrative or judicial review under section 1878 of the Social Security Act (42 U.S.C. 1395oo) or otherwise of any determination or adjustments made under this subsection.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*