

106TH CONGRESS
1ST SESSION

H. R. 3041

To provide for a demonstration project to allow certain organizations that provide care under Medicare to purchase home-care services from self-employed caregivers through home-care referral agencies.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1999

Mr. DEUTSCH introduced the following bill; which was referred to the Committee on 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 provide for a demonstration project to allow certain organizations that provide care under Medicare to purchase home-care services from self-employed caregivers through home-care referral agencies.

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 “Home Health Avail-
5 ability Act of 1999”.

1 **SEC. 2. MEDICARE DEMONSTRATION PROJECT FOR HOME**
2 **HEALTH.**

3 (a) DEFINITIONS.—In this section:

4 (1) CAREGIVER.—The term “caregiver” means
5 a self-employed individual who is a registered nurse,
6 licensed practical nurse, certified nursing assistant,
7 home health aide, homemaker, companion, or sitter
8 who is engaged in providing services for patients in
9 their homes or places of residence.

10 (2) CLIENT.—The term “client” means an indi-
11 vidual eligible to receive home health services under
12 title XVIII of the Social Security Act (42 U.S.C.
13 1395 et seq.).

14 (3) DEMONSTRATION PROJECT; PROJECT.—The
15 terms “demonstration project” and “project” mean
16 the demonstration project carried out under this sec-
17 tion.

18 (4) DEMONSTRATION PROJECT STATE.—The
19 term “demonstrate project state” means the State of
20 Florida.

21 (5) HOME-CARE REFERRAL AGENCY; REFERRAL
22 AGENCY.—The term “home-care referral agency” or
23 “referral agency” means a public agency or private
24 entity or a subdivision of one of the foregoing that
25 meets applicable State licensing requirements and is
26 lawfully engaged in the business of procuring, offer-

1 ing, promising, or attempting to secure health care
2 or home health related contracts (including, but not
3 limited to, contracts for the provision of services to
4 patients in their homes or places of residence and
5 contracts for the provision of services including pri-
6 vate duty or supplemental staffing at health-care fa-
7 cilities) for caregivers.

8 (6) PARTICIPATING ORGANIZATION.—The term
9 “participating organization” means a
10 Medicare+Choice organization (as defined in section
11 1859(a)(1) of the Social Security Act, 42 U.S.C.
12 1395w–29(a)(1)), that elects to participate in the
13 demonstration project.

14 (7) SELF-EMPLOYED INDIVIDUAL.—The term
15 “self-employed individual” means an individual who
16 contracts with a referral agency for providing serv-
17 ices if any payment made to the individual under
18 such contract constitutes self-employment income
19 (as defined in section 1402(b) of the Internal Rev-
20 enue Code of 1986).

21 (b) DEMONSTRATION PROJECT.—

22 (1) IN GENERAL.—

23 (A) ESTABLISHMENT.—The Secretary of
24 Health and Human Services (in this section re-
25 ferred to as the “Secretary”) shall establish a

1 demonstration project under which a partici-
2 pating organization will be authorized to pur-
3 chase home health services, as defined in sec-
4 tion 1861(m) of the Social Security Act (42
5 U.S.C. 1395x(m)), from a caregiver through a
6 home-care referral agency and, solely for pur-
7 poses of this section and only when home health
8 services are being purchased under the dem-
9 onstration project, the term “home health serv-
10 ices”, as so defined, shall be modified by sub-
11 stituting in lieu of the term “home health agen-
12 cy” wherever it appears therein, the term
13 “home-care referral agency”.

14 (B) NO EFFECT ON HOME HEALTH AGEN-
15 CIES.—The demonstration project shall not in
16 any way affect a home health agency, as de-
17 fined in section 1861(o) of the Social Security
18 Act (42 U.S.C. 1395x(o)). The project’s sole
19 purpose is to provide participating organiza-
20 tions with the option of purchasing home health
21 services from an additional source.

22 (C) VOLUNTARY PARTICIPATION.—Partici-
23 pation organizations that elect to participate in
24 the demonstration project are under no obliga-
25 tion to purchase all, or any specified minimum

1 percentage of, home health services under the
2 demonstration project, and shall have the right
3 to cease participating in the demonstration
4 project at any time.

5 (D) ELECTION TO PARTICIPATE IN THE
6 DEMONSTRATION PROJECT.—In order to par-
7 ticipate in the demonstration project, a partici-
8 pating organization must provide the Secretary
9 with a written notice of election to participate,
10 which notice shall state—

11 (i) the name and address of the orga-
12 nization;

13 (ii) the effective date of the organiza-
14 tion's election to participate; and

15 (iii) the cities within the demonstra-
16 tion project State in which the organiza-
17 tion has operations and elects to partici-
18 pate.

19 (2) DURATION.—The Secretary shall conduct
20 the demonstration project during the 3-year period
21 beginning on September 1, 2000.

22 (c) AUTHORITY TO WAIVE CERTAIN MEDICARE RE-
23 QUIREMENTS.—The Secretary may, to the extent nec-
24 essary to carry out the demonstration project, waive any
25 requirements under title XVIII of the Social Security Act.

1 (d) EVALUATION AND REPORTS.—

2 (1) INDEPENDENT EVALUATION.—

3 (A) GENERAL.—The Secretary shall ar-
4 range for an independent entity with expertise
5 in the evaluation of health care services to con-
6 duct an evaluation of the demonstration project.

7 (B) CONTENTS.—The evaluation con-
8 ducted under subparagraph (A) shall include an
9 assessment of the following:

10 (i) A comparison of the quality of care
11 provided by caregivers under the dem-
12 onstration project relative to the quality of
13 care provided by a home health agency.

14 (ii) A comparison of the cost of care
15 provided by caregivers under the dem-
16 onstration project relative to the cost of
17 care provided by a home health agency.

18 (iii) A comparison of the level of satis-
19 faction with the care received by individ-
20 uals who have received home care under
21 the demonstration project relative to the
22 level of satisfaction by such individuals
23 with the home care they received from a
24 home health agency.

1 (C) ANNUAL REPORTS.—The independent
2 entity conducting the evaluation under subpara-
3 graph (A) shall submit reports on such evalua-
4 tions to the Secretary and to the committees of
5 jurisdiction in the Congress as follows:

6 (i) INITIAL REPORT.—The entity shall
7 submit an initial report not later than 12
8 months after the date on which the dem-
9 onstration project begins operation.

10 (ii) SECOND ANNUAL REPORT.—The
11 entity shall submit a second annual report
12 not later than 24 months after the date on
13 which the demonstration project begins op-
14 eration.

15 (iii) FINAL REPORT.—The entity shall
16 submit a final report not later than 30
17 months after the date on which the dem-
18 onstration project begins operation.

19 (2) REPORT ON EXTENSION AND EXPANSION
20 OF DEMONSTRATION PROJECT.—Not later than 30
21 months after the date on which the demonstration
22 project begins operation, the Secretary shall submit
23 to Congress a report containing—

24 (A) a recommendation as to—

1 (i) whether to extend the demonstra-
2 tion project or make the project perma-
3 nent;

4 (ii) whether to expand the project to
5 cover additional States; and

6 (iii) whether the terms and conditions
7 of the project should be continued (or
8 modified) if the project is extended or ex-
9 panded; and

10 (B) a detailed description of any costs as-
11 sociated with their recommendation made pur-
12 suant to clauses (i) and (ii) of subparagraph
13 (A).

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