

111TH CONGRESS  
1ST SESSION

# H. R. 2716

To amend title XIX of the Social Security Act to provide financial stability for seniors and people with disabilities through improvements in the Medicare Savings Program.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2009

Mr. BECERRA (for himself and Mr. DOGGETT) 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

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## A BILL

To amend title XIX of the Social Security Act to provide financial stability for seniors and people with disabilities through improvements in the Medicare Savings Program.

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 “Medicare Savings Program Improvement Act of 2009”.

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. Increase in income levels for eligibility.  
 Sec. 3. Modification of resource standards.  
 Sec. 4. Eligibility for other programs.  
 Sec. 5. Effective date of MSP benefits.  
 Sec. 6. Treatment of qualified Medicare beneficiaries, specified low-income Medicare beneficiaries, and other dual eligibles as medicare beneficiaries.  
 Sec. 7. Monitoring and enforcement of limitation on beneficiary liability.  
 Sec. 8. Medicaid treatment of certain Medicare providers.  
 Sec. 9. State provision of medical assistance to dual eligibles in MA plans.  
 Sec. 10. Medicare enrollment assistance.  
 Sec. 11. Medicaid agency consideration of low-income subsidy application and data transmittal.  
 Sec. 12. QMB buy-in of part A and part B premiums.  
 Sec. 13. Increasing availability of MSP applications through availability on the Internet and designation of preferred language.  
 Sec. 14. Medicare savings program applications.  
 Sec. 15. Repeal of payment limitation.

**1 SEC. 2. INCREASE IN INCOME LEVELS FOR ELIGIBILITY.**

2 (a) INCREASE TO 150 PERCENT OF FPL FOR QUALI-  
 3 FIED MEDICARE BENEFICIARIES.—

4 (1) IN GENERAL.—Section 1905(p)(2) of the  
 5 Social Security Act (42 U.S.C. 1396d(p)(2)) is  
 6 amended—

7 (A) in subparagraph (A), by striking “100  
 8 percent” and inserting “150 percent”;

9 (B) in subparagraph (B)—

10 (i) by striking “and” at the end of  
 11 clause (ii);

12 (ii) by striking the period at the end  
 13 of clause (iii) and inserting “, and”; and

14 (iii) by adding at the end the fol-  
 15 lowing:

16 “(iv) January 1, 2011, is 150 per-  
 17 cent.”; and

1 (C) in subparagraph (C)—

2 (i) by striking “and” at the end of  
3 clause (iii);

4 (ii) by striking the period at the end  
5 of clause (iv) and inserting “, and”; and

6 (iii) by adding at the end the fol-  
7 lowing:

8 “(v) January 1, 2011, is 150 per-  
9 cent.”.

10 (2) APPLICATION OF INCOME TEST BASED ON  
11 FAMILY SIZE.—Section 1905(p)(2)(A) of such Act  
12 (42 U.S.C. 1396d(p)(2)(A)) is amended by adding  
13 at the end the following: “For purposes of this sub-  
14 paragraph, family size means the applicant, the  
15 spouse (if any) of the applicant if living in the same  
16 household as the applicant, and the number of indi-  
17 viduals who are related to the applicant (or appli-  
18 cants), who are living in the same household as the  
19 applicant (or applicants), and who are dependent on  
20 the applicant (or the applicant’s spouse) for at least  
21 one-half of their financial support.”.

22 (3) NOT COUNTING IN-KIND SUPPORT AND  
23 MAINTENANCE AS INCOME.—Section 1905(p)(2)(D)  
24 of such Act (42 U.S.C. 1396d(p)(2)(D)) is amended  
25 by adding at the end the following new clause:

1                   “(iii) In determining income under  
2                   this subsection, support and maintenance  
3                   furnished in kind shall not be counted as  
4                   income.”.

5           (b) EXPANSION OF SPECIFIED LOW-INCOME MEDI-  
6 CARE BENEFICIARY (SLMB) PROGRAM.—

7           (1) ELIGIBILITY OF INDIVIDUALS WITH IN-  
8 COMES BELOW 200 PERCENT OF FPL.—Section  
9 1902(a)(10)(E) of the Social Security Act (42  
10 U.S.C. 1396b(a)(10)(E)) is amended—

11                   (A) by adding “and” at the end of clause  
12                   (ii);

13                   (B) in clause (iii)—

14                           (i) by striking “and 120 percent in  
15 1995 and years thereafter” and inserting  
16 “, or 120 percent in 1995 and any suc-  
17 ceeding year before 2011, or 200 percent  
18 in 2011 and years thereafter”; and

19                           (ii) by striking “and” at the end; and

20                   (C) by striking clause (iv).

