#### 111TH CONGRESS 1ST SESSION

# S. 1185

To amend titles XVIII and XIX of the Social Security Act to ensure that low-income beneficiaries have improved access to health care under the Medicare and Medicaid programs.

### IN THE SENATE OF THE UNITED STATES

June 4, 2009

Mr. BINGAMAN 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 ensure that low-income beneficiaries have improved access to health care under the Medicare and Medicaid programs.

- 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 "Medicare Financial Stability for Beneficiaries Act of
- 6 2009".
- 7 (b) Table of Contents.—The table of contents of
- 8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Eligibility for other programs.
- Sec. 3. Cost-sharing protections for low-income subsidy-eligible individuals.
- Sec. 4. Modification of resource standards for determination of eligibility for LIS; no consideration of pension or retirement plan in determination of resources.
- Sec. 5. Increase in income levels for eligibility.
- Sec. 6. Effective date of MSP benefits.
- Sec. 7. Expanding special enrollment process to individuals eligible for an income-related subsidy.
- Sec. 8. Enhanced cost-sharing protections for full-benefit dual eligible individuals and qualified medicare beneficiaries.
- Sec. 9. Two-way deeming between Medicare Savings Program and Low-Income Subsidy Program.
- Sec. 10. Improving linkages between health programs and snap.
- Sec. 11. Expediting low-income subsidies under the Medicare prescription drug program.
- Sec. 12. Enhanced oversight and enforcement relating to reimbursements for retroactive LIS enrollment.
- Sec. 13. Intelligent assignment in enrollment.
- Sec. 14. Medicare enrollment assistance.
- Sec. 15. QMB buy-in of part A and part B premiums.
- Sec. 16. Increasing availability of MSP applications through availability on the internet and designation of preferred language.
- Sec. 17. State Medicaid agency consideration of low-income subsidy application and data transmittal.

#### 1 SEC. 2. ELIGIBILITY FOR OTHER PROGRAMS.

- 2 (a) LIS.—Section 1860D-14(a)(3) of the Social Se-
- 3 curity Act (42 U.S.C. 1395w–114(a)(3)), as amended by
- 4 section 116 of the Medicare Improvements for Patients
- 5 and Providers Act of 2008 (Public Law 110–275), is
- 6 amended—
- 7 (1) in subparagraph (A), in the matter pre-
- 8 ceding clause (i), by striking "subparagraph (F)"
- 9 and inserting "subparagraphs (F) and (H)"; and
- 10 (2) by adding at the end the following new sub-
- 11 paragraph:
- 12 "(H) DISREGARD OF PREMIUM AND COST-
- 13 SHARING SUBSIDIES FOR PURPOSES OF FED-

- 1 ERAL AND STATE PROGRAMS.—Notwithstanding 2 any other provision of law, any premium or 3 cost-sharing subsidy with respect to a subsidy-4 eligible individual under this section shall not be considered income or resources in deter-5 mining eligibility for, or the amount of assist-6 7 ance or benefits provided under, any other public benefit provided under Federal law or the 8 9 law of any State or political subdivision thereof.". 10
- 11 (b) MSP.—Section 1905(p) of the Social Security 12 Act (42 U.S.C. 1396d(p)) is amended—
- 13 (1) by redesignating paragraph (6) as para-14 graph (7); and
- 15 (2) by inserting after paragraph (5) the fol-16 lowing new paragraph:
- 17 "(6) Notwithstanding any other provision of law, any 18 medical assistance for some or all medicare cost-sharing 19 under this title shall not be considered income or resources
- 19 under this title shall not be considered income or resources
- 20 in determining eligibility for, or the amount of assistance
- 21 or benefits provided under, any other public benefit pro-
- 22 vided under Federal law or the law of any State or polit-
- 23 ical subdivision thereof".

