

114TH CONGRESS  
1ST SESSION

# H. R. 1418

To amend part B of the title XVIII of the Social Security Act to apply deemed enrollment to residents of Puerto Rico and to provide a special enrollment period and a reduction in the late enrollment penalties for certain residents of Puerto Rico.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2015

Mr. PIERLUISI 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

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## A BILL

To amend part B of the title XVIII of the Social Security Act to apply deemed enrollment to residents of Puerto Rico and to provide a special enrollment period and a reduction in the late enrollment penalties for certain residents of Puerto Rico.

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 “Puerto Rico Medicare  
5 Part B Equity Act of 2015”.

1 **SEC. 2. APPLICATION OF PART B DEEMED ENROLLMENT**  
2 **PROCESS TO RESIDENTS OF PUERTO RICO;**  
3 **SPECIAL ENROLLMENT PERIOD AND LIMIT**  
4 **ON LATE ENROLLMENT PENALTIES.**

5 (a) APPLICATION OF PART B DEEMED ENROLLMENT  
6 PROCESS TO RESIDENTS OF PUERTO RICO.—Section  
7 1837(f)(3) of the Social Security Act (42 U.S.C.  
8 1395p(f)(3)) is amended by striking “, exclusive of Puerto  
9 Rico”.

10 (b) EFFECTIVE DATE.—The amendment made by  
11 subsection (a) shall apply to individuals whose initial en-  
12 rollment period under section 1837(d) of the Social Secu-  
13 rity Act begins on or after the first day of the effective  
14 month, specified by the Secretary of Health and Human  
15 Services under section 1839(j)(1)(C) of such Act, as added  
16 by subsection (c)(2).

17 (c) TRANSITION PROVIDING SPECIAL ENROLLMENT  
18 PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES  
19 FOR CERTAIN MEDICARE BENEFICIARIES.—Section 1839  
20 of the Social Security Act (42 U.S.C. 1395r) is amend-  
21 ed—

22 (1) in the first sentence of subsection (b), by in-  
23 serting “subject to section 1839(j)(2),” after “sub-  
24 section (i)(4) or (l) of section 1837,”; and

25 (2) by adding at the end the following new sub-  
26 section:

1       “(j) SPECIAL RULES FOR CERTAIN RESIDENTS OF  
2 PUERTO RICO.—

3               “(1) SPECIAL ENROLLMENT PERIOD, COVERAGE  
4 PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT  
5 NOT ENROLLED.—

6               “(A) IN GENERAL.—In the case of a tran-  
7 sition individual (as defined in paragraph (3))  
8 who is not enrolled under this part as of the  
9 day before the first day of the effective month  
10 (as defined in subparagraph (C)), the Secretary  
11 shall provide for a special enrollment period  
12 under section 1837 of 7 months beginning with  
13 such effective month during which the indi-  
14 vidual may be enrolled under this part.

15               “(B) COVERAGE PERIOD.—In the case of  
16 such an individual who enrolls during such spe-  
17 cial enrollment period, the coverage period  
18 under section 1838 shall begin on the first day  
19 of the second month after the month in which  
20 the individual enrolls.

21               “(C) EFFECTIVE MONTH DEFINED.—In  
22 this section, the term ‘effective month’ means a  
23 month, not earlier than October 2016 and not  
24 later than January 2017, specified by the Sec-  
25 retary.

1           “(2) REDUCTION IN LATE ENROLLMENT PEN-  
2           ALTIES FOR CURRENT ENROLLEES AND INDIVID-  
3           UALS ENROLLING DURING TRANSITION.—

4           “(A) IN GENERAL.—In the case of a tran-  
5           sition individual who is enrolled under this part  
6           as of the day before the first day of the effec-  
7           tive month or who enrolls under this part on or  
8           after the date of the enactment of this sub-  
9           section but before the end of the special enroll-  
10          ment period under paragraph (1)(A), the  
11          amount of the late enrollment penalty imposed  
12          under section 1839(b) shall be recalculated by  
13          reducing the penalty to 15 percent of the pen-  
14          alty otherwise established.

15          “(B) APPLICATION.—Subparagraph (A)  
16          shall be applied in the case of a transition indi-  
17          vidual who—

18                 “(i) is enrolled under this part as of  
19                 the month before the effective month, for  
20                 premiums for months beginning with such  
21                 effective month; or

22                 “(ii) enrolls under this part on or  
23                 after the date of the enactment of this Act  
24                 and before the end of the special enroll-  
25                 ment period under paragraph (1)(A), for

1 premiums for months during the coverage  
2 period under this part which occur during  
3 or after the effective month.

4 “(C) LOSS OF REDUCTION IF INDIVIDUAL  
5 TERMINATES ENROLLMENT.—Subparagraph  
6 (A) shall not apply to a transition individual if  
7 the individual terminates enrollment under this  
8 part after the end of the special enrollment pe-  
9 riod under paragraph (1).

10 “(3) TRANSITION INDIVIDUAL DEFINED.—In  
11 this section, the term ‘transition individual’ means  
12 an individual who resides in Puerto Rico and who  
13 would have been deemed enrolled under this part  
14 pursuant to section 1837(f) before the first day of  
15 the effective month but for the fact that the indi-  
16 vidual was a resident of Puerto Rico, regardless of  
17 whether the individual is enrolled under this part as  
18 of such first day.”.

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