21           (2) REFERENCES.—Section 1905(p)(1) of such  
22 Act (42 U.S.C. 1396d(p)(1)) is amended by adding  
23 at and below subparagraph (C) the following: “The  
24 term ‘specified low-income medicare beneficiary’

1 means an individual described in section  
2 1902(a)(13)(iii).”.

3 (c) PROVIDING 100 PERCENT FEDERAL FINANC-  
4 ING.—The third sentence of section 1905(b) of such Act  
5 (42 U.S.C. 1396d(b)) is amended by inserting before the  
6 period at the end the following: “and with respect to med-  
7 ical assistance for Medicare cost-sharing provided under  
8 section 1902(a)(10)(E)(iii) and under section  
9 1902(a)(10)(E)(i) with respect to individuals with income  
10 (as determined in accordance with subsection (p)(1)(B))  
11 is greater than 100 percent of the official income poverty  
12 line applicable to a family of the size involved”.

13 (d) EFFECTIVE DATE.—

14 (1) Except as provided in paragraph (2), the  
15 amendments made by this section shall take effect  
16 on January 1, 2011, and, with respect to title XIX  
17 of the Social Security Act, shall apply to calendar  
18 quarters beginning on or after January 1, 2011.

19 (2) In the case of a State plan for medical as-  
20 sistance under title XIX of the Social Security Act  
21 which the Secretary of Health and Human Services  
22 determines requires State legislation (other than leg-  
23 islation appropriating funds) in order for the plan to  
24 meet the additional requirements imposed by the  
25 amendments made by this section, the State plan

1 shall not be regarded as failing to comply with the  
2 requirements of such title solely on the basis of its  
3 failure to meet these additional requirements before  
4 the first day of the first calendar quarter beginning  
5 after the close of the first regular session of the  
6 State legislature that begins after the date of the en-  
7 actment of this Act. For purposes of the previous  
8 sentence, in the case of a State that has a 2-year  
9 legislative session, each year of such session shall be  
10 deemed to be a separate regular session of the State  
11 legislature.

12 **SEC. 3. MODIFICATION OF RESOURCE STANDARDS.**

13 (a) IN GENERAL.—Section 1905(p) of the Social Se-  
14 curity Act (42 U.S.C. 1396d(p)) is amended—

15 (1) in paragraph (1), by amending subpara-  
16 graph (C) to read as follows:

17 “(C) whose resources (as determined under  
18 section 1613 for purposes of the supplemental  
19 income security program, except as provided in  
20 paragraph (6)(B)) do not exceed the amount  
21 described in paragraph (6)(A).”;

22 (2) by redesignating paragraph (6) as para-  
23 graph (7); and

24 (3) by inserting after paragraph (5) the fol-  
25 lowing:

1 “(6)(A) The resource level specified in this subpara-  
2 graph for—

3 “(i) for 2011, is \$27,500 (or \$55,000 in the  
4 case of the combined value of the individual’s assets  
5 or resources and the assets or resources of the indi-  
6 vidual’s spouse); and

7 “(ii) for a subsequent year is the applicable re-  
8 source level specified in this subparagraph for the  
9 previous year increased by the annual percentage in-  
10 crease in the consumer price index (all items; U.S.  
11 city average) as of September of such previous year.  
12 Any dollar amount established under clause (ii) that is not  
13 a multiple of \$10 shall be rounded to the nearest multiple  
14 of \$10.

15 “(B) In determining the resources of an individual  
16 (and their eligible spouse, if any) under section 1613 for  
17 purposes of paragraph (1)(C) (relating to qualified Medi-  
18 care beneficiaries) or section 1902(a)(10)(E)(iii) (relating  
19 to specified low-income medicare beneficiaries), the fol-  
20 lowing additional exclusions shall apply:

21 “(i) No part of the value of any life insurance  
22 policy shall be taken into account.

23 “(ii) No balance in, or benefits received under,  
24 an employee pension benefit plan (as defined in sec-

1       tion 3 of the Employee Retirement Income Security  
2       Act of 1974) shall be taken into account”.

3       (b) EFFECTIVE DATE.—

4             (1) Except as provided in paragraph (2), the  
5       amendments made by this section shall apply to cal-  
6       endar quarters beginning on or after January 1,  
7       2011.

8             (2) In the case of a State plan for medical as-  
9       sistance under title XIX of the Social Security Act  
10      which the Secretary of Health and Human Services  
11      determines requires State legislation (other than leg-  
12      islation appropriating funds) in order for the plan to  
13      meet the additional requirements imposed by the  
14      amendments made by this section, the State plan  
15      shall not be regarded as failing to comply with the  
16      requirements of such title solely on the basis of its  
17      failure to meet these additional requirements before  
18      the first day of the first calendar quarter beginning  
19      after the close of the first regular session of the  
20      State legislature that begins after the date of the en-  
21      actment of this Act. For purposes of the previous  
22      sentence, in the case of a State that has a 2-year  
23      legislative session, each year of such session shall be  
24      deemed to be a separate regular session of the State  
25      legislature.

