

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

# S. 1131

To amend title XVIII of the Social Security Act to provide certain high cost Medicare beneficiaries suffering from multiple chronic conditions with access to coordinated, primary care medical services in lower cost treatment settings, such as their residences, under a plan of care developed by a team of qualified and experienced health care professionals.

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IN THE SENATE OF THE UNITED STATES

MAY 21, 2009

Mr. WYDEN (for himself, Mr. BURR, Mr. WHITEHOUSE, and Mr. CARDIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to provide certain high cost Medicare beneficiaries suffering from multiple chronic conditions with access to coordinated, primary care medical services in lower cost treatment settings, such as their residences, under a plan of care developed by a team of qualified and experienced health care professionals.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Independence at Home  
3 Act of 2009”.

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) According to the November 2007 Congres-  
7 sional Budget Office Long Term Outlook for Health  
8 Care Spending, unless changes are made to the way  
9 health care is delivered, growing demand for re-  
10 sources caused by rising health care costs and to a  
11 lesser extent the nation’s expanding elderly popu-  
12 lation will confront Americans with increasingly dif-  
13 ficult choices between health care and other prior-  
14 ities. However, opportunities exist to constrain  
15 health care costs without adverse health care con-  
16 sequences.

17 (2) Medicare beneficiaries with multiple chronic  
18 conditions account for a disproportionate share of  
19 Medicare spending compared to their representation  
20 in the overall Medicare population, and evidence sug-  
21 gests that such patients often receive poorly coordi-  
22 nated care, including conflicting information from  
23 health providers and different diagnoses of the same  
24 symptoms.

25 (3) People with chronic conditions account for  
26 76 percent of all hospital admissions, 88 percent of

1 all prescriptions filled, and 72 percent of physician  
2 visits.

3 (4) Studies show that hospital utilization and  
4 emergency room visits for patients with multiple  
5 chronic conditions can be reduced and significant  
6 savings can be achieved through the use of inter-  
7 disciplinary teams of health care professionals caring  
8 for patients in their places of residence.

9 (5) The Independence at Home Act creates a  
10 chronic care coordination pilot project to bring pri-  
11 mary care medical services to the highest cost Medi-  
12 care beneficiaries with multiple chronic conditions in  
13 their home or place of residence so that they may be  
14 as independent as possible for as long as possible in  
15 a comfortable setting.

16 (6) The Independence at Home Act generates  
17 savings by providing better, more coordinated care  
18 across all treatment settings to the highest cost  
19 Medicare beneficiaries with multiple chronic condi-  
20 tions, reducing duplicative and unnecessary services,  
21 and avoiding unnecessary hospitalizations, nursing  
22 home admissions, and emergency room visits.

23 (7) The Independence at Home Act holds pro-  
24 viders accountable for improving beneficiary out-  
25 comes, ensuring patient and caregiver satisfaction,

1 and achieving cost savings to Medicare on an annual  
2 basis.

3 (8) The Independence at Home Act creates in-  
4 centives for practitioners and providers to develop  
5 methods and technologies for providing better and  
6 lower cost health care to the highest cost Medicare  
7 beneficiaries with the greatest incentives provided in  
8 the case of highest cost beneficiaries.

9 (9) The Independence at Home Act contains  
10 the central elements of proven home-based primary  
11 care delivery models that have been utilized for years  
12 by the Department of Veterans Affairs and “house  
13 calls” programs across the country to deliver coordi-  
14 nated care for chronic conditions in the comfort of  
15 a patient’s home or place of residence.

16 **SEC. 3. ESTABLISHMENT OF VOLUNTARY INDEPENDENCE**  
17 **AT HOME CHRONIC CARE COORDINATION**  
18 **PILOT PROJECT UNDER TRADITIONAL MEDI-**  
19 **CARE FEE-FOR-SERVICE PROGRAM.**

20 (a) IN GENERAL.—Title XVIII of the Social Security  
21 Act is amended—

22 (1) by amending subsection (c) of section 1807  
23 (42 U.S.C. 1395b–8) to read as follows:

24 “(c) INDEPENDENCE AT HOME CHRONIC CARE CO-  
25 ORDINATION PILOT PROJECT.—A pilot project for Inde-

1 pence at Home chronic care coordination programs for  
2 high cost Medicare beneficiaries with multiple chronic con-  
3 ditions is set forth in section 1807A.”; and

4 (2) by inserting after section 1807 the following  
5 new section:

6 “INDEPENDENCE AT HOME CHRONIC CARE  
7 COORDINATION PILOT PROJECT

8 “SEC. 1807A. (a) IMPLEMENTATION.—

9 “(1) IN GENERAL.—The Secretary shall provide  
10 for the phased in development, implementation, and  
11 evaluation of Independence at Home programs de-  
12 scribed in this section to meet the following objec-  
13 tives:

14 “(A) To improve patient outcomes, com-  
15 pared to comparable beneficiaries who do not  
16 participate in such a program, through reduced  
17 hospitalizations, nursing home admissions, or  
18 emergency room visits, increased symptom self-  
19 management, and similar results.

20 “(B) To improve satisfaction of patients  
21 and caregivers, as demonstrated through a  
22 quantitative pre-test and post-test survey devel-  
23 oped by the Secretary that measures patient  
24 and caregiver satisfaction of care coordination,  
25 educational information, timeliness of response,  
26 and similar care features.

1           “(C) To achieve a minimum of 5 percent  
2 cost savings in the care of beneficiaries under  
3 this title suffering from multiple high cost  
4 chronic diseases.

5           “(2) INITIAL IMPLEMENTATION (PHASE I).—

6           “(A) IN GENERAL.—In carrying out this  
7 section and to the extent possible, the Secretary  
8 shall enter into agreements with at least two  
9 unaffiliated Independence at Home organiza-  
10 tions in each of the 13 highest cost States  
11 (based on average per capita expenditures per  
12 State under this title), in the District of Colum-  
13 bia, and in 13 additional States that are rep-  
14 resentative of other regions of the United  
15 States and include medically underserved rural  
16 and urban areas, to provide chronic care coordi-  
17 nation services for a period of three years or  
18 until those agreements are terminated by the  
19 Secretary. Such agreements under this para-  
20 graph shall continue in effect until the Sec-  
21 retary makes the determination described in  
22 paragraph (3) or until those agreements are  
23 supplanted by new agreements under such  
24 paragraph. The phase of implementation under

1 this paragraph is referred to in this section as  
2 the ‘initial implementation’ phase or ‘phase I’.