1	(c) Effective Date.—The amendments made by
2	this section shall apply to eligibility for benefits on or after
3	January 1, 2010.
4	SEC. 3. COST-SHARING PROTECTIONS FOR LOW-INCOME
5	SUBSIDY-ELIGIBLE INDIVIDUALS.
6	(a) In General.—Section 1860D-14(a) of the So-
7	cial Security Act (42 U.S.C. 1395w-114(a)) is amended—
8	(1) in paragraph (1)(D), by adding at the end
9	the following new clause:
10	"(iv) Overall limitation on cost-
11	SHARING.—In the case of all such individ-
12	uals, a limitation on aggregate cost-sharing
13	under this part for a year not to exceed
14	2.5 percent of income."; and
15	(2) in paragraph (2), by adding at the end the
16	following new subparagraph:
17	"(F) Overall limitation on cost-shar-
18	ING.—A limitation on aggregate cost-sharing
19	under this part for a year not to exceed 2.5 per-
20	cent of income.".
21	(b) Effective Date.—The amendments made by
22	subsection (a) shall apply as of January 1, 2010.

1	SEC. 4. MODIFICATION OF RESOURCE STANDARDS FOR DE-
2	TERMINATION OF ELIGIBILITY FOR LIS; NO
3	CONSIDERATION OF PENSION OR RETIRE-
4	MENT PLAN IN DETERMINATION OF RE-
5	SOURCES.
6	(a) Eliminating the Bifurcation of Resource
7	STANDARDS.—
8	(1) In General.—Section 1860D—
9	14(a)(3)(A)(iii) of the Social Security Act (42
10	U.S.C. $1395w-114(a)(3)(A)(iii)$ is amended by
11	striking "meets the" and all that follows through the
12	period at the end and inserting "meets—
13	"(I) in the case of determinations
14	made before January 1, 2011, the re-
15	source requirement described in sub-
16	paragraph (D) or (E); and
17	" $(II)$ in the case of determina-
18	tions made on or after January 1,
19	2011, the resource requirement de-
20	scribed in subparagraph (E).".
21	(2) Conforming amendment.—Section
22	1860D-14(a)(3)(D)(ii) of the Social Security Act
23	(42 U.S.C. 1395w-114(a)(3)(D)(ii)) is amended by
24	inserting "(before 2011)" after "a subsequent year".
25	(b) Increasing the Applicable Resource
26	STANDARD.—Section 1860D-14(a)(3)(E) of the Social

1	Security Act $(42 \text{ U.S.C. } 1395\text{w-}114(\text{a})(3)(\text{E})(\text{i}))$ is
2	amended—
3	(1) in the heading, by striking "ALTERNATIVE"
4	and inserting "APPLICABLE";
5	(2) in clause (i)—
6	(A) in subclause (I), by striking "and" at
7	the end;
8	(B) in subclause (II)—
9	(i) by inserting "(before 2011)" after
10	"a subsequent year";
11	(ii) by striking the period at the end
12	and inserting a semicolon; and
13	(iii) by inserting before the flush sen-
14	tence at the end the following new sub-
15	clauses:
16	"(III) for $2011$ , $$27,500$ (or
17	\$55,000 in the case of the combined
18	value of the individual's assets or re-
19	sources and the assets or resources of
20	the individual's spouse); and
21	"(IV) for a subsequent year the
22	dollar amounts specified in this sub-
23	clause (or subclause (III)) for the pre-
24	vious year increased by the annual
25	percentage increase in the consumer

1	price index (all items; U.S. city aver-
2	age) as of September of such previous
3	year."; and
4	(C) in the flush sentence at the end, by in-
5	serting "or (IV)" after "subclause (II)".
6	(c) Exclusion of Pension and Retirement Ben-
7	EFITS FROM RESOURCES.—
8	(1) In general.—Section 1860D-14(a)(3) of
9	the Social Security Act (42 U.S.C. 1395w-
10	114(a)(3)), as amended by section 2, is amended—
11	(A) in subparagraph (E)(i), in the matter
12	preceding subclause (I), by inserting "and the
13	pension or retirement plan exclusion provided
14	under subparagraph (I)" after "(G)"; and
15	(B) by adding at the end the following new
16	subparagraph:
17	"(I) Pension and retirement benefits
18	EXCLUSION.—In determining the resources of
19	an individual (and the eligible spouse of the in-
20	dividual, if any) under section 1613 for pur-
21	poses of subparagraph (E) no balance in, or
22	benefits received under, an employee pension
23	benefit plan (as defined in section 3 of the Em-
24	ployee Retirement Income Security Act of
25	1974) shall be taken into account.".