1 **SEC. 4. ELIGIBILITY FOR OTHER PROGRAMS.**

2 (a) IN GENERAL.—Section 1905(p) of the Social Se-  
3 curity Act (42 U.S.C. 1396d(p)), as amended by section  
4 2(a), is amended—

5 (1) by redesignating paragraph (7) as para-  
6 graph (8); and

7 (2) by inserting after paragraph (6) the fol-  
8 lowing new paragraph:

9 “(7) Notwithstanding any other provision of  
10 law, any medical assistance for some or all medicare  
11 cost-sharing under this title shall not be considered  
12 income or resources in determining eligibility for, or  
13 the amount of assistance or benefits provided under,  
14 any other public benefit provided under Federal law  
15 or the law of any State or political subdivision there-  
16 of.”.

17 (b) EFFECTIVE DATE.—The amendments made by  
18 subsection (a) shall apply to eligibility for benefits on or  
19 after January 1, 2010.

20 **SEC. 5. EFFECTIVE DATE OF MSP BENEFITS.**

21 (a) PROVIDING FOR 3 MONTHS RETROACTIVE ELIGI-  
22 BILITY.—

23 (1) IN GENERAL.— Section 1905(a) of the So-  
24 cial Security Act (42 U.S.C. 1396d(a)) is amended,  
25 in the matter preceding paragraph (1), by striking  
26 “assistance or, in the case of medicare cost-sharing”

1 and all that follows through “beneficiary)” and in-  
2 sserting “assistance)”.

3 (2) CONFORMING AMENDMENTS.—(A) Section  
4 1902(e)(8) of such Act (42 U.S.C. 1396a(e)(8)) is  
5 amended—

6 (i) by striking the first sentence; and

7 (ii) by striking “such determination”.

8 (B) Section 1848(g)(3) of such Act (42 U.S.C.  
9 1395w-4(g)(3)) is amended by adding at the end  
10 the following new subparagraph:

11 “(C) TREATMENT OF RETROACTIVE ELIGI-  
12 BILITY.—In the case of an individual who is de-  
13 termined to be eligible for medical assistance  
14 described in subparagraph (A) retroactively, the  
15 Secretary shall provide a process whereby  
16 claims which are submitted for services fur-  
17 nished during the period of retroactive eligi-  
18 bility and during a month in which the indi-  
19 vidual otherwise would have been eligible for  
20 such assistance and which were not submitted  
21 in accordance with such subparagraph are re-  
22 submitted and re-processed in accordance with  
23 such subparagraph.”.

24 (b) EFFECTIVE DATE.—The amendments made by  
25 this section shall take effect on January 1, 2010, but shall

1 not result in eligibility for benefits for medicare cost-shar-  
2 ing for months before January 2010.

3 **SEC. 6. TREATMENT OF QUALIFIED MEDICARE BENE-**  
4 **FICIARIES, SPECIFIED LOW-INCOME MEDI-**  
5 **CARE BENEFICIARIES, AND OTHER DUAL ELI-**  
6 **GIBLES AS MEDICARE BENEFICIARIES.**

7 (a) IN GENERAL.—Section 1862 of the Social Secu-  
8 rity Act (42 U.S.C. 1395y) is amended by adding at the  
9 end the following new subsection:

10 “(n) TREATMENT OF QUALIFIED MEDICARE BENE-  
11 FICIARIES (QMBS), SPECIFIED LOW-INCOME MEDICARE  
12 BENEFICIARIES (SLMBS), AND OTHER DUAL ELIGI-  
13 BLES.—Nothing in this title shall be construed as author-  
14 izing a provider of services or supplier to discriminate  
15 (through a private contractual arrangement or otherwise)  
16 against an individual who is otherwise entitled to services  
17 under this title on the basis that the individual is a quali-  
18 fied medicare beneficiary (as defined in section  
19 1905(p)(1)), a specified low-income medicare beneficiary,  
20 or is otherwise eligible for medical assistance for medicare  
21 cost-sharing or other benefits under title XIX.”.

22 (b) EFFECTIVE DATE.—The amendment made by  
23 subsection (a) shall apply to items and services furnished  
24 on or after the date of the enactment of this Act.

