

113TH CONGRESS
2D SESSION

H. R. 5152

To save the Federal Government money by reducing duplication and increasing efficiency, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 17, 2014

Mr. MURPHY of Florida (for himself, Mr. JOLLY, Mr. SWALWELL of California, Mr. RICE of South Carolina, Ms. KUSTER, Mr. MEADOWS, Ms. SINEMA, Mr. MULVANEY, Mr. GARCIA, Mr. RUIZ, Ms. GABBARD, and Mr. MATHESON) introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committees on Energy and Commerce, Armed Services, Ways and Means, and Veterans' Affairs, 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 save the Federal Government money by reducing duplication and increasing efficiency, 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 “Savings, Accountability, Value, and Efficiency III Act of
6 2014”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Software license management.
- Sec. 3. United States Postal Service fleet efficiency.
- Sec. 4. Government computer energy optimization.
- Sec. 5. Removal of benefits for Federal employee convicted of certain offenses.
- Sec. 6. Codification of Office of Management and Budget criteria.
- Sec. 7. Increase energy efficiency of Federal buildings.
- Sec. 8. Reduce redundant health payments for seniors.
- Sec. 9. Efficient Medicare billing.

3 **SEC. 2. SOFTWARE LICENSE MANAGEMENT.**

4 (a) SOFTWARE LICENSE POLICIES REQUIRED.—Not
5 later than 6 months after the date of the enactment of
6 this Act, the Director of the Office of Management and
7 Budget shall issue software licensing policies for agencies
8 to follow that include the following:

9 (1) An identification of clear roles, responsibil-
10 ities, and central oversight authority within each
11 agency for managing enterprise software license
12 agreements.

13 (2) A requirement that each agency establish
14 an accurate inventory of enterprise software license
15 agreements by identifying and collecting information
16 about software license agreements using automated
17 discovery and inventory tools.

18 (3) A requirement that each agency regularly
19 track and maintain software licenses to assist the
20 agency in implementing decisions throughout the
21 software license management life cycle.

1 (4) A requirement that each agency analyze
2 software usage and other data to make cost-effective
3 decisions.

4 (5) A requirement that each agency provide
5 training relevant to software license management.

6 (6) A requirement that each agency establish
7 goals and objectives to better manage enterprise
8 software license agreements.

9 (7) A requirement that each agency consider
10 the software license management life-cycle phases
11 (including requisition, reception, deployment and
12 maintenance, retirement, and disposal phases) to im-
13 plement effective decisionmaking and incorporate ex-
14 isting standards, processes, and metrics.

15 (b) AGENCY DEFINED.—In this section, the term
16 “agency” has the meaning given that term in section 551
17 of title 5, United States Code.

18 **SEC. 3. UNITED STATES POSTAL SERVICE FLEET EFFI-**
19 **CIENCY.**

20 (a) PURPOSES.—The purposes of this section are to
21 provide for the upgrade of the vehicle fleet of the United
22 States Postal Service, to improve mail delivery services to
23 benefit customers and the environment, to increase sav-
24 ings by reducing maintenance or other costs, and to set
25 benchmarks to maximize fuel economy and reduce emis-

1 sions for the Postal fleet with the goal of making the Post-
2 al Service a national leader in efficiency and technology
3 innovation.

4 (b) AUTHORITY TO ENTER INTO ENERGY SAVINGS
5 PERFORMANCE CONTRACTS.—Section 804(4) of the Na-
6 tional Energy Conservation Policy Act (42 U.S.C.
7 8287c(4)) is amended—

8 (1) in subparagraph (A), by striking “or” after
9 the semicolon;

10 (2) in subparagraph (B), by striking the period
11 at the end and inserting “; or”; and

12 (3) by adding at the end the following new sub-
13 paragraph:

14 “(C) in the case of a contract in which the
15 United States Postal Service is a party—

16 “(i) the purchase or lease of low emis-
17 sion and fuel efficient vehicles;

18 “(ii) a measure to upgrade a vehicle
19 owned, operated, leased, or otherwise con-
20 trolled by or assigned to the United States
21 Postal Service to increase average fuel
22 economy and reduce the emissions of car-
23 bon dioxide of such vehicle; or

24 “(iii) the construction of infrastruc-
25 ture, including electric vehicle charging

1 stations, to support vehicles described in
2 clauses (i) and (ii).”.