1	(2) Effective date.—The amendments made
2	by this subsection shall apply to determinations
3	made on or after January 1, 2011.
4	(d) Application of Applicable Resource
5	STANDARD UNDER MEDICARE SAVINGS PROGRAM AND
6	EXEMPTIONS FROM INCOME AND RESOURCES.—
7	(1) APPLICATION OF APPLICABLE RESOURCE
8	STANDARD AND EXEMPTIONS FROM RESOURCES.—
9	Section 1905(p)(1)(C) of the Social Security Act (42
10	U.S.C. 1396d(p)(1)(C)) is amended—
11	(A) by inserting "without taking into ac-
12	count any part of the value of any life insur-
13	ance policy or any balance in, or benefits re-
14	ceived under, an employee pension benefit plan
15	(as defined in section 3 of the Employee Retire-
16	ment Income Security Act of 1974)" after "(as
17	so determined"; and
18	(B) by striking "subparagraph (D)" and
19	all that follows through "section" and inserting
20	"section 1860D-14(a)(3)(E)".
21	(2) Exemption of in-kind support and
22	MAINTENANCE.—
23	(A) In General.—Section 1905(p)(1)(B)
24	of the Social Security Act (42 U.S.C.
25	1396d(p)(1)(B)) is amended by inserting "and

- except that support and maintenance furnished in kind shall not be counted as income" after "(2)(D)".
- (B) Conforming amendment.—Section

  1860D-14(a)(3)(C)(i) of the Social Security

  Act (42 U.S.C. 1395w-114(a)(3)(C)(i)) is

  amended by striking "and except that support

  and maintenance furnished in kind shall not be

  counted as income".
- 10 (3) EFFECTIVE DATE.—The amendments made 11 by this subsection shall apply to determinations 12 made on or after January 1, 2011.
- (e) Clarification Relating to Including Re-
- 14 TIREMENT BENEFITS AS INCOME.—Nothing in subpara-
- 15 graph (I) of section 1860D–14(a)(3) of the Social Security
- 16 Act (42 U.S.C. 1395w-114(a)(3)), as added by subsection
- 17 (c)(1), or section 1905(p)(1)(C) of such Act (42 U.S.C.
- 18 1396d(p)(1)(C)), as amended by subsection (d)(1), shall
- 19 be construed as affecting the inclusion of retirement bene-
- 20 fits as income under section 1612(a)(2)(B) of such Act
- 21 (42 U.S.C. 1382a(a)(2)(B)).
- 22 SEC. 5. INCREASE IN INCOME LEVELS FOR ELIGIBILITY.
- 23 (a) LIS.—

1	(1) In General.—Section 1860D–14(a) of the
2	Social Security Act (42 U.S.C. 1395w-114(a)) is
3	amended—
4	(A) in the subsection heading, by striking
5	"150" and inserting "200";
6	(B) in paragraph (1)—
7	(i) in the heading, by striking "135"
8	and inserting "150"; and
9	(ii) in the matter preceding subpara-
10	graph (A), by striking "135" and inserting
11	"150";
12	(C) in paragraph (2)—
13	(i) in the heading, by striking "150"
14	and inserting "200"; and
15	(ii) in subparagraph (A)—
16	(I) by striking "135" and insert-
17	ing "150"; and
18	(II) by striking "150" and in-
19	serting "200"; and
20	(D) in paragraph (3)(A)(ii), by striking
21	"150" and inserting "200".
22	(2) Effective date.—The amendments made
23	by this subsection shall apply to determinations
24	made on or after January 1, 2011.
25	(b) MSP.—