1 **SEC. 7. MONITORING AND ENFORCEMENT OF LIMITATION**  
2 **ON BENEFICIARY LIABILITY.**

3 (a) IN GENERAL.—Section 1902(n) of the Social Se-  
4 curity Act (42 U.S.C. 1396b(n)) is amended—

5 (1) by striking paragraph (2); and

6 (2) in paragraph (3)—

7 (A) by striking “In the case in which” and  
8 all that follows through “ the application of  
9 paragraph (2)” and inserting “With respect to  
10 an item or service”;

11 (B) in subparagraph (A), by striking “(if  
12 any)”;

13 (C) by redesignating such paragraph as  
14 paragraph (2).

15 (b) CONFORMING AMENDMENT.—Section 1905(p)(2)  
16 of such Act (42 U.S.C. 1396d(p)(2)) is amended by strik-  
17 ing “(subject to section 1902(n))”.

18 (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to items and services furnished on  
20 or after January 1, 2011.

21 **SEC. 8. MEDICAID TREATMENT OF CERTAIN MEDICARE**  
22 **PROVIDERS.**

23 (a) IN GENERAL.—Section 1902(n) of the Social Se-  
24 curity Act (42 U.S.C. 1396a(n)) is amended by adding  
25 at the end the following new paragraph:

1       “(3) A State plan shall not deny a claim from a pro-  
2 vider or supplier with respect to medicare cost-sharing de-  
3 scribed in subparagraph (B), (C), or (D) of section  
4 1905(p)(3) for an item or service which is eligible for pay-  
5 ment under title XVIII on the basis that the provider or  
6 supplier does not have a provider agreement in effect  
7 under this title or does not otherwise serve all individuals  
8 entitled to medical assistance under this title. The State  
9 shall create a mechanism through which provider or sup-  
10 pliers that do not otherwise have provider agreements with  
11 the State can bill the State for medicare cost-sharing for  
12 qualified medicare beneficiaries.”.

13       (b) EFFECTIVE DATE.—The amendment made by  
14 subsection (a) shall apply to items and services furnished  
15 on or after the date of the enactment of this Act.

16 **SEC. 9. STATE PROVISION OF MEDICAL ASSISTANCE TO**  
17 **DUAL ELIGIBLES IN MA PLANS.**

18       (a) IN GENERAL.—Section 1902(n) of the Social Se-  
19 curity Act (42 U.S.C. 1396b(n)), as amended by section  
20 8(a), is further amended by adding at the end the fol-  
21 lowing new paragraph:

22       “(4)(A) Each State shall—

23               “(i) identify those individuals who are eligible  
24       for medical assistance for medicare cost-sharing and

1 who are enrolled with a Medicare Advantage plan  
2 under part C of title XVIII; and

3 “(ii) for the individuals so identified, provide  
4 for payment of medical assistance for the medicare  
5 cost-sharing (including cost-sharing under a Medi-  
6 care Advantage plan) to which they are entitled.

7 “(B)(i) The Inspector General of the Department of  
8 Health and Human Services shall examine whether States  
9 are providing for medical assistance for Medicare cost-  
10 sharing for individuals enrolled in Medicare Advantage  
11 plans in accordance with this title. The Inspector General  
12 shall submit to the Secretary, not later than one year after  
13 the date of the enactment of this paragraph, a report on  
14 such examination and a finding as to whether States are  
15 failing to provide such medical assistance.

16 “(ii) If a report under clause (i) includes a finding  
17 that States are failing to provide such medical assistance,  
18 not later than 60 days after the date of receiving such  
19 report the Secretary shall submit to Congress a report  
20 that includes a plan of action on how to enforce such re-  
21 quirement.”.

22 (b) EFFECTIVE DATE.—The amendment made by  
23 subsection (a) shall be effective as if included in the enact-  
24 ment of the Medicare Prescription Drug, Improvement,  
25 and Modernization Act of 2003 (Public Law 108–173).

1 **SEC. 10. MEDICARE ENROLLMENT ASSISTANCE.**

2 (a) ADDITIONAL FUNDING FOR STATE HEALTH IN-  
3 SURANCE ASSISTANCE PROGRAMS.—

4 (1) GRANTS.—

5 (A) IN GENERAL.—The Secretary of  
6 Health and Human Services (in this section re-  
7 ferred to as the “Secretary”) shall use amounts  
8 made available under subparagraph (B) to  
9 make grants to States for State health insur-  
10 ance assistance programs receiving assistance  
11 under section 4360 of the Omnibus Budget  
12 Reconciliation Act of 1990.

