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113TH CONGRESS
2D SESSION

H. R. 4762

To amend title XVIII of the Social Security Act to cover transitional care services to improve the quality and cost effectiveness of care under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

MAY 29, 2014

Mr. BLUMENAUER (for himself and Mr. PETRI) 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 XVIII of the Social Security Act to cover transitional care services to improve the quality and cost effectiveness of care under the Medicare Program.

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 ''Medicare Transitional Care Act of 2014''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) There are a number of care models that are designed to enhance coordination during transitions from care settings.

(2) These care models and others have demonstrated that effective care transitions lead to improvements in overall health care quality and result in savings to patients and the United States health care system.

SEC. 3. MEDICARE COVERAGE OF TRANSITIONAL CARE SERVICES.

(a) COVERAGE.—Section 1861 of the Social Security Act (42 U.S.C. 1395x) is amended—

(1) in subsection (s)(2)—

(A) by striking ''and'' at the end of subparagraph (EE);

(B) by adding ''and'' at the end of subparagraph (FF); and

(C) by inserting after subparagraph (FF) the following new subparagraph:

''(GG) transitional care services (as defined in subsection (iii)(1));''; and

(2) by adding at the end the following new subsection:

''Transitional Care Services

''(iii)(1) The term 'transitional care services' means services described in paragraph (2) furnished to a qualified individual (described in paragraph (3)) by a transitional care clinician (as defined in paragraph (4)) acting as an employee of (or pursuant to a contract with) a qualified transitional care entity (as defined in paragraph (5)) during the transitional care period (as defined in paragraph (6)) for the qualified individual.

''(2) The services described in this paragraph are services that support a qualified individual during the transitional care period and include the following:

''(A) A comprehensive assessment of the individual prior to the individual's transition from one care facility to another care facility or home, including an assessment of the individual's physical and mental condition, cognitive and functional capacities, medication regimen and adherence, social and environmental needs, and primary caregiver needs and resources.

''(B) Development of a comprehensive, evidenced-based plan of care for the individual developed with the individual and the individual's primary caregiver and other health team members, identifying potential health risks, treatment goals, current

therapies, and future services for both the individual and any primary caregiver.

''(C) Development of a comprehensive medications management plan that ensures the safe use of medications and is based on the individual's plan of care. Such management plan shall include the following:

''(i) Identification of individual's medications in use (including prescription and non-prescription medications).

''(ii) Assessment and (if needed) consultation with key medical providers to ensure medications are necessary, appropriate, and free of discrepancies.

''(iii) Assessment of the individual and family caregiver's health literacy regarding the ability to properly follow medication instructions.

''(iv) Individual and family education and counseling about medications.

''(v) Teaching and counseling the individual and the individual's primary caregiver (as appropriate) to assure adherence to medications and other therapies and avoid adverse events.

''(D) Implementation of a plan to facilitate the safe transition of the individual from one level of care, care setting, or provider to another, which transition plan shall include at least the following:

''(i) A process to address the individual's symptoms.

''(ii) An established process for the individual and family caregivers to receive timely access to key health care providers during an episode of care as required by the individual's condition.

''(iii) An established process for communicating with the individual, family caregivers, and other health care providers posttransition from an episode of care.

''(iv) A system that ensures ownership, responsibility, and accountability for the care of the individual at all times, including identifying and documenting any family caregiver (or caregivers) that exist.

''(v) Providing information and resources about condition and care choices to adequately prepare the individual and caregivers for informed decisionmaking.

''(E) Providing to the qualified individual, primary caregiver, and appropriate clinicians and the qualified transitional care entity providing ongoing care at the conclusion of the transitional care period, a written summary that includes the goals established in the plan of care described in subparagraph (B), progress in achieving such goals, and remaining treatment needs.

''(F) Other services that the Secretary determines are appropriate.

The Secretary shall determine and update from time to time the services to be included in transitional care services as appropriate, based on the evidence of their effectiveness in reducing hospital readmissions and improving health outcomes.

''(3)(A) In this subsection, subject to subparagraph (C), the term 'qualified individual' means an individual who—

''(i) has been admitted to a subsection (d) hospital (as defined for purposes of section 1886) for inpatient hospital services or to a critical care hospital for inpatient critical access hospital services; and

''(ii) is identified by the Secretary as being at highest risk for readmission or for a poor transition from such a hospital to a posthospital site of care.