1	(1) Increase to 150 percent of fpl for
2	QUALIFIED MEDICARE BENEFICIARIES.—
3	(A) In general.—Section 1905(p)(2) of
4	the Social Security Act (42 U.S.C.
5	1396d(p)(2)) is amended—
6	(i) in subparagraph (A), by striking
7	"100 percent" and inserting "150 per-
8	cent";
9	(ii) in subparagraph (B)—
10	(I) by striking "and" at the end
11	of clause (ii);
12	(II) by striking the period at the
13	end of clause (iii) and inserting ",
14	and"; and
15	(III) by adding at the end the
16	following:
17	"(iv) January 1, 2011, is 150 percent."; and
18	(iii) in subparagraph (C)—
19	(I) by striking "and" at the end
20	of clause (iii);
21	(II) by striking the period at the
22	end of clause (iv) and inserting ",
23	and"; and
24	(III) by adding at the end the
25	following:

1	"(v) January 1, 2011, is 150 percent.".
2	(B) APPLICATION OF INCOME TEST BASED
3	ON FAMILY SIZE.—Section 1905(p)(2)(A) of
4	such Act (42 U.S.C. 1396d(p)(2)(A)) is amend-
5	ed by adding at the end the following: "For
6	purposes of this subparagraph, family size
7	means the applicant, the spouse (if any) of the
8	applicant if living in the same household as the
9	applicant, and the number of individuals who
10	are related to the applicant (or applicants), who
11	are living in the same household as the appli-
12	cant (or applicants), and who are dependent on
13	the applicant (or the applicant's spouse) for at
14	least one-half of their financial support.".
15	(2) Expansion of specified low-income
16	MEDICARE BENEFICIARY (SLMB) PROGRAM.—
17	(A) ELIGIBILITY OF INDIVIDUALS WITH
18	INCOMES BELOW 200 PERCENT OF FPL.—Sec-
19	tion 1902(a)(10)(E) of the Social Security Act
20	(42 U.S.C. 1396b(a)(10)(E)) is amended—
21	(i) by adding "and" at the end of
22	clause (ii);
23	(ii) in clause (iii)—
24	(I) by striking "and 120 percent
25	in 1995 and years thereafter" and in-

1	serting ", or 120 percent in 1995 and
2	any succeeding year before 2011, or
3	200 percent beginning in 2011"; and
4	(II) by striking "and" at the end;
5	and
6	(iii) by striking clause (iv).
7	(B) REVISION TO DESCRIPTION.—Section
8	1902(a)(10)(E)(iii) of the Social Security Act
9	(42 U.S.C. 1396b(a)(10)(E)(iii)) is amended by
10	striking "who would be qualified medicare" and
11	all that follows through "but is less than" and
12	inserting "whose income (as determined in ac-
13	cordance with subparagraphs (B) and (C) of
14	section $1905(p)(1)$ ) is less than".
15	(C) References.—Section 1905(p)(1) of
16	such Act (42 U.S.C. $1396d(p)(1)$ ) is amended
17	by adding at and below subparagraph (C) the
18	following: "The term 'specified low-income
19	medicare beneficiary' means an individual de-
20	scribed in section 1902(a)(10)(E)(iii).".
21	(3) Providing 100 percent federal financ-
22	ING.—The third sentence of section 1905(b) of such
23	Act (42 U.S.C. 1396d(b)) is amended by inserting
24	before the period at the end the following: ", with

respect to medical assistance for medicare cost-shar-

1 provided under clause (i) of section ing 2 1902(a)(10)(E) for individuals with incomes greater than 100 percent of the official poverty line de-3 4 scribed in subsection (p)(2)(A) and less than or 5 equal to 150 percent of such official poverty line, 6 and with respect to medical assistance for medicare 7 cost-sharing provided under clause (iii) of such section". 8

#### (4) Effective date.—

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- (A) Except as provided in subparagraph (B), the amendments made by this subsection shall take effect on January 1, 2011, and, with respect to title XIX of the Social Security Act, shall apply to calendar quarters beginning on or after January 1, 2011.
- (B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this subsection, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the

1 basis of its failure to meet these additional re-2 quirements before the first day of the first cal-3 endar quarter beginning after the close of the 4 first regular session of the State legislature that 5 begins after the date of the enactment of this 6 Act. For purposes of the previous sentence, in 7 the case of a State that has a 2-year legislative session, each year of such session shall be 8 9 deemed to be a separate regular session of the 10 State legislature.