13 (B) FUNDING.—For purposes of making  
14 grants under this subsection, the Secretary  
15 shall provide for the transfer, from the Federal  
16 Hospital Insurance Trust Fund under section  
17 1817 of the Social Security Act (42 U.S.C.  
18 1395i) and the Federal Supplementary Medical  
19 Insurance Trust Fund under section 1841 of  
20 such Act (42 U.S.C. 1395t), in the same pro-  
21 portion as the Secretary determines under sec-  
22 tion 1853(f) of such Act (42 U.S.C. 1395w-  
23 23(f)), of \$14,000,000 to the Centers for Medi-  
24 care & Medicaid Services Program Management  
25 Account for fiscal year 2011, to remain avail-  
26 able until expended.

1           (2) AMOUNT OF GRANTS.—The amount of a  
2 grant to a State under this subsection from the total  
3 amount made available under paragraph (1) shall be  
4 equal to the sum of the amount allocated to the  
5 State under paragraph (3)(A) and the amount allo-  
6 cated to the State under subparagraph (3)(B).

7           (3) ALLOCATION TO STATES.—

8           (A) ALLOCATION BASED ON PERCENTAGE  
9 OF LOW-INCOME BENEFICIARIES.—The amount  
10 allocated to a State under this subparagraph  
11 from  $\frac{2}{3}$  of the total amount made available  
12 under paragraph (1) shall be based on the num-  
13 ber of individuals who meet the requirement  
14 under subsection (a)(3)(A)(ii) of section  
15 1860D–14 of the Social Security Act (42  
16 U.S.C. 1395w–114) but who have not enrolled  
17 to receive a subsidy under such section 1860D–  
18 14 relative to the total number of individuals  
19 who meet the requirement under such sub-  
20 section (a)(3)(A)(ii) in each State, as estimated  
21 by the Secretary.

22           (B) ALLOCATION BASED ON PERCENTAGE  
23 OF RURAL BENEFICIARIES.—The amount allo-  
24 cated to a State under this subparagraph from  
25  $\frac{1}{3}$  of the total amount made available under

1 paragraph (1) shall be based on the number of  
2 part D eligible individuals (as defined in section  
3 1860D–1(a)(3)(A) of such Act (42 U.S.C.  
4 1395w–101(a)(3)(A))) residing in a rural area  
5 relative to the total number of such individuals  
6 in each State, as estimated by the Secretary.

7 (4) PORTION OF GRANT BASED ON PERCENT-  
8 AGE OF LOW-INCOME BENEFICIARIES TO BE USED  
9 TO PROVIDE OUTREACH TO INDIVIDUALS WHO MAY  
10 BE SUBSIDY ELIGIBLE INDIVIDUALS OR ELIGIBLE  
11 FOR THE MEDICARE SAVINGS PROGRAM.—Each  
12 grant awarded under this subsection with respect to  
13 amounts allocated under paragraph (3)(A) shall be  
14 used to provide outreach to individuals who may be  
15 subsidy eligible individuals (as defined in section  
16 1860D–14(a)(3)(A) of the Social Security Act (42  
17 U.S.C. 1395w–114(a)(3)(A)) or eligible for the  
18 Medicare Savings Program (as defined in subsection  
19 (f)).

20 (b) ADDITIONAL FUNDING FOR AREA AGENCIES ON  
21 AGING.—

22 (1) GRANTS.—

23 (A) IN GENERAL.—The Secretary, acting  
24 through the Assistant Secretary for Aging, shall  
25 make grants to States for area agencies on

1 aging (as defined in section 102 of the Older  
2 Americans Act of 1965 (42 U.S.C. 3002)) and  
3 Native American programs carried out under  
4 the Older Americans Act of 1965 (42 U.S.C.  
5 3001 et seq.).

6 (B) FUNDING.—For purposes of making  
7 grants under this subsection, the Secretary  
8 shall provide for the transfer, from the Federal  
9 Hospital Insurance Trust Fund under section  
10 1817 of the Social Security Act (42 U.S.C.  
11 1395i) and the Federal Supplementary Medical  
12 Insurance Trust Fund under section 1841 of  
13 such Act (42 U.S.C. 1395t), in the same pro-  
14 portion as the Secretary determines under sec-  
15 tion 1853(f) of such Act (42 U.S.C. 1395w-  
16 23(f)), of \$10,000,000 to the Administration on  
17 Aging for fiscal year 2011, to remain available  
18 until expended.

19 (2) AMOUNT OF GRANT AND ALLOCATION TO  
20 STATES BASED ON PERCENTAGE OF LOW-INCOME  
21 AND RURAL BENEFICIARIES.—The amount of a  
22 grant to a State under this subsection from the total  
23 amount made available under paragraph (1) shall be  
24 determined in the same manner as the amount of a  
25 grant to a State under subsection (a), from the total

1 amount made available under paragraph (1) of such  
2 subsection, is determined under paragraph (2) and  
3 subparagraphs (A) and (B) of paragraph (3) of such  
4 subsection.