3 “(B) PREFERENCE.—In selecting Inde-  
4 pendence at Home organizations under this  
5 paragraph, the Secretary shall give a pref-  
6 erence, to the extent practicable, to organiza-  
7 tions that—

8 “(i) have documented experience in  
9 furnishing the types of services covered by  
10 this section to eligible beneficiaries in the  
11 home or place of residence using qualified  
12 teams of health care professionals that are  
13 directed by individuals who have the quali-  
14 fications of Independence at Home physi-  
15 cians, or in cases when such direction is  
16 provided by an Independence at Home  
17 physician to a physician assistant who has  
18 at least one year of experience providing  
19 gerontological medical and related services  
20 for chronically ill individuals in their  
21 homes, or other similar qualification as de-  
22 termined by the Secretary to be appro-  
23 priate for the Independence at Home pro-  
24 gram, by the physician assistant acting  
25 under the supervision of an Independence

1 at Home physician and as permitted under  
2 State law, or Independence at Home nurse  
3 practitioners;

4 “(ii) have the capacity to provide serv-  
5 ices covered by this section to at least 150  
6 eligible beneficiaries; and

7 “(iii) use electronic medical records,  
8 health information technology, and individ-  
9 ualized plans of care.

10 “(3) EXPANDED IMPLEMENTATION PHASE  
11 (PHASE II).—

12 “(A) IN GENERAL.—For periods beginning  
13 after the end of the 3-year initial implementa-  
14 tion period under paragraph (2), subject to sub-  
15 paragraph (B), the Secretary shall renew agree-  
16 ments described in paragraph (2) with Inde-  
17 pendence at Home organization that have met  
18 all 3 objectives specified in paragraph (1) and  
19 enter into agreements described in paragraph  
20 (2) with any other organization that is located  
21 in any State or the District of Columbia, that  
22 was not an Independence at Home organization  
23 during the initial implementation period, and  
24 that meets the qualifications of an Independ-  
25 ence at Home organization under this section.



1           The Secretary may terminate and not renew  
2           such an agreement with an organization that  
3           has not met such objectives during the initial  
4           implementation period. The phase of implemen-  
5           tation under this paragraph is referred to in  
6           this section as the ‘expanded implementation’  
7           phase or ‘phase II’.

8           “(B) CONTINGENCY.—The expanded im-  
9           plementation under subparagraph (A) shall not  
10          occur if the Secretary finds, not later than 60  
11          days after the date of issuance of the inde-  
12          pendent evaluation under paragraph (5), that  
13          continuation of the Independence at Home  
14          project is not in the best interest of bene-  
15          ficiaries under this title or in the best interest  
16          of Federal health care programs.

17          “(4) ELIGIBILITY.—No organization shall be  
18          prohibited from participating under this section dur-  
19          ing expanded implementation phase under para-  
20          graph (3) (and, to the extent practicable, during ini-  
21          tial implementation phase under paragraph (2)) be-  
22          cause of its small size as long as it meets the eligi-  
23          bility requirements of this section.

24          “(5) INDEPENDENT EVALUATIONS.—

1           “(A) IN GENERAL.—The Secretary shall  
2 contract for an independent evaluation of the  
3 initial implementation phase under paragraph  
4 (2) with an interim report to Congress to be  
5 provided on such evaluation as soon as prac-  
6 ticable after the first year of such phase and a  
7 final report to be provided to Congress as soon  
8 as practicable following the conclusion of the  
9 initial implementation phase, but not later than  
10 6 months following the end of such phase. Such  
11 an evaluation shall be conducted by individuals  
12 with knowledge of chronic care coordination  
13 programs for the targeted patient population  
14 and demonstrated experience in the evaluation  
15 of such programs.

16           “(B) INFORMATION TO BE INCLUDED.—  
17 Each such report shall include an assessment of  
18 the following factors and shall identify the char-  
19 acteristics of individual Independence at Home  
20 programs that are the most effective in pro-  
21 ducing improvements in—

22                   “(i) beneficiary, caregiver, and pro-  
23 vider satisfaction;

1           “(ii) health outcomes appropriate for  
2           patients with multiple chronic diseases;  
3           and

4           “(iii) cost savings to the program  
5           under this title, such as in reducing—

6                   “(I) hospital and skilled nursing  
7                   facility admission rates and lengths of  
8                   stay;

9                   “(II) hospital readmission rates;  
10                  and

11                  “(III) emergency department vis-  
12                  its.

13           “(C) BREAKDOWN BY CONDITION.—Each  
14           such report shall include data on performance  
15           of Independence at Home organizations in re-  
16           sponding to the needs of eligible beneficiaries  
17           with specific chronic conditions and combina-  
18           tions of conditions, as well as the overall eligible  
19           beneficiary population.

20           “(6) AGREEMENTS.—

21                   “(A) IN GENERAL.—The Secretary shall  
22                   enter into agreements, beginning not later than  
23                   one year after the date of the enactment of this  
24                   section, with Independence at Home organiza-  
25                   tions that meet the participation requirements

1 of this section, including minimum performance  
2 standards developed under subsection (e)(3), in  
3 order to provide access by eligible beneficiaries  
4 to Independence at Home programs under this  
5 section.

6 “(B) AUTHORITY.—If the Secretary deems  
7 it necessary to serve the best interest of the  
8 beneficiaries under this title or the best interest  
9 of Federal health care programs, the Secretary  
10 may—

11 “(i) require screening of all potential  
12 Independence at Home organizations, in-  
13 cluding owners (such as through  
14 fingerprinting, licensure checks, site-visits,  
15 and other database checks), before enter-  
16 ing into an agreement;

17 “(ii) require a provisional period dur-  
18 ing which a new Independence at Home or-  
19 ganization would be subject to enhanced  
20 oversight (such as prepayment review, un-  
21 announced site visits, and payment caps);  
22 and

23 “(iii) require applicants to disclose  
24 previous affiliation with entities that have  
25 uncollected Medicare or Medicaid debt, and

1 authorize the denial of enrollment if the  
2 Secretary determines that these affiliations  
3 pose undue risk to the program.