#### 11 SEC. 6. EFFECTIVE DATE OF MSP BENEFITS.

- 12 (a) IN GENERAL.—
- 13 (1) EFFECTIVE DATE OF MSP BENEFITS.—Sec14 tion 1905(a) of the Social Security Act (42 U.S.C.
  15 1396d(a)) is amended, in the matter preceding para16 graph (1), by striking "assistance or, in the case of
  17 medicare cost-sharing" and all that follows through
  18 "beneficiary)" and inserting "assistance)".
- 19 (2) CONFORMING AMENDMENTS.—(A) Section 20 1902(e)(8) of the Social Security Act (42 U.S.C. 21 1396a(e)(8)) is amended by striking the first sen-22 tence.
- 23 (B) Section 1848(g)(3) of such Act (42 U.S.C. 24 1395w-4(g)(3)) is amended by adding at the end 25 the following new subparagraph:

1	"(C) Treatment of retroactive eligi-
2	BILITY.—In the case of an individual who is de-
3	termined to be eligible for medical assistance
4	described in subparagraph (A) retroactively, the
5	Secretary shall provide a process whereby
6	claims which are submitted for services fur-
7	nished during the period of retroactive eligi-
8	bility and during a month in which the indi-
9	vidual otherwise would have been eligible for
10	such assistance and which were not submitted
11	in accordance with such subparagraph are re-
12	submitted and re-processed in accordance with
13	such subparagraph.".
14	(b) Effective Date.—The amendments made by
15	this section shall take effect on January 1, 2010, but shall
16	not result in eligibility for benefits for medicare cost-shar-
17	ing for months before January 2010.
18	SEC. 7. EXPANDING SPECIAL ENROLLMENT PROCESS TO
19	INDIVIDUALS ELIGIBLE FOR AN INCOME-RE-
20	LATED SUBSIDY.
21	(a) In General.—Section 1860D–1(b)(1)(C) of the
22	Social Security Act (42 U.S.C. 1395w-101(b)(1)(C)) is
23	amended—
24	(1) by striking "a full-benefit dual eligible indi-
25	vidual (as defined in section 1935(c)(6))" and in-

1	serting "a subsidy-eligible individual (as defined in
2	section $1860D-14(a)(3)$ )"; and
3	(2) by striking "1860D-14(a)(1)(A)" and in-
4	serting "subsection (a)(1)(A) or (b)(1)(A) of section
5	1860D–14, as applicable''
6	(b) Effective Date.—The amendments made by
7	this section shall apply to enrollments on or after January
8	1, 2010.
9	SEC. 8. ENHANCED COST-SHARING PROTECTIONS FOR
10	FULL-BENEFIT DUAL ELIGIBLE INDIVIDUALS
11	AND QUALIFIED MEDICARE BENEFICIARIES.
12	(a) Elimination of Part D Cost-Sharing for
13	CERTAIN NON-INSTITUTIONALIZED FULL-BENEFIT DUAL
14	ELIGIBLE INDIVIDUALS.—Section 1860D–14(a)(1)(D)(i)
15	of the Social Security Act (42 U.S.C. 1395w-
16	114(a)(1)(D)(i) is amended—
17	(1) in the heading, by striking "Institu-
18	TIONALIZED INDIVIDUALS.—In" and inserting
19	"Elimination of cost-sharing for certain
20	FULL-BENEFIT DUAL ELIGIBLE INDIVIDUALS.—
21	"(I) Institutionalized indi-
22	VIDUALS.—In"; and
23	(2) by adding at the end the following new sub-
24	clause:

