

114TH CONGRESS
2D SESSION

S. 3191

To amend titles XVIII and XIX of the Social Security Act to improve the quality of health care furnished in rural areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2016

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

A BILL

To amend titles XVIII and XIX of the Social Security Act to improve the quality of health care furnished in rural areas, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Rural Health Care Quality Improvement Act of 2016”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—RURAL HEALTH CARE

Sec. 101. Establishment of core set of rural health care quality measures.

Sec. 102. Revisions to Medicare rural grants.

TITLE II—RURAL-BASED PAYMENT REFORMS

- Sec. 201. Integrating core set of rural health care quality measures into certain payment models.
- Sec. 202. Center for Medicare and Medicaid Innovation testing of providing financial incentives for rural providers of services and suppliers to submit data on quality measures.
- Sec. 203. Center for Medicare and Medicaid Innovation testing of value-based payment models for rural providers of services and suppliers.
- Sec. 204. Center for Medicare and Medicaid Innovation testing of hospital readmissions reduction program for rural hospitals.
- Sec. 205. Participation by rural health clinics and Federally qualified health centers in Comprehensive Primary Care Plus model.

TITLE III—IMPROVING RURAL REPRESENTATION

- Sec. 301. Inclusion of rural representation on CMS Rural Health Council.
- Sec. 302. Ensuring rural representation on the Medicare Payment Advisory Commission and the Medicaid and CHIP Payment and Access Commission.

1 **TITLE I—RURAL HEALTH CARE**2 **SEC. 101. ESTABLISHMENT OF CORE SET OF RURAL**
3 **HEALTH CARE QUALITY MEASURES.**

4 (a) IN GENERAL.—Title XVIII of the Social Security
5 Act (42 U.S.C. 1395 et seq.) is amended by inserting after
6 section 1890A the following new section:

7 “RURAL HEALTH CARE QUALITY MEASURES

8 “SEC. 1890B. (a) ESTABLISHMENT.—Not later than
9 January 1, 2018, the Secretary shall, using the process
10 described in section 1890(b)(7), establish a core set of rel-
11 evant quality measures that address the following with re-
12 spect to rural providers of services and suppliers who fur-
13 nish items and services to individuals in rural areas:

14 “(1) Improving patient outcomes, such as mor-
15 tality rates, hospital acquired infections, hospital re-
16 admissions, and other patient-reported outcomes.

1 “(2) Improving care coordination, transitions,
2 and medicine reconciliation.

3 “(3) Reducing costs.

4 “(4) Improving patient safety.

5 “(5) Use of preventive care services, including
6 immunizations and screening tests.

7 “(6) Improving care for individuals with chronic
8 disease, including cardiovascular disease, diabetes,
9 behavioral health, and other chronic conditions.

10 “(7) Other purposes specified by the Secretary.

11 “(b) ALIGNING MEASURES WITH EXISTING QUALITY
12 REPORTING REQUIREMENTS.—In establishing the core set
13 of quality measures under subsection (a), the Secretary
14 shall reduce reporting burdens for small rural providers
15 of services and suppliers (as determined by the Secretary)
16 by, to the extent practicable, ensuring that such quality
17 measures are consistent with measures applicable under
18 other quality and value-based payment reporting require-
19 ments under this title, as determined by the Secretary,
20 including the Merit-Based Incentive Payment System
21 under section 1848(q) and incentive payments for the
22 meaningful use of certified EHR technology under section
23 1886(b)(3)(B)(ix).

24 “(c) IMPLEMENTATION.—The provisions of para-
25 graphs (4) and (5) of section 1890A(a) shall apply to the

1 establishment of the core set of quality measures under
 2 subsection (a) in the same manner as such provisions
 3 apply to the selection of quality and efficiency measures
 4 described in section 1890(b)(7)(B).