3 (c) UPGRADE OF POSTAL FLEET.—

4 (1) POSTAL FLEET REQUIREMENTS.—

5 (A) MOTOR VEHICLE STANDARDS.—The
6 Postmaster General shall develop guidelines for
7 contracted vehicles and vehicles purchased or
8 leased for use by the Postal Service, that, at a
9 minimum, provide—

10 (i) for light-duty vehicles—

11 (I) that emissions of carbon diox-
12 ide comply with applicable standards
13 developed by the Environmental Pro-
14 tection Agency under title II of the
15 Clean Air Act (42 U.S.C. 7521 et
16 seq.) and may not exceed, on average,
17 250 grams per mile; and

18 (II) to meet applicable average
19 fuel economy standards developed by
20 the National Highway Traffic Safety
21 Administration under chapter 329 of
22 title 49, United States Code, of 34.1
23 miles per gallon; and

1 (ii) for medium-duty and heavy-duty
2 vehicles, that comply with applicable stand-
3 ards—

4 (I) for emissions of carbon diox-
5 ide developed by the Environmental
6 Protection Agency under title II of
7 the Clean Air Act (42 U.S.C. 7521 et
8 seq.); and

9 (II) for average fuel economy de-
10 veloped by the National Highway
11 Traffic Safety Administration under
12 chapter 329 of title 49, United States
13 Code.

14 (B) APPLICABILITY.—The standards de-
15 scribed in subparagraph (A) shall apply to con-
16 tracted vehicles and vehicles purchased or
17 leased for use by the Postal Service after the
18 date that is 1 year after the date of the enact-
19 ment of this Act.

20 (C) REDUCTION IN CONSUMPTION OF PE-
21 TROLEUM PRODUCTS.—The Postmaster General
22 shall reduce the total consumption of petroleum
23 products by vehicles in the Postal fleet by a
24 minimum of 2 percent annually through the end

1 of fiscal year 2025, relative to the baseline es-
2 tablished for fiscal year 2005.

3 (2) REPLACING VEHICLES WITHIN THE POSTAL
4 FLEET.—The Postmaster General shall conduct a
5 cost-benefit analysis of vehicles in the Postal fleet to
6 determine if the cost to maintain any such vehicle
7 outweighs the benefit or savings of replacing the ve-
8 hicle.

9 (3) ROUTE REQUIREMENTS.—To inform and
10 prioritize purchases, the Postmaster General shall
11 review and identify Postal delivery routes to deter-
12 mine if motor vehicles used on such routes can be
13 replaced with technologies that increase average fuel
14 economy or reduce emissions of carbon dioxide.

15 (4) REPORTING REQUIREMENTS.—The Post-
16 master General shall submit a report to Congress—

17 (A) not later than 1 year after the date of
18 the enactment of this Act, that contains a plan
19 to achieve the requirements of paragraph (1)
20 and recommendations for vehicle body design
21 specifications for vehicles purchased for the
22 Postal fleet that would increase average fuel
23 economy and reduce emissions of carbon dioxide
24 of any such vehicle; and

25 (B) annually, that describes—

1 (i) the progress in meeting the annual
2 target described in paragraph (1)(C); and

3 (ii) any changes to Postal delivery
4 routes or vehicle purchase strategies made
5 pursuant to paragraph (3).

