

Union Calendar No. 116

114TH CONGRESS
1ST SESSION

H. R. 2579

[Report No. 114–160, Part I]

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 HOUSE OF REPRESENTATIVES

MAY 29, 2015

Mrs. BLACK (for herself, Mr. BLUMENAUER, Mr. GUTHRIE, and Mr. LOEBSACK) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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

JUNE 16, 2015

Additional sponsor: Ms. SINEMA

JUNE 16, 2015

Reported from the Committee on Ways and Means with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

JUNE 16, 2015

The Committee on Energy and Commerce discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on May 29, 2015]

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:*

10 “(iv) *EVALUATION AND SUBSEQUENT*
11 *REVISION OF THE RISK ADJUSTMENT SYS-*
12 *TEM TO ACCOUNT FOR CHRONIC CONDITIONS*
13 *AND OTHER FACTORS FOR THE PURPOSE OF*
14 *MAKING THE RISK ADJUSTMENT SYSTEM*
15 *MORE ACCURATE, TRANSPARENT, AND REG-*
16 *ULARLY UPDATED.—*

17 “(I) *REVISION BASED ON NUMBER*
18 *OF CHRONIC CONDITIONS.—The Sec-*
19 *retary shall revise for 2017 and peri-*
20 *odically thereafter, the risk adjustment*
21 *system under this subparagraph so*
22 *that a risk score under such system,*
23 *with respect to an individual, takes*
24 *into account the number of chronic*

1 *conditions with which the individual*
2 *has been diagnosed.*

3 “(II) *EVALUATION OF DIFFERENT*
4 *RISK ADJUSTMENT MODELS.—The Sec-*
5 *retary shall evaluate the impact of in-*
6 *cluding two years of data to compare*
7 *the models used to determine risk*
8 *scores for 2013 and 2014 under such*
9 *system.*

10 “(III) *EVALUATION AND ANALYSIS*
11 *ON CHRONIC KIDNEY DISEASE (CKD)*
12 *CODES.—The Secretary shall evaluate*
13 *the impact of removing the diagnosis*
14 *codes related to chronic kidney disease*
15 *in the 2014 risk adjustment model and*
16 *conduct an analysis of best practices of*
17 *MA plans to slow disease progression*
18 *related to chronic kidney disease.*

19 “(IV) *EVALUATION AND REC-*
20 *COMMENDATIONS ON USE OF ENCOUN-*
21 *TER DATA.—The Secretary shall evalu-*
22 *ate the impact of including 10 percent*
23 *of encounter data in computing pay-*
24 *ment for 2016 and the readiness of the*
25 *Centers for Medicare & Medicaid Serv-*

1 *ices to incorporate encounter data in*
2 *risk scores. In conducting such evalua-*
3 *tion, the Secretary shall use data col-*
4 *lected as encounter data on or after*
5 *January 1, 2012, shall analyze such*
6 *data for accuracy and completeness*
7 *and issue recommendations for im-*
8 *proving such accuracy and complete-*
9 *ness, and shall not increase the per-*
10 *centage of such encounter data used*
11 *unless the Secretary releases the data*
12 *publicly, indicates how such data will*
13 *be weighted in computing the risk*
14 *scores, and ensures that the data re-*
15 *fects the degree and cost of care coordi-*
16 *nation under MA plans.*

17 *“(V) CONDUCT OF EVALUA-*
18 *TIONS.—Evaluations and analyses*
19 *under subclause (II) through (IV) shall*
20 *include an actuarial opinion from the*
21 *Chief Actuary of the Centers for Medi-*
22 *care & Medicaid Services about the*
23 *reasonableness of the methods, assump-*
24 *tions, and conclusions of such evalua-*
25 *tions and analyses. The Secretary shall*

1 *consult with the Medicare Payment*
2 *Advisory Commission and accept and*
3 *consider comments of stakeholders, such*
4 *as managed care organizations and*
5 *beneficiary groups, on such evaluation*
6 *and analyses. The Secretary shall com-*
7 *plete such evaluations and analyses in*
8 *a manner that permits the results to be*
9 *applied for plan years beginning with*
10 *the second plan year that begins after*
11 *the date of the enactment of this clause.*

12 “(VI) *IMPLEMENTATION OF REVI-*
13 *SIONS BASED ON EVALUATIONS.—If the*
14 *Secretary determines, based on such an*
15 *evaluation or analysis, that revisions*
16 *to the risk adjustment system to ad-*
17 *dress the matters described in any of*
18 *subclauses (II) through (IV) would*
19 *make the risk adjustment system under*
20 *this subparagraph better reflect and*
21 *appropriately weight for the popu-*
22 *lation that is served by the plan, the*
23 *Secretary shall, beginning with 2017,*
24 *and periodically thereafter, make such*
25 *revisions.*

1 “(VII) *PERIODIC REPORTING TO*
2 *CONGRESS.—With respect to plan*
3 *years beginning with 2017 and every*
4 *third year thereafter, the Secretary*
5 *shall submit to Congress a report on*
6 *the most recent revisions (if any) made*
7 *under this clause, including the evalua-*
8 *tions conducted under subclauses (II)*
9 *through (IV).*

10 “(v) *NO CHANGES TO ADJUSTMENT*
11 *FACTORS THAT PREVENT ACTIVITIES CON-*
12 *SISTENT WITH NATIONAL HEALTH POLICY*
13 *GOALS.—In making any changes to the ad-*
14 *justment factors, including adjustment for*
15 *health status under paragraph (3), the Sec-*
16 *retary shall ensure that the changes do not*
17 *prevent Medicare Advantage organizations*
18 *from performing or undertaking activities*
19 *that are consistent with national health pol-*
20 *icy goals, including activities to promote*
21 *early detection and better care coordination,*
22 *the use of health risk assessments, care*
23 *plans, and programs to slow the progression*
24 *of chronic diseases.*

1 “(vi) *OPPORTUNITY FOR REVIEW AND*
2 *PUBLIC COMMENT REGARDING CHANGES TO*
3 *ADJUSTMENT FACTORS.—For changes to ad-*
4 *justment factors effective for 2017 and sub-*
5 *sequent years, in addition to providing no-*
6 *tice of such changes in the announcement*
7 *under subsection (b)(2), the Secretary shall*
8 *provide an opportunity for review of pro-*
9 *posed changes of not less than 60 days and*
10 *a public comment period of not less than 30*
11 *days before implementing such changes.”.*

12 **SEC. 3. SENSE OF CONGRESS.**

13 *It is the sense of Congress that—*

14 (1) *the Centers for Medicare & Medicaid Services*
15 *has inadvertently created a star rating system under*
16 *section 1853(o)(4) of the Social Security Act (42*
17 *U.S.C. 1395w–23(o)(4)) for Medicare Advantage*
18 *plans that lacks proper accounting for the socio-*
19 *economic status of enrollees in such plans and the ex-*
20 *tent to which such plans serve individuals who are*
21 *also eligible for medical assistance under title XIX of*
22 *such Act; and*

23 (2) *Congress will work with the Centers for*
24 *Medicare & Medicaid Services and stakeholders, in-*
25 *cluding beneficiary groups and managed care organi-*

1 *zations, to ensure that such rating system properly*
2 *accounts for the socioeconomic status of enrollees in*
3 *such plans and the extent to which such plans serve*
4 *such individuals described in paragraph (1).*

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