5 (3) REQUIRED USE OF FUNDS.—

6 (A) ALL FUNDS.—Subject to subparagraph  
7 (B), each grant awarded under this subsection  
8 shall be used to provide outreach to eligible  
9 Medicare beneficiaries regarding the benefits  
10 available under title XVIII of the Social Secu-  
11 rity Act.

12 (B) OUTREACH TO INDIVIDUALS WHO MAY  
13 BE SUBSIDY ELIGIBLE INDIVIDUALS OR ELIGI-  
14 BLE FOR THE MEDICARE SAVINGS PROGRAM.—  
15 Subsection (a)(4) shall apply to each grant  
16 awarded under this subsection in the same  
17 manner as it applies to a grant under sub-  
18 section (a).

19 (c) ADDITIONAL FUNDING FOR AGING AND DIS-  
20 ABILITY RESOURCE CENTERS.—

21 (1) GRANTS.—

22 (A) IN GENERAL.—The Secretary shall  
23 make grants to Aging and Disability Resource  
24 Centers under the Aging and Disability Re-  
25 source Center grant program that are estab-

1           lished centers under such program on the date  
2           of the enactment of this Act.

3           (B) FUNDING.—For purposes of making  
4           grants under this subsection, the Secretary  
5           shall provide for the transfer, from the Federal  
6           Hospital Insurance Trust Fund under section  
7           1817 of the Social Security Act (42 U.S.C.  
8           1395i) and the Federal Supplementary Medical  
9           Insurance Trust Fund under section 1841 of  
10          such Act (42 U.S.C. 1395t), in the same pro-  
11          portion as the Secretary determines under sec-  
12          tion 1853(f) of such Act (42 U.S.C. 1395w-  
13          23(f)), of \$10,000,000 to the Administration on  
14          Aging for fiscal year 2011, to remain available  
15          until expended.

16          (2) REQUIRED USE OF FUNDS.—Each grant  
17          awarded under this subsection shall be used to pro-  
18          vide outreach to individuals regarding the benefits  
19          available under the Medicare prescription drug ben-  
20          efit under part D of title XVIII of the Social Secu-  
21          rity Act and under the Medicare Savings Program.

22          (d) COORDINATION OF EFFORTS TO INFORM OLDER  
23          AMERICANS ABOUT BENEFITS AVAILABLE UNDER FED-  
24          ERAL AND STATE PROGRAMS.—

1           (1) IN GENERAL.—The Secretary, acting  
2 through the Assistant Secretary for Aging, in co-  
3 operation with related Federal agency partners, shall  
4 make a grant to, or enter into a contract with, a  
5 qualified, experienced entity under which the entity  
6 shall—

7           (A) maintain and update web-based deci-  
8 sion support tools, and integrated, person-cen-  
9 tered systems, designed to inform older individ-  
10 uals (as defined in section 102 of the Older  
11 Americans Act of 1965 (42 U.S.C. 3002))  
12 about the full range of benefits for which the  
13 individuals may be eligible under Federal and  
14 State programs;

15           (B) utilize cost-effective strategies to find  
16 older individuals with the greatest economic  
17 need (as defined in such section 102) and in-  
18 form the individuals of the programs;

19           (C) develop and maintain an information  
20 clearinghouse on best practices and the most  
21 cost-effective methods for finding older individ-  
22 uals with greatest economic need and informing  
23 the individuals of the programs; and

24           (D) provide, in collaboration with related  
25 Federal agency partners administering the Fed-

1           eral programs, training and technical assistance  
2           on the most effective outreach, screening, and  
3           follow-up strategies for the Federal and State  
4           programs.

5           (2) FUNDING.—For purposes of making a  
6           grant or entering into a contract under paragraph  
7           (1), the Secretary shall provide for the transfer,  
8           from the Federal Hospital Insurance Trust Fund  
9           under section 1817 of the Social Security Act (42  
10          U.S.C. 1395i) and the Federal Supplementary Med-  
11          ical Insurance Trust Fund under section 1841 of  
12          such Act (42 U.S.C. 1395t), in the same proportion  
13          as the Secretary determines under section 1853(f) of  
14          such Act (42 U.S.C. 1395w–23(f)), of \$10,000,000  
15          to the Administration on Aging for fiscal year 2011,  
16          to remain available until expended.

17          (e) MEDICARE SAVINGS PROGRAM DEFINED.—For  
18          purposes of this section, the term “Medicare Savings Pro-  
19          gram” means the program of medical assistance for pay-  
20          ment of the cost of medicare cost-sharing under the Med-  
21          icaid program pursuant to sections 1902(a)(10)(E) and  
22          1933 of the Social Security Act (42 U.S.C.  
23          1396a(a)(10)(E), 1396u–3).