4 “(7) REGULATIONS.—At least three months be-  
5 fore entering into the first agreement under this sec-  
6 tion, the Secretary shall publish in the Federal Reg-  
7 ister the specifications for implementing this section.  
8 Such specifications shall describe the implementation  
9 process from initial to final implementation phases,  
10 including how the Secretary will identify and notify  
11 potential enrollees and how and when beneficiaries  
12 may enroll and disenroll from Independence at  
13 Home programs and change the programs in which  
14 they are enrolled.

15 “(8) PERIODIC PROGRESS REPORTS.—Semi-an-  
16 nually during the first year in which this section is  
17 implemented and annually thereafter during the pe-  
18 riod of implementation of this section, the Secretary  
19 shall submit to the Committees on Ways and Means  
20 and Energy and Commerce of the House of Rep-  
21 resentatives and the Committee on Finance of the  
22 Senate a report that describes the progress of imple-  
23 mentation of this section and explaining any vari-  
24 ation from the Independence at Home program as  
25 described in this section.

1           “(9) ANNUAL BEST PRACTICES CONFERENCE.—  
2           During the initial implementation phase and to the  
3           extent practicable at intervals thereafter, the Sec-  
4           retary shall provide for an annual Independence at  
5           Home teleconference for Independence at Home or-  
6           ganizations to share best practices and review treat-  
7           ment interventions and protocols that were success-  
8           ful in meeting all 3 objectives specified in paragraph  
9           (1).

10          “(b) DEFINITIONS.—For purposes of this section:

11           “(1) ACTIVITIES OF DAILY LIVING.—The term  
12           ‘activities of daily living’ means bathing, dressing,  
13           grooming, transferring, feeding, or toileting.

14           “(2) CAREGIVER.—The term ‘caregiver’ means,  
15           with respect to an individual with a qualifying func-  
16           tional impairment, a family member, friend, or  
17           neighbor who provides assistance to the individual.

18           “(3) ELIGIBLE BENEFICIARY.—

19           “(A) IN GENERAL.—The term ‘eligible  
20           beneficiary’ means, with respect to an Inde-  
21           pendence at Home program, an individual  
22           who—

23                   “(i) is entitled to benefits under part  
24                   A and enrolled under part B, but not en-  
25                   rolled in a plan under part C;

1           “(ii) has a qualifying functional im-  
2           pairment and has been diagnosed with two  
3           or more of the chronic conditions described  
4           in subparagraph (C); and

5           “(iii) within the 12 months prior to  
6           the individual first enrolling with an Inde-  
7           pendence at Home program under this sec-  
8           tion, has received benefits under part A for  
9           the following services:

10                   “(I) Non-elective inpatient hos-  
11                   pital services.

12                   “(II) Services in the emergency  
13                   department of a hospital.

14                   “(III) Any one of the following:

15                           “(aa) Skilled nursing or sub-  
16                           acute rehabilitation services in a  
17                           Medicare-certified nursing facil-  
18                           ity.

19                           “(bb) Comprehensive acute  
20                           rehabilitation facility or Com-  
21                           prehensive outpatient rehabilita-  
22                           tion facility services.

23                           “(cc) Skilled nursing or re-  
24                           habilitation services through a

1 Medicare-certified home health  
2 agency.

3 “(B) DISQUALIFICATIONS.—Such term  
4 does not include an individual—

5 “(i) who is receiving benefits under  
6 section 1881;

7 “(ii) who is enrolled in a PACE pro-  
8 gram under section 1894;

9 “(iii) who is enrolled in (and is not  
10 disenrolled from) a chronic care improve-  
11 ment program under section 1807;

12 “(iv) who within a 12-month period  
13 has been a resident for more than 90 days  
14 in a skilled nursing facility, a nursing facil-  
15 ity (as defined in section 1919), or any  
16 other facility identified by the Secretary;

17 “(v) who resides in a setting that pre-  
18 sents a danger to the safety of in-home  
19 health care providers and primary care-  
20 givers; or

21 “(vi) whose enrollment in an Inde-  
22 pendence at Home program the Secretary  
23 determines would be inappropriate.



1                   “(C) CHRONIC CONDITIONS DESCRIBED.—

2                   The chronic conditions described in this sub-  
3                   paragraph are the following:

4                   “(i) Congestive heart failure.

5                   “(ii) Diabetes.

6                   “(iii) Chronic obstructive pulmonary  
7                   disease.

8                   “(iv) Ischemic heart disease.

9                   “(v) Peripheral arterial disease.

10                  “(vi) Stroke.

11                  “(vii) Alzheimer’s Disease and other  
12                  dementias designated by the Secretary.

13                  “(viii) Pressure ulcers.

14                  “(ix) Hypertension.

15                  “(x) Neurodegenerative diseases des-  
16                  ignated by the Secretary which result in  
17                  high costs under this title, including  
18                  amyotrophic lateral sclerosis (ALS), mul-  
19                  tiple sclerosis, and Parkinson’s disease.

20                  “(xi) Any other chronic condition that  
21                  the Secretary identifies as likely to result  
22                  in high costs to the program under this  
23                  title when such condition is present in  
24                  combination with one or more of the

1 chronic conditions specified in the pre-  
2 ceding clauses.