5 “(d) ANNUAL UPDATING.—The Secretary shall,
 6 using the process described in section 1890A, review and
 7 update the core set of quality measures established under
 8 subsection (a) in accordance with section 1890A(c) to en-
 9 sure such quality measures remain reliable, scientifically
 10 valid, and appropriate for quality measurement pur-
 11 poses.”.

12 (b) CONFORMING AMENDMENT.—Section
 13 1890(b)(5)(A)(iv) of the Social Security Act (42 U.S.C.
 14 1395aaa(b)(5)(A)(iv)) is amended by inserting “and (be-
 15 ginning with 2019) rural health care quality measures
 16 under section 1890B” after “Public Health Service Act”.

17 **SEC. 102. REVISIONS TO MEDICARE RURAL GRANTS.**

18 (a) REAUTHORIZATION.—Section 1820(j) of the So-
 19 cial Security Act (42 U.S.C. 1395i-4(j)) is amended—

20 (1) by striking “APPROPRIATIONS.—There”
 21 and inserting the following: “APPROPRIATIONS.—

22 “(1) HI TRUST FUND.—There”; and

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

1 “(2) GENERAL REVENUES.—There are author-
2 ized to be appropriated, from amounts in the Treas-
3 ury not otherwise appropriated, for making grants to
4 all States under subsection (g), \$50,000,000 in each
5 of fiscal years 2017 through 2021, to remain avail-
6 able until expended.”.

7 (b) MEDICARE RURAL EMERGENCY MEDICAL SERV-
8 ICES GRANTS.—Section 1820(g)(2)(A) of the Social Secu-
9 rity Act (42 U.S.C. 1395i–4(g)(2)(A)) is amended by in-
10 serting the following before the period at the end: “, which
11 may include plans to support emergency medical transpor-
12 tation services, particularly in rural communities that have
13 lost their rural hospital”.

14 (c) GRANTS TO PROVIDE TECHNICAL ASSISTANCE
15 FOR QUALITY IMPROVEMENT REPORTING BY CRITICAL
16 ACCESS HOSPITALS.—Section 1820(g) of the Social Secu-
17 rity Act (42 U.S.C. 1395i–4(g)) is amended by adding at
18 the end the following new paragraph:

19 “(8) TECHNICAL ASSISTANCE FOR QUALITY IM-
20 PROVEMENT REPORTING BY CRITICAL ACCESS HOS-
21 PITALS.—

22 “(A) GRANTS.—The Secretary may award
23 grants to critical access hospitals that have sub-
24 mitted applications in accordance with subpara-
25 graph (B) for—

1 “(i) assisting such hospitals in estab-
2 lishing or expanding a quality improvement
3 reporting program; and

4 “(ii) supporting the provision of tech-
5 nical assistance for quality improvement
6 reporting.

7 “(B) APPLICATION.—A critical access hos-
8 pital seeking a grant under this paragraph shall
9 submit an application to the Secretary on or be-
10 fore such date and in such form and manner as
11 the Secretary specifies.

12 “(C) REPORTING REQUIREMENT IN ORDER
13 TO CONTINUE TO RECEIVE GRANTS AFTER SEC-
14 OND YEAR.—The Secretary may not award a
15 grant under this paragraph to a critical access
16 hospital for more than 2 years unless the hos-
17 pital agrees to submit, for each year after that
18 second year, such relevant quality data specified
19 by the Secretary, including data on rural health
20 care quality measures established under section
21 1890B, as appropriate.

22 “(D) AVAILABILITY TO PUBLIC.—The Sec-
23 retary shall establish procedures for making
24 data submitted under subparagraph (C) avail-
25 able to the public.

1 “(E) OPPORTUNITY TO REVIEW.—The pro-
 2 cedures established under subparagraph (D)
 3 shall ensure that a critical access hospital has
 4 the opportunity to review the data that are to
 5 be made public with respect to the hospital
 6 prior to such data being made public.

7 “(F) MEASURES.—The Secretary shall re-
 8 port quality measures of process, structure, out-
 9 come, patients’ perspective on care, efficiency,
 10 and costs of care that relate to services fur-
 11 nished in such hospitals on the Internet website
 12 of the Centers for Medicare & Medicaid Serv-
 13 ices.”.