''(B) The identification under subparagraph (A)(ii) shall be based on achieving a minimum hierarchical condition category score (specified by the Secretary) in order to target eligibility benefits under this subsection to individuals with multiple chronic conditions and other risk factors, such as cognitive impairment, depression, or a history of multiple hospitalizations.

''(C) After submitting to Congress the evaluation under section 2(d) of the Medicare Transitional Care Act of 2014 and considering any cost savings and quality improvements from the prior implementation of transitional care services under this title, the Secretary may expand eligibility of qualified individuals to include moderate-risk and lower-risk individuals, as determined in accordance with eligibility criteria specified by the Secretary. In expanding eligibility, the Secretary may modify or scale transitional care services to meet the specific needs of moderate-risk and lower-risk individuals.

''(D) The Secretary shall ensure that qualified individuals receiving transitional care services are not receiving duplicative services under this title.

''(4)(A) The term 'transitional care clinician' means, with respect to a qualified individual, a nurse, case manager, social worker, physician assistant, physician, pharmacist, or other licensed health professional who—

''(i) has received specialized training in the clinical care of people with multiple chronic conditions (including medication management) and communication and coordination with multiple providers of services, suppliers, patients, and their primary caregivers;

''(ii) is supported by an interdisciplinary team in a manner that assures continuity of care throughout a transitional care period and across care settings (including the residences of qualified individuals);

''(iii) is employed by (or has a contract with) a qualified transitional care entity for the furnishing of transitional care services; and

''(iv) meets such participation criteria as the Secretary may specify consistent with this subsection.

''(B) In establishing participation criteria under subparagraph (A)(iv), the Secretary shall assure that transitional care clinicians meet relevant scope of practice and

training requirements and have the ability to meet the individual needs of qualified individuals.

''(5) The term 'qualified transitional care entity' means—

''(A) a hospital or a critical care hospital;

''(B) a home health agency;

''(C) a primary care practice;

''(D) a federally qualified health center or rural health clinic;

''(E) a long-term care facility;

''(F) a medical home;

''(G) an appropriate community-based organization described in section 3026(b)(1)(B) of the Patient Protection and Affordable Care Act (42 U.S.C. 1395b–1 note);

''(H) an assisted living center;

''(I) an accountable care organization; and

''(J) another entity approved by the Secretary for purposes of this subsection.

''(6) The term 'transitional care period' means, with respect to a qualified individual, the period—

''(A) beginning on the date the individual is admitted to a subsection (d) hospital (as defined for purposes of section 1886) for inpatient hospital services or is admitted to a critical care hospital for in-

patient critical access hospital services, for which payment may be made under this title; and

''(B) ending on the last day of the 45-day period beginning on the date of the individual's discharge from such hospital or critical care hospital.''.

(b) PAYMENT AND PERFORMANCE MEASURES.—Section 1833 of the Social Security Act (42 U.S.C. 1395l) is amended—

(1) in subsection (a)(1), by striking ''and'' before ''(Z)'' and by inserting before the semicolon at the end the following: '', and (AA) with respect to transitional care services (as defined in section 1861(iii)(1)), the amounts paid shall be 100 percent of the amount determined under subsection (z)'';

(2) in the first sentence of subsection (b), by inserting ''or transitional care services (as defined in section 1861(iii)(1))'' after ''(as defined in section 1861(hh)(1))''; and

(3) by adding at the end the following new subsection:

''(z) PAYMENT AND PERFORMANCE MEASURES FOR TRANSITIONAL CARE SERVICES.—

''(1) PAYMENT.—

''(A) IN GENERAL.—The Secretary shall determine the method of payment for transi-

tional care services under this part, including appropriate risk adjustment that reflects the differences in resources needed to provide transitional care services to individuals with differing characteristics and circumstances and, when applicable, the performance measures under paragraph (3). The payment amount shall be sufficient to ensure the provision of necessary transitional care services throughout the transitional care period. The payment shall be structured in a manner to explicitly recognize transitional care as an episode of services that crosses multiple care settings, providers of services, and suppliers. The payment with respect to transitional care services furnished by a transitional care clinician shall be made, notwithstanding any other provision of this title, to the qualified transitional care entity which employs, or has a contract with, the clinician for the furnishing of such services.

''(B) HIT INCENTIVE PAYMENT.—The Secretary may provide for an additional payment with respect to transitional care services to encourage transitional care clinicians and qualified transitional care entities to use health

information technology in the provision of such services.