6 (5) RESTRICTIONS.—To meet the requirements
7 of this section, the Postmaster General may not—

8 (A) reduce the frequency of delivery of
9 mail to fewer than 6 days each week;

10 (B) close post offices or postal distribution
11 facilities;

12 (C) take any action that would restrict or
13 diminish a collective bargaining agreement or
14 eliminate or reduce any employee benefits; or

15 (D) enter into a contract with a private
16 company to perform duties that, as of the date
17 of the enactment of this Act, are performed by
18 bargaining unit employees.

19 (d) DEFINITIONS.—In this section:

20 (1) CONTRACTED VEHICLE.—The term “con-
21 tracted vehicle”—

22 (A) means any motor vehicle used in car-
23 rying out a contract for surface mail delivery
24 pursuant to section 5005(a)(3) of title 39,
25 United States Code; and

1 (B) does not include any motor vehicle
2 used in carrying out a contract for surface mail
3 delivery pursuant to sections 406 and 407 of
4 such title.

5 (2) MOTOR VEHICLE.—The term “motor vehi-
6 cle” means any self-propelled vehicle designed for
7 transporting persons or property on a street or high-
8 way.

9 (3) POSTAL DELIVERY ROUTE.—The term
10 “Postal delivery route” means the transportation
11 route for surface mail delivery.

12 (4) POSTAL FLEET.—The term “Postal fleet”
13 means any vehicle that is owned, operated, leased, or
14 otherwise controlled by or assigned to the Postal
15 Service.

16 (5) POSTAL SERVICE.—The term “Postal Serv-
17 ice” means the United States Postal Service.

18 **SEC. 4. GOVERNMENT COMPUTER ENERGY OPTIMIZATION.**

19 (a) AGENCY REQUIREMENT TO SHUT DOWN COM-
20 PUTERS.—Except as provided in subsection (b), not later
21 than 6 months after the date of the enactment of this Act,
22 the head of each agency shall make all reasonable efforts
23 to ensure that desktop computers are shut down for at
24 least 4 hours out of every 24-hour time period.

1 (b) EXCEPTION.—The requirement in subsection (a)
2 shall not apply to—

3 (1) desktop computers that are used by a per-
4 son for 16 or more hours per day; and

5 (2) computers that perform automated func-
6 tions essential to the agency for 16 or more hours
7 per day.

8 (c) AGENCY DEFINED.—In this section, the term
9 “agency” has the meaning given that term in section 551
10 of title 5, United States Code.

11 **SEC. 5. REMOVAL OF BENEFITS FOR FEDERAL EMPLOYEE**
12 **CONVICTED OF CERTAIN OFFENSES.**

13 (a) IN GENERAL.—Notwithstanding any other provi-
14 sion of law, an individual may not be paid an annuity
15 under chapter 83 or 84 (as the case may be) of title 5,
16 United States Code, if the individual is convicted of an
17 offense described under section 8332(o)(2)(B) of such
18 title, committed after the date of enactment of this Act,
19 for which every act or omission of the individual that is
20 needed to satisfy the elements of the offense directly re-
21 lates to the performance of the individual’s official duties.

22 (b) CREDIT OF SERVICE.—Any such individual shall
23 be entitled to be paid any amounts contributed by the indi-
24 vidual towards the annuity during the period of service

1 covered by subsection (a), pursuant to, or in a similar
2 manner as, the terms of section 8316 of such title.

3 (c) THRIFT SAVINGS PLAN.—

4 (1) EMPLOYING AGENCY CONTRIBUTIONS.—Any
5 contributions made under section 8432 of such title
6 by an employing agency for the benefit of an indi-
7 vidual convicted of an offense described in sub-
8 section (a) shall be forfeited. Such contributions
9 shall be returned to the general fund of the Treas-
10 ury.

11 (2) EMPLOYEE CONTRIBUTIONS.—Any con-
12 tributions made by the individual pursuant to sec-
13 tion 8432 of such title shall be payable to the indi-
14 vidual, upon application of such individual.

