

111TH CONGRESS
1ST SESSION

S. 1009

To amend title XVIII of the Social Security Act to establish a Care Transitions Program in order to improve quality and cost-effectiveness of care for Medicare beneficiaries.

IN THE SENATE OF THE UNITED STATES

MAY 7, 2009

Mr. BENNET introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to establish a Care Transitions Program in order to improve quality and cost-effectiveness of care for Medicare beneficiaries.

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 “Medicare Care Transi-
5 tions Program Act of 2009”.

6 **SEC. 2. MEDICARE CARE TRANSITIONS PROGRAM.**

7 Title XVIII of the Social Security Act (42 U.S.C.
8 1395 et seq.) is amended by adding at the end the fol-
9 lowing new section:

1 “CARE TRANSITIONS PROGRAM

2 “SEC. 1899. (a) PROGRAM.—

3 “(1) IN GENERAL.—The Secretary shall estab-
4 lish a Care Transitions Program (in this section re-
5 ferred to as the ‘Program’) under which outcomes-
6 based payments are made to community-based tran-
7 sitional care suppliers (in this section referred to as
8 ‘CTCs’) for furnishing care transition services, im-
9 proving quality of care, and reducing rehospitaliza-
10 tion rates.

11 “(2) CARE TRANSITION SERVICES.—For pur-
12 poses of this section, the term ‘care transition serv-
13 ices’ means the following services furnished to indi-
14 viduals entitled to, or enrolled for, benefits under
15 part A or enrolled for benefits under part B after
16 the individual is discharged from inpatient care:

17 “(A) Self-management goal-setting.

18 “(B) Medication self-management support.

19 “(C) Arrangement of timely follow-up care.

20 “(D) Individualized training in manage-
21 ment of clinical exacerbation.

22 “(E) Establishment and maintenance of a
23 paper or electronic personal health record. Such
24 personal health record shall be written and for-
25 matted using language that is easily under-

1 standable by individuals receiving benefits
2 under this title.

3 “(F) Preparation for anticipated clinical
4 encounters.

5 “(G) Monitoring of service effectiveness,
6 including measures of transitional care as en-
7 dored by the National Quality Forum and hos-
8 pital readmission rates.

9 “(H) Other services determined appro-
10 priate by the Secretary.

11 “(3) TARGETING AND TIMING OF CARE TRANSI-
12 TION SERVICES.—Care transition services may only
13 be provided—

14 “(A) to an individual entitled to, or en-
15 rolled for, benefits under part A or enrolled for
16 benefits under part B who is part of the tar-
17 geted beneficiary population under the CTC’s
18 plan (as described in subsection (b)(2)(E)) that
19 is approved by the Secretary; and

20 “(B) during the 90-day period beginning
21 with the day such individual is discharged from
22 a hospitalization.

23 “(b) CONTRACTS WITH CTCs.—

24 “(1) IN GENERAL.—Under the program, the
25 Secretary shall establish a process for awarding con-

1 tracts to entities meeting the requirements of para-
2 graph (2).

3 “(2) REQUIREMENTS FOR CTCS.—The Sec-
4 retary shall establish an application process by
5 which entities seeking contracts to serve as CTCs
6 demonstrate that they meet the following require-
7 ments:

8 “(A) The entity is recognized by the Sec-
9 retary as having the appropriate professional
10 expertise, safeguards for privacy and confiden-
11 tiality, and authority to review medical records
12 in order to review cases and identify patterns of
13 care involving items and services furnished to
14 individuals entitled to, or enrolled for, benefits
15 under part A or enrolled for benefits under part
16 B.

17 “(B) The entity does not currently receive
18 payments for items or services furnished to in-
19 dividuals described in subparagraph (A).

20 “(C) The entity has the demonstrated ca-
21 pability to form cooperative processes with pro-
22 viders of medical services through local commu-
23 nity presence and other characteristics.

24 “(D) The entity has received appropriate
25 formal training and demonstrates other evi-

1 dence of its capability to deliver care transition
2 services.

