

114TH CONGRESS
1ST SESSION

S. 2197

To amend title XVIII of the Social Security Act to improve the risk adjustment under the Medicare Advantage program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 22, 2015

Mr. CRAPO (for himself, Mr. BENNET, and Mr. ISAKSON) 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 improve the risk adjustment under the Medicare Advantage 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Securing Care for Sen-
5 iors Act of 2015”.

6 **SEC. 2. IMPROVEMENTS TO MA RISK ADJUSTMENT SYSTEM.**

7 Section 1853(a)(1)(C) of the Social Security Act (42
8 U.S.C. 1395w–23(a)(1)(C)) is amended by adding at the
9 end the following new clauses:

1 “(iv) EVALUATION AND SUBSEQUENT
2 REVISION OF THE RISK ADJUSTMENT SYS-
3 TEM TO ACCOUNT FOR CHRONIC CONDI-
4 TIONS AND OTHER FACTORS FOR THE
5 PURPOSE OF MAKING THE RISK ADJUST-
6 MENT SYSTEM MORE ACCURATE, TRANS-
7 PARENT, AND REGULARLY UPDATED.—

8 “(I) REVISION BASED ON NUM-
9 BER OF CHRONIC CONDITIONS.—The
10 Secretary shall revise for 2017 and
11 periodically thereafter, the risk adjust-
12 ment system under this subparagraph
13 so that a risk score under such sys-
14 tem, with respect to an individual,
15 takes into account the number of
16 chronic conditions with which the in-
17 dividual has been diagnosed.

18 “(II) EVALUATION OF DIF-
19 FERENT RISK ADJUSTMENT MOD-
20 ELS.—The Secretary shall evaluate
21 the impact of including two years of
22 data to compare the models used to
23 determine risk scores for 2013 and
24 2014 under such system.

1 “(III) EVALUATION AND ANAL-
2 YSIS ON CHRONIC KIDNEY DISEASE
3 (CKD) CODES.—The Secretary shall
4 evaluate the impact of removing the
5 diagnosis codes related to chronic kid-
6 ney disease in the 2014 risk adjust-
7 ment model and conduct an analysis
8 of best practices of MA plans to slow
9 disease progression related to chronic
10 kidney disease.

11 “(IV) EVALUATION AND REC-
12 COMMENDATIONS ON USE OF ENCOUN-
13 TER DATA.—The Secretary shall
14 evaluate the impact of including 10
15 percent of encounter data in com-
16 puting payment for 2016 and the
17 readiness of the Centers for Medicare
18 & Medicaid Services to incorporate en-
19 counter data in risk scores. In con-
20 ducting such evaluation, the Secretary
21 shall use data collected as encounter
22 data on or after January 1, 2012,
23 shall conduct statistical analyses on
24 such data for accuracy and complete-
25 ness and issue recommendations for

1 improving such accuracy and com-
2 pleteness, and shall not increase the
3 percentage of such encounter data
4 used unless the Secretary releases the
5 results of the analyses publicly, indi-
6 cates how such data will be weighted
7 in computing the risk scores, and en-
8 sures that the data reflects the degree
9 and cost of care coordination under
10 MA plans.

11 “(V) CONDUCT OF EVALUA-
12 TIONS.—Evaluations and analyses
13 under subclauses (II) through (IV)
14 shall include an actuarial opinion
15 from the Chief Actuary of the Centers
16 for Medicare & Medicaid Services
17 about the reasonableness of the meth-
18 ods, assumptions, and conclusions of
19 such evaluations and analyses. The
20 Secretary shall consult with the Medi-
21 care Payment Advisory Commission
22 and accept and consider comments of
23 stakeholders, such as managed care
24 organizations and beneficiary groups,
25 on such evaluation and analyses. The

1 Secretary shall complete such evalua-
2 tions and analyses in a manner that
3 permits the results to be applied for
4 plan years beginning with the second
5 plan year that begins after the date of
6 the enactment of this clause.

7 “(VI) IMPLEMENTATION OF RE-
8 VISIONS BASED ON EVALUATIONS.—If
9 the Secretary determines, based on
10 such an evaluation or analysis, that
11 revisions to the risk adjustment sys-
12 tem to address the matters described
13 in any of subclauses (II) through (IV)
14 would make the risk adjustment sys-
15 tem under this subparagraph better
16 reflect and appropriately weight for
17 the population that is served by the
18 plan, the Secretary shall, beginning
19 with 2017, and periodically thereafter,
20 make such revisions.

21 “(VII) PERIODIC REPORTING TO
22 CONGRESS.—With respect to plan
23 years beginning with 2017 and every
24 third year thereafter, the Secretary
25 shall submit to Congress a report on

1 the most recent revisions (if any)
2 made under this clause, including the
3 evaluations conducted under sub-
4 clauses (II) through (IV).

5 “(v) NO CHANGES TO ADJUSTMENT
6 FACTORS THAT PREVENT ACTIVITIES CON-
7 SISTENT WITH NATIONAL HEALTH POLICY
8 GOALS.—In making any changes to the ad-
9 justment factors, including adjustment for
10 health status under paragraph (3), the
11 Secretary shall ensure that the changes do
12 not prevent Medicare Advantage organiza-
13 tions from performing or undertaking ac-
14 tivities that are consistent with national
15 health policy goals, including activities to
16 promote early detection and better care co-
17 ordination, the use of health risk assess-
18 ments, care plans, and programs to slow
19 the progression of chronic diseases.

20 “(vi) OPPORTUNITY FOR REVIEW AND
21 PUBLIC COMMENT REGARDING CHANGES
22 TO ADJUSTMENT FACTORS.—For changes
23 to adjustment factors effective for 2017
24 and subsequent years, in addition to pro-
25 viding notice of such changes in the an-

1 nouncement under subsection (b)(2), the
2 Secretary shall provide an opportunity for
3 review of proposed changes of not less than
4 60 days and a public comment period of
5 not less than 30 days before implementing
6 such changes.”.

7 **SEC. 3. SENSE OF CONGRESS RELATING TO MEDICARE AD-**
8 **VANTAGE RISK ADJUSTMENT.**

9 It is the sense of Congress that—

10 (1) the Secretary of Health and Human Serv-
11 ices should periodically monitor and improve the
12 Medicare Advantage risk adjustment model to en-
13 sure that it accurately accounts for beneficiary risk,
14 including for those individuals with complex chronic
15 comorbid conditions;

16 (2) the Secretary should closely examine the
17 current Medicare Advantage risk adjustment meth-
18 odology to ensure that plans enrolling beneficiaries
19 with the greatest health care needs receive adequate
20 reimbursement to deliver high-quality care and other
21 services to help beneficiaries avoid costly complica-
22 tions and further progression of chronic conditions
23 and to the extent data indicate this to be the case,
24 the Secretary should make necessary adjustment to
25 the risk adjustment methodology; and

1 (3) the Secretary should reconsider the imple-
2 mentation of changes in the Medicare Advantage
3 risk adjustment methodology finalized for 2016 and
4 to use to the extent appropriate the methodology fi-
5 nalized in 2015 for one additional year.

○