1 **SEC. 11. MEDICAID AGENCY CONSIDERATION OF LOW-IN-**  
2 **COME SUBSIDY APPLICATION AND DATA**  
3 **TRANSMITTAL.**

4 (a) CONFORMING AMENDMENT TO SECTION 1144.—

5 The first sentence of section 1144(c)(3) of the Social Se-  
6 curity Act (42 U.S.C. 1320b–14(c)(3)), as added by sec-  
7 tion 113(a) of Public Law 110–275, is amended—

8 (1) by striking “transmittal”; and

9 (2) by inserting “as specified in section  
10 1935(a)(4)” before the period at the end.

11 (b) CLARIFYING AMENDMENT TO SECTION 1935.—

12 Section 1935(a)(4) of the Social Security Act (42 U.S.C.  
13 1396u–5(a)(4)), as added by section 113(b) of Public Law  
14 110–275, is amended by striking the last sentence and in-  
15 serting the following: “For the purpose of a State’s obliga-  
16 tion under section 1902(a)(8) to furnish medical assist-  
17 ance with reasonable promptness, the date of the elec-  
18 tronic transmission of low income subsidy program data,  
19 as described in section 1144(e), from the Commissioner  
20 of Social Security to the State Medicaid Agency, shall con-  
21 stitute the date of filing of such application for benefits  
22 under the Medicare Savings Program. For the purpose of  
23 determining when such medical assistance will be made  
24 available, the State shall consider the date of the individ-  
25 ual’s application for the low income subsidy program to

1 constitute the date of filing of an application for benefits  
2 under the Medicare Savings Program.”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section are effective as if they had been included in  
5 the enactment of section 113(b) of Public Law 110–275.

6 (d) OIG STUDY.—The Inspector General of the De-  
7 partment of Health and Human Services shall examine the  
8 extent to which States are complying with the require-  
9 ment, under amendments made by the Medicare Improve-  
10 ments for Patients and Providers Act of 2008 (Public Law  
11 110–275), that they initiate an application for Medicare  
12 Savings Program from data of the Social Security Admin-  
13 istration suggesting eligibility.

14 **SEC. 12. QMB BUY-IN OF PART A AND PART B PREMIUMS.**

15 (a) REQUIREMENT.—Section 1902(a) of the Social  
16 Security Act (42 U.S.C. 1396a(a)) is amended—

17 (1) in paragraph (72), by striking “and” at the  
18 end;

19 (2) in paragraph (73), by striking the period at  
20 the end and inserting “; and”; and

21 (3) by inserting after paragraph (73) the fol-  
22 lowing new paragraph:

23 “(74) provide that the State enters into a modi-  
24 fication of an agreement under section 1818(g).”.

25 (b) EFFECTIVE DATE.—

1           (1) IN GENERAL.—Except as provided in para-  
2 graph (2), the amendments made by this section  
3 take effect on the first day of the first calendar  
4 quarter beginning 6 months after the date of the en-  
5 actment of this Act.

6           (2) EXTENSION OF EFFECTIVE DATE FOR  
7 STATE LAW AMENDMENT.—In the case of a State  
8 plan under title XIX of the Social Security Act (42  
9 U.S.C. 1396 et seq.) which the Secretary of Health  
10 and Human Services determines requires State legis-  
11 lation in order for the plan to meet the additional  
12 requirements imposed by the amendments made by  
13 this section, the State plan shall not be regarded as  
14 failing to comply with the requirements of such title  
15 solely on the basis of its failure to meet these addi-  
16 tional requirements before the first day of the first  
17 calendar quarter beginning after the close of the  
18 first regular session of the State legislature that be-  
19 gins after the date of enactment of this Act. For  
20 purposes of the previous sentence, in the case of a  
21 State that has a 2-year legislative session, each year  
22 of the session is considered to be a separate regular  
23 session of the State legislature.

