

109TH CONGRESS
1ST SESSION

S. 1808

To amend title XIX of the Social Security Act to improve the qualified medicare beneficiary (QMB) and specified low-income medicare beneficiary (SLMB) programs within the medicaid program.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 30, 2005

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

A BILL

To amend title XIX of the Social Security Act to improve the qualified medicare beneficiary (QMB) and specified low-income medicare beneficiary (SLMB) programs within the medicaid 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 Beneficiary Assistance Improvement Act”.

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. Renaming program to eliminate confusion.

- Sec. 3. Expanding protections by increasing SLMB eligibility income level to 135 percent of poverty.
- Sec. 4. Eliminating barriers to enrollment.
- Sec. 5. Elimination of asset test.
- Sec. 6. Improving assistance with out-of-pocket costs.
- Sec. 7. Improving program information and coordination with State, local, and other partners.
- Sec. 8. Notices to certain new medicare beneficiaries.

1 **SEC. 2. RENAMING PROGRAM TO ELIMINATE CONFUSION.**

2 The programs of benefits for lower income medicare
3 beneficiaries provided under section 1902(a)(10)(E) of the
4 Social Security Act (42 U.S.C. 1396a(a)(10)(E)) shall be
5 known as the “Medicare Savings Programs”.

6 **SEC. 3. EXPANDING PROTECTIONS BY INCREASING SLMB**
7 **ELIGIBILITY INCOME LEVEL TO 135 PERCENT**
8 **OF POVERTY.**

9 (a) IN GENERAL.—Section 1902(a)(10)(E)(iii) of the
10 Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iii)) is
11 amended by striking “120 percent in 1995 and years
12 thereafter” and inserting “120 percent in 1995 through
13 2005 and 135 percent in 2006 and years thereafter”.

14 (b) CONFORMING REMOVAL OF QI–1 PROVISIONS.—

15 (1) Section 1902(a)(10)(E) of such Act (42
16 U.S.C. 1396a(a)(10)(E)) is further amended—

17 (A) by adding “and” at the end of clause

18 (ii);

19 (B) by striking “and” at the end of clause

20 (iii); and

21 (C) by striking clause (iv).

1 (2) Section 1933 of such Act (42 U.S.C.
2 1396u-3) is repealed.

3 (3) The amendments made by this subsection
4 shall take effect as of January 1, 2006.

5 (c) APPLICATION OF CHIP ENHANCED MATCHING
6 RATE FOR SLMB ASSISTANCE.—

7 (1) IN GENERAL.—Section 1905(b)(4) of such
8 Act (42 U.S.C. 1396d(b)(4)) is amended by insert-
9 ing “or section 1902(a)(10)(E)(iii)” after “section
10 1902(a)(10)(A)(ii)(XVIII)”.

11 (2) EFFECTIVE DATE.—The amendment made
12 by paragraph (1) shall apply to medical assistance
13 for medicare cost-sharing for months beginning with
14 January 2006.

15 **SEC. 4. ELIMINATING BARRIERS TO ENROLLMENT.**

16 (a) AUTOMATIC ELIGIBILITY FOR SSI RECIPIENTS IN
17 209(b) STATES AND SSI CRITERIA STATES.—Section
18 1905(p) of the Social Security Act (42 U.S.C. 1396d(p))
19 is amended—

20 (1) by redesignating paragraph (6) as para-
21 graph (11); and

22 (2) by adding at the end the following new
23 paragraph:

24 “(6) In the case of a State which has elected treat-
25 ment under section 1902(f) for aged, blind, and disabled

1 individuals, individuals with respect to whom supplemental
 2 security income payments are being paid under title XVI
 3 are deemed for purposes of this title to be qualified medi-
 4 care beneficiaries.”.

5 (b) SELF-CERTIFICATION OF INCOME.—Section
 6 1905(p) of the Social Security Act (42 U.S.C. 1396d(p)),
 7 as amended by subsection (a), is amended by inserting
 8 after paragraph (6) the following new paragraph:

9 “(7) In determining whether an individual is a quali-
 10 fied medicare beneficiary or is eligible for benefits under
 11 section 1902(a)(10)(E)(iii), the State shall permit individ-
 12 uals to qualify on the basis of self-certifications of income
 13 without the need to provide additional documentation.”.