15 (3) COMPUTATION.—The computation of
16 amounts required by paragraphs (1) and (2) shall be
17 made on the date of the conviction of the individual
18 and shall consist of the value of the contributions,
19 including interest accrued, on such date.

20 (d) REGULATIONS.—The Director of the Office of
21 Personnel Management shall prescribe any regulations
22 necessary to carry out this section.

1 **SEC. 6. CODIFICATION OF OFFICE OF MANAGEMENT AND**
2 **BUDGET CRITERIA.**

3 The Secretary of Defense shall implement the fol-
4 lowing criteria in requests for overseas contingency oper-
5 ations:

6 (1) For theater of operations for non-classified
7 war overseas contingency operations funding, the ge-
8 ographic areas in which combat or direct combat
9 support operations occur are: Iraq, Afghanistan,
10 Pakistan, Kazakhstan, Tajikistan, Kyrgyzstan, the
11 Horn of Africa, Persian Gulf and Gulf nations, the
12 Arabian Sea, the Indian Ocean, the Philippines, and
13 other countries on a case-by-case basis.

14 (2) Permitted Inclusions in the Overseas Con-
15 tingency Operation Budget:

16 (A) Major Equipment:

17 (i) Replacement of losses that have
18 occurred but only for items not already
19 programmed for replacement in the Future
20 Years Defense Plan (FYDP), but not in-
21 cluding accelerations, which must be made
22 in the base budget.

23 (ii) Replacement or repair to original
24 capability (to upgraded capability if that is
25 currently available) of equipment returning
26 from theater. The replacement may be a

1 similar end item if the original item is no
2 longer in production. Incremental cost of
3 non-war related upgrades, if made, should
4 be included in the base.

5 (iii) Purchase of specialized, theater-
6 specific equipment.

7 (iv) Funding for major equipment
8 must be obligated within 12 months.

9 (B) Ground Equipment Replacement:

10 (i) For combat losses and returning
11 equipment that is not economical to repair,
12 the replacement of equipment may be given
13 to coalition partners, if consistent with ap-
14 proved policy.

15 (ii) In-theater stocks above customary
16 equipping levels on a case-by-case basis.

17 (C) Equipment Modifications:

18 (i) Operationally required modifica-
19 tions to equipment used in theater or in di-
20 rect support of combat operations and that
21 is not already programmed in FYDP.

22 (ii) Funding for equipment modifica-
23 tions must be able to be obligated in 12
24 months.

25 (D) Munitions:

1 (i) Replenishment of munitions ex-
2 pended in combat operations in theater.

3 (ii) Training ammunition for theater-
4 unique training events.

5 (iii) While forecasted expenditures are
6 not permitted, a case-by-case assessment
7 for munitions where existing stocks are in-
8 sufficient to sustain theater combat oper-
9 ations.

10 (E) Aircraft Replacement:

11 (i) Combat losses by accident that
12 occur in the theater of operations.

13 (ii) Combat losses by enemy action
14 that occur in the theater of operations.

15 (F) Military Construction:

16 (i) Facilities and infrastructure in the
17 theater of operations in direct support of
18 combat operations. The level of construc-
19 tion should be the minimum to meet oper-
20 ational requirements.

21 (ii) At non-enduring locations, facili-
22 ties and infrastructure for temporary use.

23 (iii) At enduring locations, facilities
24 and infrastructure for temporary use.

1 (iv) At enduring locations, construc-
2 tion requirements must be tied to surge
3 operations or major changes in operational
4 requirements and will be considered on a
5 case-by-case basis.

6 (G) Research and development projects for
7 combat operations in these specific theaters
8 that can be delivered in 12 months.

9 (H) Operations:

10 (i) Direct war costs:

11 (I) Transport of personnel,
12 equipment, and supplies to, from and
13 within the theater of operations.

14 (II) Deployment-specific training
15 and preparation for units and per-
16 sonnel (military and civilian) to as-
17 sume their directed missions as de-
18 fined in the orders for deployment
19 into the theater of operations.