14 **TITLE II—RURAL-BASED** 15 **PAYMENT REFORMS**

16 **SEC. 201. INTEGRATING CORE SET OF RURAL HEALTH** 17 **CARE QUALITY MEASURES INTO CERTAIN** 18 **PAYMENT MODELS.**

19 Section 1890B of the Social Security Act, as added
 20 by section 101, is amended by adding at the end the fol-
 21 lowing new subsection:

22 “(e) INCLUSION UNDER ALTERNATIVE PAYMENT
 23 MODELS AND VALUE-BASED DEMONSTRATION
 24 PROJECTS.—Effective beginning with calendar year or fis-
 25 cal year 2021, as applicable, the Secretary shall ensure

1 that rural health care quality measures established under
 2 this section are included in quality reporting under alter-
 3 native payment models and value-based payment dem-
 4 onstration projects under this title, as appropriate, includ-
 5 ing the shared savings program under section 1899 and
 6 the Merit-Based Incentive Payment System under section
 7 1848(q).”.

8 **SEC. 202. CENTER FOR MEDICARE AND MEDICAID INNOVA-**
 9 **TION TESTING OF PROVIDING FINANCIAL IN-**
 10 **CENTIVES FOR RURAL PROVIDERS OF SERV-**
 11 **ICES AND SUPPLIERS TO SUBMIT DATA ON**
 12 **QUALITY MEASURES.**

13 Section 1115A of the Social Security Act (42 U.S.C.
 14 1315a) is amended—

15 (1) in subsection (b)(2)(A), by adding at the
 16 end the following new sentence: “The models se-
 17 lected under this subparagraph shall include the
 18 model described in subsection (h).”; and

19 (2) by adding at the end the following new sub-
 20 section:

21 “(h) PROVIDING FINANCIAL INCENTIVES FOR RURAL
 22 PROVIDERS OF SERVICES AND SUPPLIERS TO SUBMIT
 23 DATA ON QUALITY MEASURES.—The Secretary shall test
 24 a model providing financial incentives to providers of serv-
 25 ices and suppliers located in rural areas to submit data

1 on applicable quality measures under title XVIII, includ-
2 ing rural health care quality measures established under
3 section 1890B.”.

4 **SEC. 203. CENTER FOR MEDICARE AND MEDICAID INNOVA-**
5 **TION TESTING OF VALUE-BASED PAYMENT**
6 **MODELS FOR RURAL PROVIDERS OF SERV-**
7 **ICES AND SUPPLIERS.**

8 Section 1115A of the Social Security Act (42 U.S.C.
9 1315a), as amended by section 202, is amended—

10 (1) in subsection (b)(2)(A), by striking “model
11 described in subsection (h)” and inserting “models
12 described in subsections (h) and (i)”; and

13 (2) by adding at the end the following new sub-
14 section:

15 “(i) **VALUE-BASED PAYMENT MODELS FOR RURAL**
16 **PROVIDERS OF SERVICES AND SUPPLIERS.**—The Sec-
17 retary shall test value-based payment models, including
18 value-based purchasing, for items and services furnished
19 by providers of services and suppliers located in rural
20 areas under title XVIII, including critical access hos-
21 pitals.”.

1 **SEC. 204. CENTER FOR MEDICARE AND MEDICAID INNOVA-**
 2 **TION TESTING OF HOSPITAL READMISSIONS**
 3 **REDUCTION PROGRAM FOR RURAL HOS-**
 4 **PITALS.**

5 Section 1115A of the Social Security Act (42 U.S.C.
 6 1315a), as amended by sections 202 and 203, is amend-
 7 ed—

8 (1) in subsection (b)(2)(A), by striking “and
 9 (i)” and inserting “, (i), and (j)”; and

10 (2) by adding at the end the following new sub-
 11 section:

12 “(j) HOSPITAL READMISSIONS REDUCTION PRO-
 13 GRAM FOR RURAL HOSPITALS.—The Secretary shall test
 14 a hospital readmissions reduction program under title
 15 XVIII for hospitals located in rural areas that are not oth-
 16 erwise subject to the program under section 1886(q).”.