14 (c) AUTOMATIC REENROLLMENT WITHOUT NEED TO
 15 REAPPLY.—

16 (1) IN GENERAL.—Section 1905(p) of the So-
 17 cial Security Act (42 U.S.C. 1396d(p)), as amended
 18 by subsections (a) and (b), is amended by inserting
 19 after paragraph (7) the following new paragraph:

20 “(8) In the case of an individual who has been deter-
 21 mined to be a qualified medicare beneficiary or eligible for
 22 benefits under section 1902(a)(10)(E)(iii), the individual
 23 shall be deemed to continue to be so qualified or eligible
 24 without the need for any annual or periodic application
 25 unless and until the individual notifies the State that the

1 individual’s eligibility conditions have changed so that the
2 individual is no longer so qualified or eligible.”.

3 (2) CONFORMING AMENDMENT.—Section
4 1902(e)(8) of the Social Security Act (42 U.S.C.
5 1396a(e)(8)) is amended by striking the second sen-
6 tence.

7 (d) USE OF SIMPLIFIED APPLICATION PROCESS.—
8 Section 1905(p) of the Social Security Act (42 U.S.C.
9 1396d(p)), as amended by subsections (a), (b), and (c),
10 is amended by inserting after paragraph (8) the following
11 new paragraph:

12 “(9) A State shall permit individuals to apply to qual-
13 ify as a qualified medicare beneficiary or for eligibility for
14 benefits under section 1902(a)(10)(E)(iii) through the use
15 of the simplified application form developed under section
16 1905(p)(5)(A) and shall permit such an application to be
17 made over the telephone or by mail, without the need for
18 an interview in person by the applicant or a representative
19 of the applicant.”.

20 (e) ROLE OF SOCIAL SECURITY OFFICES.—

21 (1) ENROLLMENT AND PROVISION OF INFORMA-
22 TION AT SOCIAL SECURITY OFFICES.—Section
23 1905(p) of the Social Security Act (42 U.S.C.
24 1396d(p)), as amended by subsections (a), (b), (c),

1 and (d) is amended by inserting after paragraph (9)
 2 the following new paragraph:

3 “(10) The Commissioner of Social Security shall pro-
 4 vide, through local offices of the Social Security Adminis-
 5 tration—

6 “(A) for the enrollment under State plans
 7 under this title for appropriate medicare cost-shar-
 8 ing benefits for an individual who is a qualified
 9 medicare beneficiary or is eligible for benefits under
 10 section 1902(a)(10)(E)(iii) through utilization of the
 11 process established under section 1860D–14; and

12 “(B) for providing oral and written notice of
 13 the availability of such benefits.”.

14 (2) CLARIFYING AMENDMENT.—Section
 15 1902(a)(5) of such Act (42 U.S.C. 1396a(a)(5)) is
 16 amended by inserting “as provided in section
 17 1905(p)(10),” after “except”.

18 (f) OUTSTATIONING OF STATE ELIGIBILITY WORK-
 19 ERS AT SSA FIELD OFFICES.—Section 1902(a)(55) of
 20 such Act (42 U.S.C. 1396a(a)(55)) is amended—

21 (1) in the matter preceding subparagraph (A),
 22 by striking “subsection (a)(10)(A)(i)(IV),
 23 (a)(10)(A)(i)(VI), (a)(10)(A)(i)(VII), or
 24 (a)(10)(A)(ii)(IX)” and inserting “paragraph

1 (10)(A)(i)(IV), (10)(A)(i)(VI), (10)(A)(i)(VII),
2 (10)(A)(ii)(IX), or (10)(E)”; and

3 (2) in subparagraph (A), by striking
4 “1905(1)(2)(B)” and inserting “1905(l)(2)(B), and
5 in the case of applications of individuals for medical
6 assistance under paragraph (10)(E), at locations
7 that include field offices of the Social Security Ad-
8 ministration”.

9 **SEC. 5. ELIMINATION OF ASSET TEST.**

10 (a) **IN GENERAL.**—Section 1905(p)(1) of the Social
11 Security Act (42 U.S.C. 1396d(p)(1)) is amended—

12 (1) by adding “and” at the end of subpara-
13 graph (A);

14 (2) by striking “, and” at the end of subpara-
15 graph (B) and inserting a period; and

16 (3) by striking subparagraph (C).