3 “(4) INDEPENDENCE AT HOME ASSESSMENT.—

4 The term ‘Independence at Home assessment’  
5 means a determination of eligibility of an individual  
6 for an Independence at Home program as an eligible  
7 beneficiary (as defined in paragraph (3)), a com-  
8 prehensive medical history, physical examination,  
9 and assessment of the beneficiary’s clinical and func-  
10 tional status that—

11 “(A) is conducted in person by an indi-  
12 vidual—

13 “(i) who—

14 “(I) is an Independence at Home  
15 physician or an Independence at  
16 Home nurse practitioner; or

17 “(II) a physician assistant, nurse  
18 practitioner, or clinical nurse spe-  
19 cialist, as defined in section  
20 1861(aa)(5), who is employed by an  
21 Independence at Home organization  
22 and is supervised by an Independence  
23 at Home physician or Independence at  
24 Home nurse practitioner; and

- 1           “(ii) does not have an ownership in-  
2           terest in the Independence at Home orga-  
3           nization unless the Secretary determines  
4           that it is impracticable to preclude such in-  
5           dividual’s involvement; and
- 6           “(B) includes an assessment of—
- 7           “(i) activities of daily living and other  
8           co-morbidities;
- 9           “(ii) medications and medication ad-  
10          herence;
- 11          “(iii) affect, cognition, executive func-  
12          tion, and presence of mental disorders;
- 13          “(iv) functional status, including mo-  
14          bility, balance, gait, risk of falling, and  
15          sensory function;
- 16          “(v) social functioning and social inte-  
17          gration;
- 18          “(vi) environmental needs and a safe-  
19          ty assessment;
- 20          “(vii) the ability of the beneficiary’s  
21          primary caregiver to assist with the bene-  
22          ficiary’s care as well as the caregiver’s own  
23          physical and emotional capacity, education,  
24          and training;

1           “(viii) whether, in the professional  
2 judgment of the individual conducting the  
3 assessment, the beneficiary is likely to ben-  
4 efit from an Independence at Home pro-  
5 gram;

6           “(ix) whether the conditions in the  
7 beneficiary’s home or place of residence  
8 would permit the safe provision of services  
9 in the home or residence, respectively,  
10 under an Independence at Home program;

11           “(x) whether the beneficiary has a  
12 designated primary care physician whom  
13 the beneficiary has seen in an office-based  
14 setting within the previous 12 months; and

15           “(xi) other factors determined appro-  
16 priate by the Secretary.

17           “(5) INDEPENDENCE AT HOME CARE TEAM.—

18           The term ‘Independence at Home care team’—

19           “(A) means, with respect to a participant,  
20 a team of qualified individuals that provides  
21 services to the participant as part of an Inde-  
22 pendence at Home program; and

23           “(B) includes an Independence at Home  
24 physician or an Independence at Home nurse  
25 practitioner and an Independence at Home co-

1           ordinator (who may also be an Independence at  
2           Home physician or an Independence at Home  
3           nurse practitioner).

4           “(6) INDEPENDENCE AT HOME COORDI-  
5           NATOR.—The term ‘Independence at Home coordi-  
6           nator’ means, with respect to a participant, an indi-  
7           vidual who—

8                   “(A) is employed by an Independence at  
9                   Home organization and is responsible for co-  
10                  ordinating all of the services of the participant’s  
11                  Independence at Home plan;

12                   “(B) is a licensed health professional, such  
13                   as a physician, registered nurse, nurse practi-  
14                   tioner, clinical nurse specialist, physician assist-  
15                   ant, or other health care professional as the  
16                   Secretary determines appropriate, who has at  
17                   least one year of experience providing and co-  
18                   ordinating medical and related services for indi-  
19                   viduals in their homes; and

20                   “(C) serves as the primary point of contact  
21                   responsible for communications with the partici-  
22                   pant and for facilitating communications with  
23                   other health care providers under the plan.

24           “(7) INDEPENDENCE AT HOME ORGANIZA-  
25           TION.—The term ‘Independence at Home organiza-

1       tion’ means a provider of services, a physician or  
2       physician group practice, a nurse practitioner or  
3       nurse practitioner group practice which receives pay-  
4       ment for services furnished under this title (other  
5       than only under this section) and which—

6               “(A) has entered into an agreement under  
7               subsection (a)(2) to provide an Independence at  
8               Home program under this section;

9               “(B)(i) provides all of the services of the  
10              Independence at Home plan in a participant’s  
11              home or place of residence, or

12              “(ii) if the organization is not able to pro-  
13              vide all such services in such home or residence,  
14              has adequate mechanisms for ensuring the pro-  
15              vision of such services by one or more qualified  
16              entities;

17              “(C) has Independence at Home physi-  
18              cians, clinical nurse specialists, nurse practi-  
19              tioners, or physician assistants available to re-  
20              spond to patient emergencies 24 hours a day,  
21              seven days a week;

22              “(D) accepts all eligible beneficiaries from  
23              the organization’s service area, as determined  
24              under the agreement with the Secretary under

1           this section, except to the extent that qualified  
2           staff are not available; and

3           “(E) meets other requirements for such an  
4           organization under this section.

5           “(8) INDEPENDENCE AT HOME PHYSICIAN.—

6           The term ‘Independence at Home physician’ means  
7           a physician who—

8           “(A) is employed by or affiliated with an  
9           Independence at Home organization, as re-  
10          quired under paragraph (7)(C), or has another  
11          contractual relationship with the Independence  
12          at Home organization that requires the physi-  
13          cian to make in-home visits and to be respon-  
14          sible for the plans of care for the physician’s  
15          patients;

16          “(B) is certified—

17                  “(i) by the American Board of Family  
18                  Physicians, the American Board of Inter-  
19                  nal Medicine, the American Osteopathic  
20                  Board of Family Physicians, the American  
21                  Osteopathic Board of Internal Medicine,  
22                  the American Board of Emergency Medi-  
23                  cine, or the American Board of Physical  
24                  Medicine and Rehabilitation; or

1           “(ii) by a Board recognized by the  
2           American Board of Medical Specialties and  
3           determined by the Secretary to be appro-  
4           priate for the Independence at Home pro-  
5           gram;

6           “(C) has—

7                 “(i) a certification in geriatric medi-  
8                 cine as provided by American Board of  
9                 Medical Specialties; or

10                “(ii) passed the clinical competency  
11                examination of the American Academy of  
12                Home Care Physicians and has substantial  
13                experience in the delivery of medical care  
14                in the home, including at least two years  
15                of experience in the management of Medi-  
16                care patients and one year of experience in  
17                home-based medical care including at least  
18                200 house calls; and

19                “(D) has furnished services during the pre-  
20                vious 12 months for which payment is made  
21                under this title.