''(C) NO PAYMENT FOR REQUIRED DISCHARGE PLANNING SERVICES.—Payment shall not be made for transitional care services under this subsection for an entity insofar as such services are otherwise required to be provided through the discharge planning process under section 1861(ee) or under conditions of participation for the entity under section 1866.

''(2) PERFORMANCE MEASURES.—

''(A) ACCOUNTABILITY.—

''(i) IN GENERAL.—The Secretary shall establish a method whereby qualified transitional care entities responsible for furnishing transitional care services are held accountable for process and outcome based on performance measures specified by the Secretary from those that have been endorsed by the National Quality Forum or similar standard-setting organization or are otherwise used in other quality programs under this title or title XIX.

''(ii) DEVELOPMENT AND ENDORSEMENT OF PERFORMANCE MEASURE SET.—

For purposes of carrying out clause (i), the Secretary shall enter into an arrangement—

"(I) with the National Quality Forum for the evaluation, endorsement, and recommendation of additional performance measures for transitional care services and to identify remaining gaps in available measures, including measures to both the sending and receiving side of the transition; and

"(II) with the Agency for Healthcare Research and Quality to support measure development, to fill gaps in available measures, to conduct comparative effectiveness research of transitional care models and tools, and to provide for the ongoing maintenance of the set of performance measures for transitional care services.

"(B) PAY FOR PERFORMANCE.—As soon as practicable after reliable process and outcome performance measures have been endorsed

and specified under subparagraph (A), the Secretary shall provide that the payment amounts under paragraph (1) for transitional care services shall be linked to performance on such measures.

''(C) PUBLIC REPORTING.—The Secretary shall establish a mechanism to publicly report on a qualifying transitional care entity's performance on such measures, including providing benchmarks to identify high performers and those practices that contribute to lower hospital readmission rates.

''(D) DISSEMINATION OF INFORMATION ON BEST PRACTICES.—The Secretary shall disseminate information on best practices used by transitional care clinicians and qualified transitional care entities in furnishing transitional care services for purposes of application in other settings, such as in conditions of participation under this title, under the Quality Improvement Organization Program under part B of title XI, and public-private quality alliances, such as the Hospital Quality Alliance.

''(3) PREVENTION OF INAPPROPRIATE STEERING.—The Secretary shall promulgate such regula-

tions as the Secretary deems necessary to address any protections needed, beyond those otherwise provided under law and regulations, to prevent inappropriate steering of qualified individuals to providers of services, suppliers, qualified transitional care entities, or transitional care clinicians, under this part or inappropriate limitations on access to needed transitional care services under this part.''.

(c) COORDINATION WITH HOSPITAL DISCHARGE PLANNING.—Section 1861(ee)(2) of the Social Security Act (42 U.S.C. 1395x(ee)(2)) is amended by adding at the end the following:

''(I) In the case of subsection (d) hospitals and critical care hospitals, the hospital must—

''(i) identify, as soon as practicable after admission, those patients who are qualified individuals described in paragraph (3) of section 1861(iii); and

''(ii) provide to such patients and their primary caregivers a list of transitional care entities available under such section to arrange for the provision of transitional care services, a list of transitional care services provided under this part, and a notice that the transitional

care service benefit under such section is provided to qualified individuals with no deductible or cost sharing.

Nothing in subparagraph (I) shall be construed as preventing a hospital or critical care hospital from entering into an agreement with a qualified transitional care entity or a transitional care clinician for the furnishing of transitional care services to the hospital's patients.''.

(d) EVALUATION; REPORT.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall evaluate the performance of the transitional care benefit under the amendments made by this section by measuring the following, both for individuals receiving transitional care services and for individuals not receiving such services:

(A) Admission rates to health care facilities.

(B) Hospital readmission rates.

(C) Cost of transitional care and all other health care services.

(D) Quality of transitional care experiences.

(E) Measures of quality and efficiency.

(F) Beneficiary experience.

(G) Health outcomes.

(H) Reductions in expenditures under this title over time.

(2) REPORT.—The Secretary shall submit a report to Congress no later than April 1, 2018, on the performance measures achieved by the transitional care benefit in the first 2 years of implementation. After submitting such report, the Secretary may expand the benefit to moderate-risk and lower-risk individuals under section 1861(iii)(3)(B) of the Social Security Act, as added by subsection (a).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after January 1, 2015.

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