17 (b) **EFFECTIVE DATE.**—The amendments made by
18 subsection (a) shall apply to eligibility determinations for
19 medicare cost-sharing furnished for periods beginning on
20 or after January 1, 2006.

21 **SEC. 6. IMPROVING ASSISTANCE WITH OUT-OF-POCKET**
22 **COSTS.**

23 (a) **ELIMINATING APPLICATION OF ESTATE RECOV-**
24 **ERY PROVISIONS.**—Section 1917(b)(1)(B)(ii) of the Social
25 Security Act (42 U.S.C. 1396p(b)(1)(B)(ii)) is amended

1 by inserting “(but not including medical assistance for
 2 medicare cost-sharing or for benefits described in section
 3 1902(a)(10)(E))” before the period at the end.

4 (b) PROVIDING FOR 3-MONTHS RETROACTIVE ELIGI-
 5 BILITY.—

6 (1) IN GENERAL.—Section 1905(a) of such Act
 7 (42 U.S.C. 1396d(a)) is amended, in the matter pre-
 8 ceding paragraph (1), by striking “described in sub-
 9 section (p)(1), if provided after the month” and in-
 10 sserting “described in subsection (p)(1), if provided
 11 in or after the third month before the month”.

12 (2) CONFORMING AMENDMENTS.—(A) The first
 13 sentence of section 1902(e)(8) of such Act (42
 14 U.S.C. 1396a(e)(8)), as amended by section 4(c)(2),
 15 is amended by striking “(8)” and the first sentence.

16 (B) Section 1848(g)(3) of such Act (42 U.S.C.
 17 1395w-4(g)(3)) is amended by adding at the end
 18 the following new subparagraph:

19 “(C) TREATMENT OF RETROACTIVE ELIGI-
 20 BILITY.—In the case of an individual who is de-
 21 termined to be eligible for medical assistance
 22 described in subparagraph (A) retroactively, the
 23 Secretary shall provide a process whereby
 24 claims submitted for services furnished during
 25 the period of retroactive eligibility which were

1 not submitted in accordance with such subpara-
2 graph are resubmitted and re-processed in ac-
3 cordance with such subparagraph.”.

4 **SEC. 7. IMPROVING PROGRAM INFORMATION AND COORDI-**
5 **NATION WITH STATE, LOCAL, AND OTHER**
6 **PARTNERS.**

7 (a) DATA MATCH DEMONSTRATION PROJECT.—

8 (1) IN GENERAL.—The Secretary of Health and
9 Human Services (acting through the Administrator
10 of the Centers for Medicare & Medicaid Services),
11 the Secretary of the Treasury, and the Commis-
12 sioner of Social Security shall enter into an arrange-
13 ment under which a demonstration is conducted,
14 consistent with this subsection, for the exchange be-
15 tween the Centers for Medicare & Medicaid Services,
16 the Internal Revenue Service, and the Social Secu-
17 rity Administration of information in order to iden-
18 tify individuals who are medicare beneficiaries and
19 who, based on data from the Internal Revenue Serv-
20 ice (such as their not filing tax returns or other ap-
21 propriate filters) are likely to be—

22 (A) a qualified medicare beneficiary (as de-
23 fined in 1905(p)(1) of the Social Security Act
24 (42 U.S.C. 1396d(p)(1)));

1 (B) otherwise eligible for medical assist-
2 ance under section 1902(a)(10)(E) of the Social
3 Security Act (42 U.S.C. 1396a(a)(10)(E)); or

4 (C) entitled to a premium or cost-sharing
5 subsidy under section 1860D–14 of such Act
6 (42 U.S.C. 1395w–114).

7 (2) LIMITATION ON USE OF INFORMATION.—

8 Notwithstanding any other provision of law, specific
9 information on income or related matters exchanged
10 under paragraph (1) may be disclosed only as re-
11 quired to carry out subsection (b) and for related
12 Federal and State outreach efforts.

13 (3) PERIOD.—The project under this subsection
14 shall be for an initial period of 3 years and may be
15 extended for additional periods (not to exceed 3
16 years each) after such an extension is recommended
17 in a report under subsection (d).