22                “(9) INDEPENDENCE AT HOME NURSE PRACTI-  
23                TIONER.—The term ‘Independence at Home nurse  
24                practitioner’ means a nurse practitioner who—



1           “(A) is employed by or affiliated with an  
2           Independence at Home organization, as re-  
3           quired under paragraph (7)(C), or has another  
4           contractual relationship with the Independence  
5           at Home organization that requires the nurse  
6           practitioner to make in-home visits and to be  
7           responsible for the plans of care for the nurse  
8           practitioner’s patients;

9           “(B) practices in accordance with State  
10          law regarding scope of practice for nurse practi-  
11          tioners;

12          “(C) is certified—

13               “(i) as a Gerontologic Nurse Practi-  
14               tioner by the American Academy of Nurse  
15               Practitioners Certification Program or the  
16               American Nurses Credentialing Center; or

17               “(ii) as a family nurse practitioner or  
18               adult nurse practitioner by the American  
19               Academy of Nurse Practitioners Certifi-  
20               cation Board or the American Nurses  
21               Credentialing Center and holds a certifi-  
22               cate of Added Qualification in gerontology,  
23               elder care or care of the older adult pro-  
24               vided by the American Academy of Nurse  
25               Practitioners, the American Nurses

1           Credentialing Center or a national nurse  
2           practitioner certification board deemed by  
3           the Secretary to be appropriate for an  
4           Independence at Home program; and

5           “(D) has furnished services during the pre-  
6           vious 12 months for which payment is made  
7           under this title.

8           “(10) INDEPENDENCE AT HOME PLAN.—The  
9           term ‘Independence at Home plan’ means a plan es-  
10          tablished under subsection (d)(2) for a specific par-  
11          ticipant in an Independence at Home program.

12          “(11) INDEPENDENCE AT HOME PROGRAM.—  
13          The term ‘Independence at Home program’ means a  
14          program described in subsection (d) that is operated  
15          by an Independence at Home organization.

16          “(12) PARTICIPANT.—The term ‘participant’  
17          means an eligible beneficiary who has voluntarily en-  
18          rolled in an Independence at Home program.

19          “(13) QUALIFIED ENTITY.—The term ‘qualified  
20          entity’ means a person or organization that is li-  
21          censed or otherwise legally permitted to provide the  
22          specific service (or services) provided under an Inde-  
23          pendence at Home plan that the entity has agreed  
24          to provide.

1           “(14) QUALIFYING FUNCTIONAL IMPAIR-  
2           MENT.—The term ‘qualifying functional impairment’  
3           means an inability to perform, without the assist-  
4           ance of another person, two or more activities of  
5           daily living.

6           “(15) QUALIFIED INDIVIDUAL.—The term  
7           ‘qualified individual’ means a individual that is li-  
8           censed or otherwise legally permitted to provide the  
9           specific service (or services) under an Independence  
10          at Home plan that the individual has agreed to pro-  
11          vide.

12          “(c) IDENTIFICATION AND ENROLLMENT OF PRO-  
13          SPECTIVE PROGRAM PARTICIPANTS.—

14                 “(1) NOTICE TO ELIGIBLE INDEPENDENCE AT  
15                 HOME BENEFICIARIES.—The Secretary shall develop  
16                 a model notice to be made available to Medicare  
17                 beneficiaries (and to their caregivers) who are poten-  
18                 tially eligible for an Independence at Home program  
19                 by participating providers and by Independence at  
20                 Home programs. Such notice shall include the fol-  
21                 lowing information:

22                         “(A) A description of the potential advan-  
23                         tages to the beneficiary participating in an  
24                         Independence at Home program.

1           “(B) A description of the eligibility re-  
2           quirements to participate.

3           “(C) Notice that participation is voluntary.

4           “(D) A statement that all other Medicare  
5           benefits remain available to beneficiaries who  
6           enroll in an Independence at Home program.

7           “(E) Notice that those who enroll in an  
8           Independence at Home program will be respon-  
9           sible for copayments for house calls made by  
10          Independence at Home physicians, physician as-  
11          sistants, or by Independence at Home nurse  
12          practitioners, except that such copayments may  
13          be reduced or eliminated at the discretion of the  
14          Independence at Home physician, physician as-  
15          sistant, or Independence at Home nurse practi-  
16          tioner involved in accordance with subsection  
17          (f).

18          “(F) A description of the services that  
19          could be provided.

20          “(G) A description of the method for par-  
21          ticipating, or withdrawing from participation, in  
22          an Independence at Home program or becoming  
23          no longer eligible to so participate.

24          “(2) VOLUNTARY PARTICIPATION AND  
25          CHOICE.—An eligible beneficiary may participate in

1 an Independence at Home program through enroll-  
 2 ment in such program on a voluntary basis and may  
 3 terminate such participation at any time. Such a  
 4 beneficiary may also receive Independence at Home  
 5 services from the Independence at Home organiza-  
 6 tion of the beneficiary's choice but may not receive  
 7 Independence at Home services from more than one  
 8 Independence at Home organization at a time.

9 “(d) INDEPENDENCE AT HOME PROGRAM REQUIRE-  
 10 MENTS.—

11 “(1) IN GENERAL.—Each Independence at  
 12 Home program shall, for each participant enrolled in  
 13 the program—

14 “(A) designate—

15 “(i) an Independence at Home physi-  
 16 cian or an Independence at Home nurse  
 17 practitioner; and

18 “(ii) an Independence at Home coor-  
 19 dinator;

20 “(B) have a process to ensure that the  
 21 participant received an Independence at Home  
 22 assessment before enrollment in the program;

23 “(C) with the participation of the partici-  
 24 pant (or the participant's representative or  
 25 caregiver), an Independence at Home physician,

1 a physician assistant under the supervision of  
2 an Independence at Home physician and as per-  
3 mitted under State law, or an Independence at  
4 Home nurse practitioner, and the Independence  
5 at Home coordinator, develop an Independence  
6 at Home plan for the participant in accordance  
7 with paragraph (2);

8 “(D) ensure that the participant receives  
9 an Independence at Home assessment at least  
10 every 6 months after the original assessment to  
11 ensure that the Independence at Home plan for  
12 the participant remains current and appro-  
13 priate;

14 “(E) implement all of the services under  
15 the participant’s Independence at Home plan  
16 and in instances in which the Independence at  
17 Home organization does not provide specific  
18 services within the Independence at Home plan,  
19 ensure that qualified entities successfully pro-  
20 vide those specific services; and

21 “(F) provide for an electronic medical  
22 record and electronic health information tech-  
23 nology to coordinate the participant’s care and  
24 to exchange information with the Medicare pro-  
25 gram and electronic monitoring and commu-

1            nication technologies and mobile diagnostic and  
2            therapeutic technologies as appropriate and ac-  
3            cepted by the participant.

