To improve access to durable medical equipment for Medicare beneficiaries under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2016

Mr. Tom Price of Georgia (for himself, Mr. Loeb, Mrs. McMorris Rodger, Mr. Welch, Mr. Collins of New York, Mr. Cramer, Mr. Flores, Mr. Harper, Mr. Luetkemeyer, Mr. Roe of Tennessee, Mr. Thompson of Pennsylvania, Mr. Tipton, Ms. Duckworth, Mr. Duncan of Tennessee, Mr. Joyce, Mr. Zinke, Mr. Kelly of Pennsylvania, Mr. Blum, Mrs. Elmers of North Carolina, Mr. Gohmert, Mr. Long, Mr. Harris, Mr. Renacci, Mr. Tiberi, Mr. Peterson, Mr. Murphy of Pennsylvania, Mrs. Noem, Mr. Gibbs, Mr. Austin Scott of Georgia, Mr. Guthrie, Mr. DesJarlais, Ms. Jenkins of Kansas, Mr. David Scott of Georgia, Mrs. Black, Mrs. Blackburn, Mr. Smith of Missouri, Mr. Mullin, Mr. Pompeo, Mr. Byrne, Mrs. Wagner, and Mr. Boustany) 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.

A BILL

To improve access to durable medical equipment for Medicare beneficiaries under the Medicare program, 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,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Patient Access to Durable Medical Equipment Act of 2016” or the “PADME Act”.

SEC. 2. EXTENSION OF THE TRANSITION TO NEW PAYMENT RATES FOR DURABLE MEDICAL EQUIPMENT UNDER THE MEDICARE PROGRAM.

The Secretary of Health and Human Services shall extend the transition period described in clause (i) of section 414.210(g)(9) of title 42, Code of Federal Regulations, from June 30, 2016, to September 30, 2017 (with the full implementation described in clause (ii) of such section applying to items and services furnished with dates of service on or after October 1, 2017).

SEC. 3. BID CEILING FOR COMPETITIVE ACQUISITION FOR DURABLE MEDICAL EQUIPMENT UNDER THE MEDICARE PROGRAM.

Section 1847(b)(5) of the Social Security Act (42 U.S.C. 1395w–3(b)(5)) is amended—

(1) in subparagraph (A)—

(A) by inserting “, subject to subparagraph (E),” after “subsection (a)(2)”; and

(B) by inserting “, subject to subparagraph (E),” after “Based on such bids”; and

(2) by adding at the end the following new sub-

paragraph:
“(E) Bid ceiling for durable medical equipment.—

“(i) In general.—The ceiling for a bid submitted for applicable covered items may not be less than the fee schedule amount that would otherwise be determined for such items under section 1834(a), section 1834(h), or section 1842(s)(1) on January 1, 2015, updated by the covered item update for such items under section 1834(a)(14)(L), section 1834(h), or section 1842(s)(1), respectively, as appropriate for the year with respect to which the bid ceiling is established for such applicable covered item.

“(ii) Application to new covered items.—The Secretary shall establish a process for purposes of applying clause (i) with respect to applicable covered items for which no fee schedule amount would otherwise be paid under section 1834(a), section 1834(h), or section 1842(s), as appropriate, on January 1, 2015.

“(iii) Applicable covered items defined.—For purposes of this subpara-
graph, the term ‘applicable covered items’
means competitively priced items and serv-
ices described in subsection (a)(2) that are
furnished with respect to rounds of com-
petition that begin on or after January 1,
2017.”.

SEC. 4. REQUIREMENTS IN DETERMINING ADJUSTMENTS
USING INFORMATION FROM COMPETITIVE
BIDDING PROGRAMS.

Section 1834(a)(1)(G) of the Social Security Act (42
U.S.C. 1395m(a)(1)(G)) is amended by adding at the end
the following new sentence: “In the case of items and serv-
ices furnished on or after January 1, 2019, in making any
adjustments under clause (ii) or (iii) of subparagraph (F),
the Secretary shall—

“(i) solicit and take into account
stakeholder input; and

“(ii) take into account the highest
amount bid by a winning supplier in a
competitive acquisition area and a com-
parison of each of the following with re-
spect non-competitive acquisition areas and
competitive acquisition areas:
“(I) The average travel distance and cost associated with furnishing items and services in the area.

“(II) Any barriers to access for items and services in the area.

“(III) The average delivery time in furnishing items and services in the area.

“(IV) The average volume of items and services furnished by suppliers in the area.

“(V) The number of suppliers in the area.”.

SEC. 5. MONTHLY REPORT ON THE RESULTS OF THE MONITORING OF ACCESS OF MEDICARE BENEFICIARIES TO DURABLE MEDICAL EQUIPMENT AND OF HEALTH OUTCOMES.

Not later than the first of each month (beginning with May 1, 2016, and ending with September 1, 2017), the Secretary of Health and Human Services shall publish on the Internet website of the Centers for Medicare & Medicaid Services the results of the monitoring of access of Medicare beneficiaries to durable medical equipment and of health outcomes, as described on page 66228 in the final rule published by the Center for Medicare & Medi-
icaid Services on November 6, 2014, and entitled “Medicare Program; End-Stage Renal Disease Prospective Payment System, Quality Incentive Program, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies” (79 Fed. Reg. 66120–66265).

SEC. 6. REQUIRING REDUCTION IN FEDERAL EXPENDITURES TO FULLY OFFSET INCREASED EXPENDITURES FROM THIS ACT.

It is the sense of Congress that this Act should not be enacted unless the increase in Federal expenditures under this Act is fully offset through a decrease in other Federal expenditures.

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