

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3637

To amend title XVIII of the Social Security Act to prevent a decrease in Social Security benefits resulting from Medicare part D premiums increases.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2005

Mr. THOMPSON of California (for himself and Mrs. EMERSON) 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 prevent a decrease in Social Security benefits resulting from Medicare part D premiums increases.

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 “Social Security Benefit  
5 Protection Act of 2005”.

1 **SEC. 2. PROTECTION OF SOCIAL SECURITY BENEFITS**  
2 **AGAINST DECREASE DUE TO PART D MEDI-**  
3 **CARE PREMIUM INCREASES.**

4 (a) PROTECTION AGAINST DECREASE IN SOCIAL SE-  
5 CURITY BENEFITS.—

6 (1) APPLICATION TO ENROLLEES IN PRESCRIP-  
7 TION DRUG PLANS.—Section 1860D–13(a)(1) of the  
8 Social Security Act (42 U.S.C. 1395ww–113(a)(1))  
9 is amended—

10 (A) in subparagraph (F), by striking “(D)  
11 and (E),” and inserting “(D), (E), and (F),”;

12 (B) by redesignating subparagraph (F) as  
13 subparagraph (G); and

14 (C) by inserting after subparagraph (E)  
15 the following new subparagraph:

16 “(F) PROTECTION OF SOCIAL SECURITY  
17 BENEFITS.—For any calendar year, if an indi-  
18 vidual is entitled to monthly benefits under sec-  
19 tion 202 or 223 or to a monthly annuity under  
20 section 3(a), 4(a), or 4(f) of the Railroad Re-  
21 tirement Act of 1974 for November and Decem-  
22 ber of the preceding year and was enrolled  
23 under a PDP plan or MA–PD plan for such  
24 months, the base beneficiary premium otherwise  
25 applied under this paragraph for the individual  
26 for months in that year shall be decreased by

1 the amount (if any) by which the sum of the  
2 amounts described in the following clauses (i)  
3 and (ii) exceeds the amount of the increase in  
4 such monthly benefits for that individual attrib-  
5 utable to section 215(i):

6 “(i) PART D PREMIUM INCREASE FAC-  
7 TOR.—

8 “(I) IN GENERAL.—Except as  
9 provided in this clause, the amount of  
10 the increase (if any) in the adjusted  
11 national average monthly bid amount  
12 (as determined under subparagraph  
13 (B)(iii)) for a month in the year over  
14 such amount for a month in the pre-  
15 ceding year.

16 “(II) NO APPLICATION TO FULL  
17 PREMIUM SUBSIDY INDIVIDUALS.—In  
18 the case of an individual enrolled for  
19 a premium subsidy under section  
20 1860D–14(a)(1), zero.

21 “(III) SPECIAL RULE FOR PAR-  
22 TIAL PREMIUM SUBSIDY INDIVID-  
23 UALS.—In the case of an individual  
24 enrolled for a premium subsidy under  
25 section 1860D–14(a)(2), a percent of

1 the increase described in subclause (I)  
2 equal to 100 percent minus the per-  
3 cent applied based on the linear scale  
4 under such section.

5 “(ii) PART B PREMIUM INCREASE  
6 FACTOR.—If the individual is enrolled for  
7 such months under part B—

8 “(I) IN GENERAL.—Except as  
9 provided in subclause (II), the amount  
10 of the annual increase in premium ef-  
11 fective for such year resulting from  
12 the application of section 1839(a)(3),  
13 as reduced (if any) under section  
14 1839(f).

15 “(II) NO APPLICATION TO INDI-  
16 VIDUALS PARTICIPATING IN MEDICARE  
17 SAVINGS PROGRAM.—In the case of an  
18 individual who is enrolled for medical  
19 assistance under title XIX for medi-  
20 care cost-sharing described in section  
21 1905(p)(3)(A)(ii), zero.”.

22 (2) APPLICATION UNDER MEDICARE ADVAN-  
23 TAGE PROGRAM.—Section 1854(b)(2)(B) of such Act  
24 (42 U.S.C. 1395w–24(b)(2)(B)), as in effect as of  
25 January 1, 2006, relating to MA monthly prescrip-

1       tion drug beneficiary premium, is amended by in-  
2       serting after “as adjusted under section 1860D-  
3       13(a)(1)(B)” the following: “and section 1860D-  
4       13(a)(1)(F)”.

5               (3) PAYMENT FROM MEDICARE PRESCRIPTION  
6       DRUG ACCOUNT.—Section 1860D–16(b) of such Act  
7       (42 U.S.C. 1395w–116(b)) is amended—

8               (A) in paragraph (1)—

9                       (i) by striking “and” at the end of  
10                      subparagraph (C);

11                     (ii) by striking the period at the end  
12                     of subparagraph (D) and inserting “;  
13                     and”; and

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

16                     “(E) payment under paragraph (5) of pre-  
17                     mium reductions effected under section 1860D-  
18                     13(a)(1)(F).”; and

19               (B) by adding at the end the following new  
20               paragraph:

21               “(5) PAYMENT FOR SOCIAL SECURITY BENEFIT  
22       PROTECTION PREMIUM REDUCTIONS.—

23                     “(A) IN GENERAL.—In addition to pay-  
24                     ments provided under section 1860D–15 to a  
25                     PDP sponsor or an MA organization, in the

1 case of each part D eligible individual who is  
2 enrolled in a prescription drug plan offered by  
3 such sponsor or an MA–PD plan offered by  
4 such organization and who has a premium re-  
5 duced under section 1860D–13(a)(1)(F), the  
6 Secretary shall provide for payment to such  
7 sponsor or organization of an amount equiva-  
8 lent to the amount of such premium reduction.

9 “(B) APPLICATION OF PROVISIONS.—The  
10 provisions of subsections (d) and (f) of section  
11 1860D–15 (relating to payment methods and  
12 disclosure of information) shall apply to pay-  
13 ment under subparagraph (A) in the same man-  
14 ner as they apply to payments under such sec-  
15 tion.”.

16 (b) DISREGARD OF PREMIUM REDUCTIONS IN DE-  
17 TERMINING DEDICATED REVENUES UNDER MMA COST  
18 CONTAINMENT.—Section 801(c)(3)(D) of the Medicare  
19 Prescription Drug, Improvement, and Modernization Act  
20 of 2003 (Public Law 108–173) is amended by adding at  
21 the end the following: “Such premiums shall also be deter-  
22 mined without regard to any reductions effected under  
23 section 1839(f) or 1860D–13(a)(1)(F) of such title.”.

24 (c) EFFECTIVE DATES.—

1           (1) PART D PREMIUM.—The amendments made  
2           by subsection (a) apply to premiums for months be-  
3           ginning with January 2007.

4           (2) MMA PROVISION.—The amendment made  
5           by subsection (b) shall take effect on the date of the  
6           enactment of this Act.

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