4            “(2) INDEPENDENCE AT HOME PLAN.—

5                    “(A) IN GENERAL.—An Independence at  
6            Home plan for a participant shall be developed  
7            with the participant, an Independence at Home  
8            physician, a physician assistant under the su-  
9            pervision of an Independence at Home physi-  
10           cian and as permitted under State law, an Inde-  
11           pendence at Home nurse practitioner, or an  
12           Independence at Home coordinator, and, if ap-  
13           propriate, one or more of the participant’s care-  
14           givers and shall—

15                           “(i) document the chronic conditions,  
16                           co-morbidities, and other health needs  
17                           identified in the participant’s Independence  
18                           at Home assessment;

19                           “(ii) determine which services under  
20                           an Independence at Home plan described  
21                           in subparagraph (C) are appropriate for  
22                           the participant; and

23                           “(iii) identify the qualified entity re-  
24                           sponsible for providing each service under  
25                           such plan.

1           “(B) COMMUNICATION OF INDIVIDUALIZED  
2 INDEPENDENCE AT HOME PLAN TO THE INDE-  
3 PENDENCE AT HOME COORDINATOR.—If the in-  
4 dividual responsible for conducting the partici-  
5 pant’s Independence at Home assessment and  
6 developing the Independence at Home plan is  
7 not the participant’s Independence at Home co-  
8 ordinator, the Independence at Home physician  
9 or Independence at Home nurse practitioner is  
10 responsible for ensuring that the participant’s  
11 Independence at Home coordinator has such  
12 plan and is familiar with the requirements of  
13 the plan and has the appropriate contact infor-  
14 mation for all of the members of the Independ-  
15 ence at Home care team.

16           “(C) SERVICES PROVIDED UNDER AN  
17 INDEPENDENCE AT HOME PLAN.—An Inde-  
18 pendence at Home organization shall coordinate  
19 and make available through referral to a quali-  
20 fied entity the services described in the fol-  
21 lowing clauses (i) through (iii) to the extent  
22 they are needed and covered by under this title  
23 and shall provide the care coordination services  
24 described in the following clause (iv) to the ex-



1           tent they are appropriate and accepted by a  
2           participant:

3                   “(i) Primary care services, such as  
4                   physician visits, diagnosis, treatment, and  
5                   preventive services.

6                   “(ii) Home health services, such as  
7                   skilled nursing care and physical and occu-  
8                   pational therapy.

9                   “(iii) Phlebotomy and ancillary lab-  
10                  oratory and imaging services, including  
11                  point of care laboratory and imaging  
12                  diagnostics.

13                  “(iv) Care coordination services, con-  
14                  sisting of—

15                           “(I) Monitoring and management  
16                           of medications by a pharmacist who is  
17                           certified in geriatric pharmacy by the  
18                           Commission for Certification in Geri-  
19                           atric Pharmacy or possesses other  
20                           comparable certification dem-  
21                           onstrating knowledge and expertise in  
22                           geriatric pharmacotherapy, as well as  
23                           assistance to participants and their  
24                           caregivers with respect to selection of  
25                           a prescription drug plan under part D

1 that best meets the needs of the par-  
2 ticipant’s chronic conditions.

3 “(II) Coordination of all medical  
4 treatment furnished to the partici-  
5 pant, regardless of whether such  
6 treatment is covered and available to  
7 the participant under this title.

8 “(III) Self-care education and  
9 preventive care consistent with the  
10 participant’s condition.

11 “(IV) Education for primary  
12 caregivers and family members.

13 “(V) Caregiver counseling serv-  
14 ices and information about, and refer-  
15 ral to, other caregiver support and  
16 health care services in the community.

17 “(VI) Referral to social services,  
18 such as personal care, meals, volun-  
19 teers, and individual and family ther-  
20 apy.

21 “(VII) Information about, and  
22 access to, hospice care.

23 “(VIII) Pain and palliative care  
24 and end-of-life care, including infor-  
25 mation about developing advanced di-

1 rectives and physicians orders for life  
2 sustaining treatment.

3 “(3) PRIMARY TREATMENT ROLE WITHIN AN  
4 INDEPENDENCE AT HOME CARE TEAM.—An Inde-  
5 pendence at Home physician, a physician assistant  
6 under the supervision of an Independence at Home  
7 physician and as permitted under State law, or an  
8 Independence at Home nurse practitioner may as-  
9 sume the primary treatment role as permitted under  
10 State law.

11 “(4) ADDITIONAL RESPONSIBILITIES.—

12 “(A) OUTCOMES REPORT.—Each Inde-  
13 pendence at Home organization offering an  
14 Independence at Home program shall monitor  
15 and report to the Secretary, in a manner speci-  
16 fied by the Secretary, on—

17 “(i) patient outcomes;

18 “(ii) beneficiary, caregiver, and pro-  
19 vider satisfaction with respect to coordina-  
20 tion of the participant’s care; and

21 “(iii) the achievement of mandatory  
22 minimum savings described in subsection  
23 (e)(6).

24 “(B) ADDITIONAL REQUIREMENTS.—Each  
25 such organization and program shall provide

1 the Secretary with listings of individuals em-  
2 ployed by the organization, including contract  
3 employees, and individuals with an ownership  
4 interest in the organization and comply with  
5 such additional requirements as the Secretary  
6 may specify.

7 “(e) TERMS AND CONDITIONS.—

8 “(1) IN GENERAL.—An agreement under this  
9 section with an Independence at Home organization  
10 shall contain such terms and conditions as the Sec-  
11 retary may specify consistent with this section.