1 **SEC. 13. INCREASING AVAILABILITY OF MSP APPLICATIONS**  
2 **THROUGH AVAILABILITY ON THE INTERNET**  
3 **AND DESIGNATION OF PREFERRED LAN-**  
4 **GUAGE.**

5 (a) REQUIREMENT FOR STATES.—

6 (1) IN GENERAL.—Section 1902(a) of the So-  
7 cial Security Act (42 U.S.C. 1396a(a)), as amended  
8 by section 12, is amended—

9 (A) in paragraph (73), by striking “and” at  
10 the end;

11 (B) in paragraph (74), by striking the pe-  
12 riod at the end and inserting “; and”; and

13 (C) by inserting after paragraph (74) the  
14 following new paragraph:

15 “(75) provide—

16 “(A) that the application for medical as-  
17 sistance for Medicare cost-sharing under this  
18 title used by the State allows an individual to  
19 specify a preferred language for subsequent  
20 communication and, in the case in which a lan-  
21 guage other than English is specified, provide  
22 that subsequent communications under this title  
23 to the individual shall be in such language; and

24 “(B) that the State makes such application  
25 available through an Internet website and pro-

1           vides for such application to be completed on  
2           such website.”.

3           (2) **EFFECTIVE DATE.**—The amendments made  
4           by this subsection take effect on and after the first  
5           day of the first calendar quarter beginning 2 years  
6           after the date of the enactment of this Act.

7           (b) **REQUIREMENT FOR THE SECRETARY.**—Section  
8           1905(p)(5) of the Social Security Act (42 U.S.C.  
9           1396d(p)(5)) is amended by adding at the end the fol-  
10          lowing new sentence: “Such form shall allow an individual  
11          to specify a preferred language for subsequent commu-  
12          nication.”

13          **SEC. 14. MEDICARE SAVINGS PROGRAM APPLICATIONS.**

14          (a) **IN GENERAL.**—Section 1902(a) of the Social Se-  
15          curity Act (42 U.S.C. 1396a(a)), as amended by sections  
16          12 and 13, is further amended—

17                 (1) in paragraph (74), by striking “and” at the  
18                 end;

19                 (2) in paragraph (75), by striking the period at  
20                 the end and inserting “; and”; and

21                 (3) by inserting after paragraph (75) the fol-  
22                 lowing new paragraph:

23                         “(76) provide that the State coordinates with  
24                         the State agency that administers benefits under the  
25                         supplemental nutrition assistance program estab-

1 lished under the Food and Nutrition Act of 2008 (7  
2 U.S.C. 2011 et seq.) to ensure that individuals ap-  
3 plying for medical assistance provided under para-  
4 graph (10)(E), as described in sections 1905(p) and  
5 1933, have the opportunity to apply for, establish  
6 eligibility for, and, if eligible, receive supplemental  
7 nutrition assistance program benefits.”.

8 (b) EFFECTIVE DATE.—

9 (1) IN GENERAL.—Except as provided in para-  
10 graph (2), the amendments made by subsection (a)  
11 take effect on the first day of the first calendar  
12 quarter beginning 6 months after the date of the en-  
13 actment of this Act.

14 (2) EXTENSION OF EFFECTIVE DATE FOR  
15 STATE LAW AMENDMENT.—In the case of a State  
16 plan under title XIX of the Social Security Act (42  
17 U.S.C. 1396 et seq.) which the Secretary of Health  
18 and Human Services determines requires State legis-  
19 lation in order for the plan to meet the additional  
20 requirements imposed by the amendments made by  
21 subsection (a), the State plan shall not be regarded  
22 as failing to comply with the requirements of such  
23 title solely on the basis of its failure to meet these  
24 additional requirements before the first day of the  
25 first calendar quarter beginning after the close of

1 the first regular session of the State legislature that  
2 begins after the date of enactment of this Act. For  
3 purposes of the previous sentence, in the case of a  
4 State that has a 2-year legislative session, each year  
5 of the session is considered to be a separate regular  
6 session of the State legislature.

7 (c) REPORT TO CONGRESS.—Not later than 1 year  
8 after the date of enactment of this Act, the Secretary of  
9 Health and Human Services shall submit to Congress a  
10 report on the process each State uses to meet the require-  
11 ments under section 1902(a)(76) of the Social Security  
12 Act, as added by subsection (a).

13 **SEC. 15. REPEAL OF PAYMENT LIMITATION.**

14 (a) IN GENERAL.—Section 1902(n) of the Social Se-  
15 curity Act (42 U.S.C. 1396a(n)) is amended—

16 (1) by striking paragraphs (2) and (3); and

17 (2) in paragraph (1)—

18 (A) by striking “(n)(1)” and inserting  
19 “(n)”; and

20 (B) by striking “may provide” and insert-  
21 ing “shall provide”.

22 (b) CONFORMING AMENDMENTS.—(1) Section  
23 1902(a)(10) of such Act is amended, in the subclause  
24 (VIII) following subparagraph (G), by striking “sub-  
25 section (n) and”.

1       (2) Section 1905(p)(2) of such Act (42 U.S.C.  
2 1396d(p)(2)) is amended by striking “(subject to section  
3 1902(n))”.

4       (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to items and services furnished on  
6 or after January 1, 2010.

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