18 (b) STATE DEMONSTRATION GRANTS.—

19 (1) IN GENERAL.—The Secretary of Health and
20 Human Services shall enter into a demonstration
21 project with States (as defined for purposes of title
22 XIX of the Social Security Act (42 U.S.C. 1396 et
23 seq.) to provide funds to States to use information
24 identified under subsection (a), and other appro-
25 priate information, in order to do ex parte deter-

1 minations or utilize other methods for identifying
2 and enrolling individuals who are potentially—

3 (A) a qualified medicare beneficiary (as de-
4 fined in 1905(p)(1) of the Social Security Act
5 (42 U.S.C. 1396d(p)(1)));

6 (B) otherwise eligible for medical assist-
7 ance described in section 1902(a)(10)(E) of the
8 Social Security Act (42 U.S.C.
9 1396a(a)(10)(E)); or

10 (C) entitled to a premium or cost-sharing
11 subsidy under section 1860D–14 of such Act
12 (42 U.S.C. 1395w–114).

13 (2) AUTHORIZATION OF APPROPRIATIONS.—

14 There are authorized to be appropriated such sums
15 as may be necessary to the Secretary of Health and
16 Human Services for the purpose of making grants
17 under this subsection.

18 (c) ADDITIONAL CMS FUNDING FOR OUTREACH AND
19 ENROLLMENT PROJECTS.—There are hereby appro-
20 priated, out of any funds in the Treasury not otherwise
21 appropriated, to the Secretary of Health and Human
22 Services through the Administrator of the Centers for
23 Medicare & Medicaid Services, \$100,000,000 which shall
24 be used only for the purpose of providing grants to States
25 to fund projects to improve outreach and increase enroll-

1 ment in Medicare Savings Programs and low-income sub-
2 sidy programs under section 1860D–14 of such Act (42
3 U.S.C. 1395w–114). Such projects may include coopera-
4 tive grants and contracts with community groups and
5 other groups (such as the Department of Veterans’ Affairs
6 and the Indian Health Service) to assist in the enrollment
7 of eligible individuals.

8 (d) REPORTS.—The Secretary of Health and Human
9 Services shall submit to Congress periodic reports on the
10 projects conducted under this section. Such reports shall
11 include such recommendations for extension of such
12 projects, and changes in laws based on such projects, as
13 the Secretary deems appropriate.

14 **SEC. 8. NOTICES TO CERTAIN NEW MEDICARE BENE-**
15 **FICIARIES.**

16 (a) SSA NOTICE.—

17 (1) IN GENERAL.—At the time that the Com-
18 missioner of Social Security sends a notice to indi-
19 viduals that they have been determined to be eligible
20 for benefits under part A or B of title XVIII of the
21 Social Security Act (42 U.S.C. 1395 et seq., 1395j
22 et seq.), the Commissioner shall send a notice and
23 application for benefits under title XIX of the Social
24 Security Act (42 U.S.C. 1396 et seq.) to those indi-

1 viduals the Commissioner identifies as being likely to
2 be—

3 (A) a qualified medicare beneficiary (as de-
4 fined in 1905(p)(1) of the Social Security Act
5 (42 U.S.C. 1396d(p)(1)));

6 (B) eligible for benefits under clause (i),
7 (ii), or (iii) of section 1902(a)(10)(E) of such
8 Act (42 U.S.C. 1396a(a)(10)(E)); or

9 (C) entitled to a premium or cost-sharing
10 subsidy under section 1860D–14 of such Act
11 (42 U.S.C. 1395w–114).

12 (2) ADDITIONAL INFORMATION REQUIRED.—

13 Such notice and application shall be accompanied by
14 information on how to submit such an application
15 and where to obtain more information (including an-
16 swers to questions) on the application process.

17 (b) INCLUDING INFORMATION IN MEDICARE & YOU
18 HANDBOOK.—The Secretary of Health and Human Serv-
19 ices shall include in the annual handbook distributed
20 under section 1804(a) of the Social Security Act (42
21 U.S.C. 1395b–2(a)) information on the availability of
22 Medicare Savings Programs and a toll-free telephone num-
23 ber that medicare beneficiaries may use to obtain addi-
24 tional information about the program.

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