17 **SEC. 205. PARTICIPATION BY RURAL HEALTH CLINICS AND**
 18 **FEDERALLY QUALIFIED HEALTH CENTERS IN**
 19 **COMPREHENSIVE PRIMARY CARE PLUS**
 20 **MODEL.**

21 Notwithstanding any other provision of law, the Sec-
 22 retary of Health and Human Services shall permit a rural
 23 health clinic (as defined in section 1861(aa)(2) of the So-
 24 cial Security Act (42 U.S.C. 1395x(aa)(2))) or a Federally
 25 qualified health center (as defined in section 1861(aa)(4)
 26 of such Act (42 U.S.C. 1395x(aa)(4))) to participate in

1 the Comprehensive Primary Care Plus model tested under
2 section 1115A of such Act (42 U.S.C. 1315a).

3 **TITLE III—IMPROVING RURAL**
4 **REPRESENTATION**

5 **SEC. 301. INCLUSION OF RURAL REPRESENTATION ON CMS**
6 **RURAL HEALTH COUNCIL.**

7 (a) IN GENERAL.—To the extent the Administrator
8 of the Centers for Medicare & Medicaid Services (in this
9 section referred to as the “Administrator”) establishes a
10 CMS Rural Health Council, the Administrator shall en-
11 sure that such Council includes external stakeholders who
12 have objective rural health expertise, such as representa-
13 tives of rural health research centers, quality improvement
14 organizations, and State offices of rural health, who shall
15 serve in an ex officio capacity as nonvoting members.

16 (b) COLLABORATION WITH HEALTH CARE PAYMENT
17 LEARNING AND ACTION NETWORK.—The Council de-
18 scribed in subsection (a) shall, to the extent practicable,
19 work in collaboration with the Health Care Payment
20 Learning and Action Network within the Department of
21 Health and Human Services.

1 **SEC. 302. ENSURING RURAL REPRESENTATION ON THE**
2 **MEDICARE PAYMENT ADVISORY COMMISSION**
3 **AND THE MEDICAID AND CHIP PAYMENT AND**
4 **ACCESS COMMISSION.**

5 (a) **MEDICARE PAYMENT ADVISORY COMMISSION.**—

6 (1) **IN GENERAL.**—Section 1805(c)(2)(A) of the
7 Social Security Act (42 U.S.C. 1395b–6(c)(2)(A)) is
8 amended by inserting the following before the period
9 at the end: “, including at least two members who
10 represent a rural area”.

11 (2) **APPLICABLE TO FUTURE APPOINTMENTS.**—

12 Any appointment to the Medicare Payment Advisory
13 Commission made by the Comptroller General of the
14 United States after the date of enactment of this
15 Act shall be made in a manner that complies with
16 the requirements of section 1805(c)(2)(A) of the So-
17 cial Security Act, as amended by paragraph (1).

18 (b) **MEDICAID AND CHIP PAYMENT AND ACCESS**
19 **COMMISSION.**—

20 (1) **IN GENERAL.**—Section 1900(c)(2)(A) of the
21 Social Security Act (42 U.S.C. 1396(c)(2)(A)) is
22 amended by inserting the following before the period
23 at the end: “, including at least two members who
24 represent a rural area”.

25 (2) **APPLICABLE TO FUTURE APPOINTMENTS.**—

26 Any appointment to the Medicaid and CHIP Pay-

1 ment and Access Commission made by the Comp-
2 troller General of the United States after the date
3 of enactment of this Act shall be made in a manner
4 that complies with the requirements of section
5 1900(e)(2)(A) of the Social Security Act, as amend-
6 ed by paragraph (1).

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