3 “(E) The entity submits a proposed plan
4 that identifies a carefully selected target bene-
5 ficiary population, particularly those most at
6 risk for rehospitalizations, for which the entity
7 will provide care transition services, identifies
8 targeted inappropriate or wasteful services con-
9 tributing to preventable rehospitalizations, and
10 identifies any targeted disparities in the quality
11 of care transitions associated with race, eth-
12 nicity, language, or gender.

13 “(3) INTERVENTION.—Under the contract
14 awarded under this subsection, a CTC shall under-
15 take community-based interventions, including the
16 following:

17 “(A) Partner with local entities designated
18 under section 3025(a)(2)(A) of the Older Amer-
19 icans Act of 1965, and such other individuals
20 and organizations as the CTC may recruit for
21 the purposes of this section, to develop and im-
22 plement an intervention plan. Such plan shall
23 be aimed at reducing rehospitalizations and im-
24 proving quality outcomes among the individuals
25 served. Throughout the intervention period, the

1 CTC shall be accountable for ongoing project
2 management and facilitation. The CTC shall as-
3 sist providers and the community in creating
4 resources for more effective transitions and in
5 implementing improvement activities.

6 “(B) Review cases involving items and
7 services provided to individuals entitled to, or
8 enrolled for, benefits under part A or enrolled
9 for benefits under part B who have been re-
10 hospitalized within 30 days of discharge from
11 an inpatient hospital stay.

12 “(C) Engage providers and practitioners in
13 interventions to identify and eliminate the
14 causes of preventable rehospitalizations.

15 “(D) Engage partners to implement care
16 transition services which primarily target indi-
17 viduals served who have complex conditions ac-
18 cording to the needs, structures, and hospital
19 readmissions patterns of the local community.

20 “(4) DEIDENTIFIED PATIENT DATA.—Notwith-
21 standing any other provision of law, the CTC may,
22 as determined appropriate by the CTC, provide to
23 providers and practitioners consenting to participate
24 in an intervention deidentified patient data that
25 identifies providers and practitioners treating the

1 same population of patients, for the purpose of
2 measuring and improving the safety, quality, and ef-
3 fectiveness of transitions of such patients from the
4 care of one provider or practitioner to another.
5 Nothing in this paragraph shall be construed to
6 limit, alter, or affect the requirements imposed by
7 section 264(c) of the Health Insurance Portability
8 and Accountability Act of 1996.

9 “(5) REPORTS.—Under the contract awarded
10 under this subsection, a CTC shall submit to the
11 Secretary reports (in such frequency determined ap-
12 propriate by the Secretary) on the implementation of
13 the requirements under the contract.

14 “(c) PAYMENTS TO CTCs.—

15 “(1) IN GENERAL.—Under the Program, the
16 Secretary shall establish payment amounts for orga-
17 nizations awarded a contract under this section.
18 Such payment amounts shall be directly linked to
19 the ability of the CTC to achieve or exceed quality
20 and cost targets, including a shared savings payment
21 for demonstrated reductions in the expected rehos-
22 pitalization rate for individuals receiving care from
23 the CTC.

24 “(2) ADJUSTMENT.—The Secretary shall make
25 appropriate adjustments to payments to CTCs under

1 this section to take into account adverse selection of
2 individuals and the variation in the health status of
3 individuals among CTCs, including high cost
4 outliers. Such adjustments shall be made in a budget-
5 neutral manner.

6 “(3) TRUST FUNDS.—Payments to CTCs under
7 this section shall be payable from—

8 “(A) funds in the Federal Hospital Insur-
9 ance Trust Fund; and

10 “(B) funds in the Federal Supplementary
11 Medical Insurance Trust Fund,

12 in such proportion as the Secretary shall deem to be
13 fair and equitable after taking into consideration the
14 quality improvements and cost savings achieved by
15 such entities.

16 “(d) REGULATIONS.—The Secretary shall promul-
17 gate regulations to carry out this section. Such regulations
18 shall be promulgated by not later than 18 months after
19 the date of enactment of this section.”.

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