20 (ii) Within the theater, the incre-
21 mental costs above the funding pro-
22 grammed in the base budget to:

23 (I) Support commanders in the
24 conduct of their directed missions (to

1 include Emergency Response Pro-
2 grams).

3 (II) Build and maintain tem-
4 porary facilities.

5 (III) Provide food, fuel, supplies,
6 contracted services and other support.

7 (IV) Cover the operational costs
8 of coalition partners supporting U.S.
9 military missions, as mutually agreed.

10 (iii) Indirect war costs incurred out-
11 side the theater of operations will be evalu-
12 ated on a case-by-case basis.

13 (I) Health:

14 (i) Short-term care directly related to
15 combat.

16 (ii) Infrastructure that is only to be
17 used during the current conflict.

18 (J) Personnel:

19 (i) Incremental special pays and al-
20 lowances for servicemembers and civilians
21 deployed to a combat zone.

22 (ii) Incremental pay, special pays and
23 allowances for Reserve Component per-
24 sonnel mobilized to support war missions.

25 (K) Special Operations Command:

1 (i) Operations that meet the criteria
2 in this guidance.

3 (ii) Equipment that meets the criteria
4 in this guidance.

5 (L) Prepositioned supplies and equipment
6 for resetting in-theater stocks of supplies and
7 equipment to pre-war levels.

8 (M) Security force funding to train, equip,
9 and sustain Iraqi and Afghan military and po-
10 lice forces.

11 (N) Fuel:

12 (i) War fuel costs and funding to en-
13 sure that logistical support to combat oper-
14 ations is not degraded due to cash losses
15 in the Department of Defense's baseline
16 fuel program.

17 (ii) Enough of any base fuel shortfall
18 attributable to fuel price increases to main-
19 tain sufficient on-hand cash for the De-
20 fense Working Capital Funds to cover
21 seven days disbursements.

22 (3) Excluded items from Overseas Contingency
23 Funding that must be funded from the base budget:

24 (A) Training vehicles, aircraft, ammuni-
25 tion, and simulators, but not training base

1 stocks of specialized, theater-specific equipment
2 that is required to support combat operations in
3 the theater of operations, and support to de-
4 ployment-specific training described above.

5 (B) Acceleration of equipment service life
6 extension programs already in the Future Years
7 Defense Plan.

8 (C) Base Realignment and Closure
9 projects.

10 (D) Family support initiatives:

11 (i) Construction of childcare facilities.

12 (ii) Funding for private-public part-
13 nerships to expand military families' access
14 to childcare.

15 (iii) Support for servicemembers'
16 spouses' professional development.

17 (E) Programs to maintain industrial base
18 capacity including "war-stoppers".

19 (F) Personnel:

20 (i) Recruiting and retention bonuses
21 to maintain end-strength.

22 (ii) Basic Pay and the Basic allow-
23 ances for Housing and Subsistence for per-
24 manently authorized end strength.

1 (iii) Individual augmentees on a case-
2 by-case basis.

3 (G) Support for the personnel, operations,
4 or the construction or maintenance of facilities
5 at United States Offices of Security Coopera-
6 tion in theater.

7 (H) Costs for reconfiguring prepositioned
8 supplies and equipment or for maintaining
9 them.

10 (4) Items proposed for increases in
11 reprogrammings or as payback for prior
12 reprogrammings must meet the criteria above.

13 **SEC. 7. INCREASE ENERGY EFFICIENCY OF FEDERAL**
14 **BUILDINGS.**

15 (a) FINDINGS.—Congress finds the following:

16 (1) Private sector funding and expertise can
17 help address the energy efficiency challenges facing
18 the United States.

19 (2) The Federal Government spends more than
20 \$6 billion annually in energy costs.

21 (3) Reducing Federal energy costs can help
22 save money, create jobs, and reduce waste.

23 (4) Energy savings performance contracts and
24 utility energy savings contracts are tools for utilizing

1 private sector investment to upgrade Federal facili-
2 ties without any up-front cost to the taxpayer.

