

113TH CONGRESS
1ST SESSION

S. 1265

To amend title XVIII of the Social Security Act to delay the implementation of round 2 of the Medicare DMEPOS Competitive Acquisition Program for competitive acquisition areas in Tennessee, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 27, 2013

Mr. ALEXANDER (for himself and Mr. CORKER) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to delay the implementation of round 2 of the Medicare DMEPOS Competitive Acquisition Program for competitive acquisition areas in Tennessee, and for other purposes.

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. DELAY IN IMPLEMENTATION OF ROUND 2 OF**
2 **MEDICARE DMEPOS COMPETITIVE ACQUISITION PROGRAM FOR COMPETITIVE ACQUISITION AREAS IN TENNESSEE.**

5 Section 1847(a)(1) of the Social Security Act (42
6 U.S.C. 1395w-3(a)(1)) is amended by adding at the end
7 the following new subparagraph:

8 “(G) DELAY IN IMPLEMENTATION OF
9 ROUND 2 FOR COMPETITIVE ACQUISITION
10 AREAS IN TENNESSEE.—Notwithstanding any
11 other provision of this section and in imple-
12 menting the second round of the competitive ac-
13 quisition programs under this section described
14 in subparagraph (B)(i)(II) with respect to com-
15 petitive acquisition areas in Tennessee, the fol-
16 lowing shall apply:

17 “(i) The contracts awarded under this
18 section before the date of the enactment of
19 this subparagraph with respect to competi-
20 tive acquisition areas in Tennessee for
21 such round are terminated, no payment
22 shall be made under this title on or after
23 the date of the enactment of this subpara-
24 graph based on such a contract, and, to
25 the extent that any damages may be appli-
26 cable as a result of the termination of such

1 contracts, such damages shall be payable
2 from the Federal Supplementary Medical
3 Insurance Trust Fund under section 1841.
4 Nothing in this clause shall be construed
5 to provide an independent cause of action
6 or right to administrative or judicial review
7 with regard to the termination provided
8 under this clause.

9 “(ii) The Secretary shall as soon as
10 possible conduct a rebid of the competition
11 for such round in such areas in accordance
12 with the requirements of this section, in-
13 cluding the requirement that suppliers
14 meet State licensing requirements.

15 “(iii) Such round shall be imple-
16 mented in such areas as soon as possible
17 after the conduct of the rebid under clause
18 (ii).

19 “(iv)(I) In the case of any competition
20 in such areas for which bids are requested
21 on or after the date of enactment of this
22 subparagraph, the Secretary shall impose a
23 civil money penalty in the amount of
24 \$10,000 on the entity contracted to imple-
25 ment the competitive bidding program

1 under this section for each instance in
2 which information supplied by the entity—
3 “(aa) is incorrect; and
4 “(bb) results in the Secretary
5 awarding a contract to a supplier
6 under the competition in such areas to
7 a supplier not licensed by the State of
8 Tennessee.
9 “(II) Any penalty under subclause (I)
10 shall be imposed and collected in the same
11 manner as civil money penalties under sub-
12 section (a) of section 1128A are imposed
13 and collected under that section.”.

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