12 “(2) CLINICAL, QUALITY IMPROVEMENT, AND  
13 FINANCIAL REQUIREMENTS.—The Secretary may  
14 not enter into an agreement with such an organiza-  
15 tion under this section for the operation of an Inde-  
16 pendence at Home program unless—

17 “(A) the program and organization meet  
18 the requirements of subsection (d), minimum  
19 quality and performance standards developed  
20 under paragraph (3), and such clinical, quality  
21 improvement, financial, program integrity, and  
22 other requirements as the Secretary deems to  
23 be appropriate for participants to be served;  
24 and

1           “(B) the organization demonstrates to the  
2           satisfaction of the Secretary that the organiza-  
3           tion is able to assume financial risk for per-  
4           formance under the agreement with respect to  
5           payments made to the organization under such  
6           agreement through available reserves, reinsur-  
7           ance, or withholding of funding provided under  
8           this title, or such other means as the Secretary  
9           determines appropriate.

10           “(3) MINIMUM QUALITY AND PERFORMANCE  
11           STANDARDS.—

12           “(A) IN GENERAL.—The Secretary shall  
13           develop mandatory minimum quality and per-  
14           formance standards for Independence at Home  
15           organizations and programs.

16           “(B) STANDARDS TO BE INCLUDED.—  
17           Such standards shall include measures of—

18                   “(i) improvement in participant out-  
19                   comes;

20                   “(ii) improvement in satisfaction of  
21                   the beneficiary, caregiver, and provider in-  
22                   volved; and

23                   “(iii) cost savings consistent with  
24                   paragraph (6).

1           “(C) MINIMUM PARTICIPATION STAND-  
2           ARD.—Such standards shall include a require-  
3           ment that, for any year after the first year and  
4           except as the Secretary may provide for a pro-  
5           gram serving a rural area, an Independence at  
6           Home program had an average number of par-  
7           ticipants during the previous year of at least  
8           100 participants.

9           “(4) TERM OF AGREEMENT AND MODIFICA-  
10          TION.—The agreement under this subsection shall  
11          be, subject to paragraphs (3)(C) and (5), for a pe-  
12          riod of three years, and the terms and conditions  
13          may be modified during the contract period by the  
14          Secretary as necessary to serve the best interest of  
15          the beneficiaries under this title or the best interest  
16          of Federal health care programs or upon the request  
17          of the Independence at Home organization.

18          “(5) TERMINATION AND NON-RENEWAL OF  
19          AGREEMENT.—

20                 “(A) IN GENERAL.—If the Secretary deter-  
21                 mines that an Independence at Home organiza-  
22                 tion has failed to meet the minimum perform-  
23                 ance standards under paragraph (3) or other  
24                 requirements under this section, or if the Sec-  
25                 retary deems it necessary to serve the best in-

1           terest of the beneficiaries under this title or the  
2           best interest of Federal health care programs,  
3           the Secretary may terminate the agreement of  
4           the organization at the end of the contract year.

5           “(B) REQUIRED TERMINATION WHERE  
6           RISK TO HEALTH OR SAFETY OF A PARTICI-  
7           PANT.—The Secretary shall terminate an agree-  
8           ment with an Independence at Home organiza-  
9           tion at any time the Secretary determines that  
10          the care being provided by such organization  
11          poses a threat to the health and safety of a par-  
12          ticipant.

13          “(C) TERMINATION BY INDEPENDENCE AT  
14          HOME ORGANIZATIONS.—Notwithstanding any  
15          other provision of this subsection, an Independ-  
16          ence at Home organization may terminate an  
17          agreement with the Secretary under this section  
18          to provide an Independence at Home program  
19          at the end of a contract year if the organization  
20          provides to the Secretary and to the bene-  
21          ficiaries participating in the program notifica-  
22          tion of such termination more than 90 days be-  
23          fore the end of such year. Paragraphs (6), (8),  
24          and (9)(B) shall apply to the organization until  
25          the date of termination.

1           “(D) NOTICE OF INVOLUNTARY TERMI-  
2           NATION.—The Secretary shall notify the par-  
3           ticipants in an Independence at Home program  
4           as soon as practicable if a determination is  
5           made to terminate an agreement with the Inde-  
6           pendence at Home organization involuntarily as  
7           provided in subparagraphs (A) and (B). Such  
8           notice shall inform the beneficiary of any other  
9           Independence at Home organizations that  
10          might be available to the beneficiary.

11          “(6) MANDATORY MINIMUM SAVINGS.—

12           “(A) REQUIRED.—

13           “(i) IN GENERAL.—Under an agree-  
14           ment under this subsection, each Inde-  
15           pendence at Home organization shall en-  
16           sure that during any year of the agreement  
17           for its Independence at Home program,  
18           there is an aggregate savings in the cost to  
19           the program under this title for partici-  
20           pating beneficiaries, as calculated under  
21           subparagraph (B), that is not less than 5  
22           percent of the product described in clause  
23           (ii) for such participating beneficiaries and  
24           year.



1           “(ii) PRODUCT DESCRIBED.—The  
2 product described in this clause for partici-  
3 pating beneficiaries in an Independence at  
4 Home program for a year is the product  
5 of—

6           “(I) the estimated average  
7 monthly costs that would have been  
8 incurred under parts A and B (and,  
9 to the extent cost information is avail-  
10 able, part D) if those beneficiaries had  
11 not participated in the Independence  
12 at Home program; and

13           “(II) the number of participant-  
14 months for that year.

15           “(B) COMPUTATION OF AGGREGATE SAV-  
16 INGS.—

17           “(i) MODEL FOR CALCULATING SAV-  
18 INGS.—The Secretary shall contract with a  
19 nongovernmental organization or academic  
20 institution to independently develop an an-  
21 alytical model for determining whether an  
22 Independence at Home program achieves  
23 at least savings required under subpara-  
24 graph (A) relative to costs that would have  
25 been incurred by Medicare in the absence

1 of Independence at Home programs. The  
2 analytical model developed by the inde-  
3 pendent research organization for making  
4 these determinations shall utilize state-of-  
5 the-art econometric techniques, such as  
6 Heckman’s selection correction methodolo-  
7 gies, to account for sample selection bias,  
8 omitted variable bias, or problems with  
9 endogeneity.

10 “(ii) APPLICATION OF THE MODEL.—

11 Using the model developed under clause  
12 (i), the Secretary shall compare the actual  
13 costs to Medicare of beneficiaries partici-  
14 pating in an Independence at Home pro-  
15 gram to the predicted costs to Medicare of  
16 such beneficiaries to determine whether an  
17 Independence at Home program achieves  
18 the savings required under subparagraph  
19 (A).