3 (5) Performance contracting is a way to retrofit
4 Federal buildings using private sector investment in
5 the absence of appropriated dollars. Retrofits seek to
6 reduce energy use, improve infrastructure, protect
7 national security, and cut facility operations and
8 maintenance costs.

9 (b) USE OF ENERGY AND WATER EFFICIENCY
10 MEASURES IN FEDERAL BUILDINGS.—

11 (1) IMPLEMENTATION OF IDENTIFIED ENERGY
12 AND WATER EFFICIENCY MEASURES.—Section
13 543(f)(4) of the National Energy Conservation Pol-
14 icy Act (42 U.S.C. 8253(f)(4)) is amended to read
15 as follows:

16 “(4) IMPLEMENTATION OF IDENTIFIED ENERGY
17 AND WATER EFFICIENCY MEASURES.—

18 “(A) IN GENERAL.—Not later than 2 years
19 after the completion of each evaluation under
20 paragraph (3), each energy manager shall con-
21 sider—

22 “(i) implementing any energy- or
23 water-saving or conservation measure that
24 the Federal agency identified in the evalua-

1 tion conducted under paragraph (3) that is
2 life cycle cost-effective; and

3 “(ii) bundling individual measures of
4 varying paybacks together into combined
5 projects.

6 “(B) MEASURES NOT IMPLEMENTED.—
7 The energy manager, as part of the certification
8 system under paragraph (7) and using guide-
9 lines developed by the Secretary, shall provide
10 reasons for not implementing any life cycle
11 cost-effective measures under subparagraph
12 (A).”.

13 (2) ANNUAL CONTRACTING GOAL.—Section
14 543(f)(10)(C) of the National Energy Conservation
15 Policy Act (42 U.S.C. 8253(f)(10)(C)) is amended—

16 (A) by striking “Each Federal agency”
17 and inserting the following:

18 “(i) IN GENERAL.—Each Federal
19 agency”; and

20 (B) by adding at the end the following new
21 clauses:

22 “(ii) TRACKING.—Each Federal agen-
23 cy shall use the benchmarking systems se-
24 lected or developed for the agency under
25 paragraph (8) to track energy savings real-

1 ized by the agency through the implemen-
2 tation of energy- or water-saving or con-
3 servation measures pursuant to paragraph
4 (4), and shall submit information regard-
5 ing such savings to the Secretary to be
6 published on a public website of the De-
7 partment of Energy.

8 “(iii) CONSIDERATION.—Each Federal
9 agency shall consider using energy savings
10 performance contracts or utility energy
11 service contracts to implement energy- or
12 water-saving or conservation measures pur-
13 suant to paragraph (4).

14 “(iv) CONTRACTING GOAL.—It shall
15 be the goal of the Federal Government, in
16 the implementation of energy- or water-
17 saving or conservation measures pursuant
18 to paragraph (4), to enter into energy sav-
19 ings performance contracts or utility en-
20 ergy service contracts equal to
21 \$1,000,000,000 in each year during the 5-
22 year period beginning on January 1, 2014.

23 “(v) REPORT TO CONGRESS.—Not
24 later than September 30 of each year dur-
25 ing the 5-year period referred to in clause

1 (iv), each Federal agency shall submit to
2 the Secretary information regarding
3 progress made by the agency towards
4 achieving the goal described in such clause.
5 Not later than 60 days after each such
6 September 30, the Secretary, acting
7 through the Federal Energy Management
8 Program, shall submit to the Committee
9 on Energy and Commerce of the House of
10 Representatives and the Committee on En-
11 ergy and Natural Resources of the Senate
12 a report describing the progress made by
13 the Federal Government towards achieving
14 such goal.”.