1	"(II) CERTAIN OTHER INDIVID-
2	UALS.—In the case of an individual
3	who is a full-benefit dual eligible indi-
4	vidual who is receiving home and com-
5	munity based care (whether under
6	section 1915 or under a waiver under
7	section 1115), the elimination of any
8	beneficiary coinsurance described in
9	section $1860D-2(b)(2)$ (for all
10	amounts through the total amount of
11	expenditures at which benefits are
12	available under section 1860D-
13	2(b)(4)).".
14	(b) Repeal of Authority for States To Pay
15	Medicare Cost-Sharing at Medicaid Rates and
16	Provision of Medical Assistance to Dual Eligi-
17	BLES IN MA PLANS.—
18	(1) Repeal of authority for states to
19	PAY MEDICARE COST-SHARING AT MEDICAID
20	RATES.—Section 1902(n) of the Social Security Act
21	(42 U.S.C. 1396a(n)) is amended—
22	(A) by striking paragraph (2);
23	(B) by redesignating paragraph (3) as
24	paragraph (2);

1	(C) in paragraph $(2)$ , as redesignated by
2	subparagraph (B)—
3	(i) in the matter preceding subpara-
4	graph (A)—
5	(I) by striking "In the case in
6	which a State's payment for" and in-
7	serting "With respect to"; and
8	(II) by striking "with respect to
9	an item or service is reduced or elimi-
10	nated through the application of para-
11	graph (2)" and inserting "for an item
12	or service'; and
13	(ii) in subparagraph (A), by striking
14	"(if any)"; and
15	(D) by adding at the end the following new
16	paragraph:
17	"(3) Each State shall establish procedures for
18	receiving and processing claims for payment for
19	medicare cost-sharing with respect to items or serv-
20	ices furnished to qualified medicare beneficiaries by
21	providers of services and suppliers under title XVIII
22	who are not participating providers under the State
23	plan.''.
24	(2) Provision of medical assistance to
25	DUAL ELIGIBLES IN MA PLANS.—Section 1902(n) of

the Social Security Act (42 U.S.C. 1396a(n)), as amended by paragraph (1), is amended by adding at the end the following new paragraph:

#### "(4)(A) Each State shall—

- "(i) identify those individuals who are eligible for medical assistance for medicare costsharing and who are enrolled with a Medicare Advantage plan under part C of title XVIII; and
- "(ii) for the individuals so identified, provide for payment of medical assistance for the medicare cost-sharing (including cost-sharing under a Medicare Advantage plan) to which they are entitled.

"(B)(i) The Inspector General of the Department of Health and Human Services shall examine, not later than one year after the date of the enactment of this paragraph and every 3 years thereafter, whether States are providing for medical assistance for medicare cost-sharing for individuals enrolled in Medicare Advantage plans in accordance with this title. The Inspector General shall submit to the Secretary a report on such examination and a finding as to whether States are failing to provide such medical assistance.

21 1 "(ii) If a report under clause (i) includes a find-2 ing that States are failing to provide such medical 3 assistance, not later than 60 days after the date of 4 receiving such report the Secretary shall submit to 5 Congress a report that includes a plan of action on 6 how to enforce such requirement.". 7 (3) Conforming amendments.— 8 (A)Provider AGREEMENTS.—Section 9 1866(a)(1)(A)(ii) of the Social Security Act (42) 10 U.S.C. 1395cc(a)(1)(A)(ii) is amended by 11 striking "1902(n)(3)" and inserting 12 "1902(n)(2)". 13 (B) Nonparticipating providers.—Sec-14 tion 1848(g)(3)(A) of the Social Security Act 15 (42 U.S.C. 1395w-4(g)(3)(A)) is amended by "1902(n)(3)(A)" 16 striking and inserting

## (4) Effective date.—

"1902(n)(2)(A)".