20 “(iii) REVISIONS OF THE MODEL.—

21 The Secretary shall require that the model  
22 developed under clause (i) for determining  
23 savings shall be designed according to in-  
24 structions that will control, or adjust for,  
25 inflation as well as risk factors including,

1 age, race, gender, disability status, socio-  
2 economic status, region of country (such as  
3 State, county, metropolitan statistical area,  
4 or zip code), and such other factors as the  
5 Secretary determines to be appropriate, in-  
6 cluding adjustment for prior health care  
7 utilization. The Secretary may add to,  
8 modify, or substitute for such adjustment  
9 factors if such changes will improve the  
10 sensitivity or specificity of the calculation  
11 of costs savings.

12 “(iv) PARTICIPANT-MONTH.—In mak-  
13 ing the calculation described in subpara-  
14 graph (A), each month or part of a month  
15 in a program year that a beneficiary par-  
16 ticipates in an Independence at Home pro-  
17 gram shall be counted as a ‘participant-  
18 month’.

19 “(C) NOTICE OF SAVINGS CALCULATION.—  
20 No later than 30 days before the beginning of  
21 the first year of the pilot project under this sec-  
22 tion and 120 days before the beginning of any  
23 Independence at Home program year after the  
24 first such year, the Secretary shall publish in  
25 the Federal Register a description of the model

1 developed under subparagraph (B)(i) and infor-  
2 mation for calculating savings required under  
3 subparagraph (A), including any revisions, suf-  
4 ficient to permit Independence at Home organi-  
5 zations to determine the savings they will be re-  
6 quired to achieve during the program year to  
7 meet the savings requirement under subpara-  
8 graph (A). In order to facilitate this notice, the  
9 Secretary may designate a single annual date  
10 for the beginning of all Independence at Home  
11 program years that shall not be later than one  
12 year from the date of enactment of this section.

13 “(7) MANNER OF PAYMENT.—Subject to para-  
14 graph (8), payments shall be made by the Secretary  
15 to an Independence at Home organization at a rate  
16 negotiated between the Secretary and the organiza-  
17 tion under the agreement for—

18 “(A) Independence at Home assessments;

19 and

20 “(B) on a per-participant, per-month basis  
21 for the items and services required to be pro-  
22 vided or made available under subsection  
23 (d)(2)(C)(iv).

24 “(8) ENSURING MANDATORY MINIMUM SAV-  
25 INGS.—The Secretary shall require any Independ-

1       ence at Home organization that fails in any year to  
2       achieve the mandatory minimum savings described  
3       in paragraph (6) to provide those savings by refund-  
4       ing payments made to the organization under para-  
5       graph (7) during such year.

6               “(9) BUDGET NEUTRAL PAYMENT CONDI-  
7       TION.—

8               “(A) IN GENERAL.—Under this section,  
9       the Secretary shall ensure that the cumulative,  
10      aggregate sum of Medicare program benefit ex-  
11      penditures under parts A, B, and D for partici-  
12      pants in Independence at Home programs and  
13      funds paid to Independence at Home organiza-  
14      tions under this section, shall not exceed the  
15      Medicare program benefit expenditures under  
16      such parts that the Secretary estimates would  
17      have been made for such participants in the ab-  
18      sence of such programs.

19              “(B) TREATMENT OF SAVINGS.—

20              “(i) INITIAL IMPLEMENTATION  
21      PHASE.—If an Independence at Home or-  
22      ganization achieves aggregate savings in a  
23      year in the initial implementation phase in  
24      excess of the mandatory minimum savings  
25      described in paragraph (6)(A)(ii), 80 per-

1 cent of such aggregate savings shall be  
2 paid to the organization and the remainder  
3 shall be retained by the programs under  
4 this title during the initial implementation  
5 phase.

6 “(ii) EXPANDED IMPLEMENTATION  
7 PHASE.—If an Independence at Home or-  
8 ganization achieves aggregate savings in a  
9 year in the expanded implementation phase  
10 in excess of 5 percent of the product de-  
11 scribed in paragraph (6)(A)(ii)—

12 “(I) insofar as such savings do  
13 not exceed 25 percent of such prod-  
14 uct, 80 percent of such aggregate sav-  
15 ings shall be paid to the organization  
16 and the remainder shall be retained  
17 by the programs under this title; and

18 “(II) insofar as such savings ex-  
19 ceed 25 percent of such product, in  
20 the Secretary’s discretion, 50 percent  
21 of such excess aggregate savings shall  
22 be paid to the organization and the  
23 remainder shall be retained by the  
24 programs under this title.

1       “(f) WAIVER OF COINSURANCE FOR HOUSE  
2 CALLS.—A physician, physician assistant, or nurse practi-  
3 tioner furnishing services related to the Independence at  
4 Home program in the home or residence of a participant  
5 in an Independence at Home program may waive collec-  
6 tion of any coinsurance that might otherwise be payable  
7 under section 1833(a) with respect to such services but  
8 only if the conditions described in section 1128A(i)(6)(A)  
9 are met.

10       “(g) REPORT.—Not later than three months after the  
11 date of receipt of the independent evaluation provided  
12 under subsection (a)(5) and each year thereafter during  
13 which this section is being implemented, the Secretary  
14 shall submit to the Committees of jurisdiction in Congress  
15 a report that shall include—

16               “(1) whether the Independence at Home pro-  
17 grams under this section are meeting the minimum  
18 quality and performance standards in (e)(3);

19               “(2) a comparative evaluation of Independence  
20 at Home organizations in order to identify which  
21 programs, and characteristics of those programs,  
22 were the most effective in producing the best partici-  
23 pant outcomes, patient and caregiver satisfaction,  
24 and cost savings; and

1           “(3) an evaluation of whether the participant  
2           eligibility criteria identified beneficiaries who were in  
3           the top ten percent of the highest cost Medicare  
4           beneficiaries.”.

5           (b) CONFORMING AMENDMENT.—Section 1833(a) of  
6           such Act (42 U.S.C. 1395l(a)) is amended, in the matter  
7           before paragraph (1), by inserting “and section 1807A(f)”  
8           after “section 1876”.

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