15 **SEC. 8. REDUCE REDUNDANT HEALTH PAYMENTS FOR SEN-**
16 **IORS.**

17 (a) STUDY.—The Secretary of Health and Human
18 Services, in cooperation with the Secretary of Veterans Af-
19 fairs and the Secretary of Defense, shall conduct a study
20 examining the extent to which payments may be made
21 under both the Medicare Advantage program and under
22 the veterans health care system or the TRICARE program
23 for health care furnished to individuals who are eligible
24 under such Medicare Advantage program and the veterans
25 health care system or the TRICARE program.

1 (b) REPORT.—The Secretary shall submit a report to
2 Congress on the study conducted under subsection (a).

3 The report shall contain recommendations that—

4 (1) preserve access to benefits under the Medi-
5 care program for individuals eligible for such bene-
6 fits;

7 (2) focus on satisfaction and health outcomes of
8 such individuals with respect to such benefits;

9 (3) provide for the efficient use of Federal
10 funds;

11 (4) account for the adequacy of the veterans
12 health care system and the TRICARE program; and

13 (5) minimize disruption to the availability of
14 Medicare Advantage plans and networks of providers
15 participating in such plans.

16 (c) DEFINITIONS.—In this section:

17 (1) The term “Medicare Advantage program”
18 means the program under part C of title XVIII of
19 the Social Security Act.

20 (2) The term “TRICARE program” has the
21 meaning given that term in section 1072(7) of title
22 10, United States Code.

23 (3) The term “veterans health care system”
24 means the health care system established under sec-
25 tion 1705 of title 38, United States Code.

1 **SEC. 9. EFFICIENT MEDICARE BILLING.**

2 (a) OPTION TO RECEIVE MEDICARE SUMMARY NO-
3 TICE ELECTRONICALLY.—

4 (1) IN GENERAL.—Section 1806 of the Social
5 Security Act (42 U.S.C. 1395b–7) is amended by
6 adding at the end the following new subsection:

7 “(c) FORMAT OF STATEMENTS FROM SECRETARY.—

8 “(1) ELECTRONIC OPTION BEGINNING IN
9 2015.—Subject to paragraph (2), for statements de-
10 scribed in subsection (a) that are furnished for a pe-
11 riod in 2015 or a subsequent year, in the case that
12 an individual described in subsection (a) elects, in
13 accordance with such form, manner, and time speci-
14 fied by the Secretary, to receive such statement in
15 an electronic format, such statement shall be fur-
16 nished to such individual for each period subsequent
17 to such election in such a format and shall not be
18 mailed to the individual.

19 “(2) ONE-TIME REVOCATION OPTION.—An indi-
20 vidual who makes an election described in paragraph
21 (1) may revoke such election once.

22 “(3) NOTIFICATION.—The Secretary shall en-
23 sure that, in the most cost effective manner and be-
24 ginning January 1, 2017, a clear notification of the
25 option to elect to receive statements described in
26 subsection (a) in an electronic format is made avail-

1 able, such as through the notices distributed under
2 section 1804, to individuals described in subsection
3 (a).”.

4 (2) ENCOURAGED EXPANSION OF ELECTRONIC
5 STATEMENTS.—To the extent to which the Secretary
6 of Health and Human Services determines appro-
7 priate, the Secretary shall—

8 (A) apply an option similar to the option
9 described in subsection (c)(1) of section 1806 of
10 the Social Security Act (42 U.S.C. 1395b–7)
11 (relating to the provision of the Medicare Sum-
12 mary Notice in an electronic format), as added
13 by subsection (a), to other statements and noti-
14 fications under title XVIII of such Act (42
15 U.S.C. 1395 et seq.); and

16 (B) provide such Medicare Summary No-
17 tice and any such other statements and notifi-
18 cations on a more frequent basis than is other-
19 wise required under such title.

20 (b) RENEWAL OF MAC CONTRACTS.—Section
21 1874A(b)(1)(B) of the Social Security Act (42 U.S.C.
22 1395kk–1(b)(1)(B)) is amended by striking “5 years” and
23 inserting “10 years”.

○