- (A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall take effect on the date of enactment of this Act.
- 23 (B) EXCEPTION.—The amendment made 24 by paragraph (2) shall be effective and apply as 25 if included in the enactment of the Medicare

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1	Prescription Drug, Improvement, and Mod-
2	ernization Act of 2003 (Public Law 108–173).
3	SEC. 9. TWO-WAY DEEMING BETWEEN MEDICARE SAVINGS
4	PROGRAM AND LOW-INCOME SUBSIDY PRO-
5	GRAM.
6	(a) Low-Income Subsidy Program.—Section
7	1860D-14(a)(3) of the Social Security Act (42 U.S.C.
8	1395w-104(a)(3)), as amended by section 4, is amended
9	by adding at the end the following new subparagraph:
10	"(J) DEEMED TREATMENT FOR QUALIFIED
11	MEDICARE BENEFICIARIES AND SPECIFIED
12	LOW-INCOME MEDICARE BENEFICIARIES.—
13	"(i) Qmbs eligible for full sub-
14	SIDY.—A part D eligible individual who
15	has been determined for purposes of title
16	XIX to be a qualified medicare beneficiary
17	is deemed, for purposes of this part and
18	without the need to file any additional ap-
19	plication, to be a subsidy eligible individual
20	described in paragraph (1).
21	"(ii) Slmbs eligible for partial
22	Subsidy.—A part D eligible individual
23	who has been determined to be a specified
24	low-income medicare beneficiary (as de-
25	fined in section 1905(p)(1)) and who is not

1	described in paragraph (1) is deemed, for
2	purposes of this part and without the need
3	to file any additional application, to be a
4	subsidy eligible individual who is not de-
5	scribed in paragraph (1).".
6	(b) Medicare Savings Program.—Section 1905(p)
7	of the Social Security Act (42 U.S.C. 1396d(p)), as
8	amended by section 4, is amended—
9	(1) by redesignating paragraph (8) as para-
10	graph (9); and
11	(2) by inserting after paragraph (7) the fol-
12	lowing new paragraph:
13	"(8) An individual who has been determined eligible
14	for premium and cost-sharing subsidies under—
15	"(A) section $1860D-14(a)(1)$ is deemed, for
16	purposes of this title and without the need to file
17	any additional application, to be a qualified medicare
18	beneficiary for purposes of this title; or
19	"(B) section $1860D-14(a)(2)$ is deemed, for
20	purposes of this title and without the need to file
21	any additional application, to qualify for medical as-
22	sistance as a specified low-income medicare bene-
23	ficiary (described in section 1902(a)(10)(E)(iii)).".

1	(c) Effective Date.—The amendments made by
2	this section shall apply to eligibility for months beginning
3	on or after January 2010.
4	SEC. 10. IMPROVING LINKAGES BETWEEN HEALTH PRO-
5	GRAMS AND SNAP.
6	(a) Low-Income Part D Subsidy Program.—Sec-
7	tion 1144(c) of the Social Security Act (42 U.S.C. 1320b-
8	14(c)) is amended—
9	(1) in paragraph (1)(C) by striking "an appli-
10	cation for benefits under the Medicare Savings Pro-
11	gram." and inserting "applications for benefits
12	under the Medicare Savings Program and the sup-
13	plemental nutrition assistance program.";
14	(2) by striking paragraph (3) and inserting the
15	following:
16	"(3) Transmittal of data to states.—
17	"(A) In general.—Beginning on January
18	1, 2010, with the consent of an individual com-
19	pleting an application for benefits described in
20	paragraph (1)(B), the Commissioner shall elec-
21	tronically transmit data from such applica-
22	tion—
23	"(i) to the appropriate State Medicaid
24	agency, as determined by the Commis-
25	sioner, which transmittal shall initiate an

application of the individual for benefits under the Medicare Savings Program with the State Medicaid agency; and

"(ii) to the appropriate State agency which administers benefits under the supplemental nutrition assistance program, as determined by the Commissioner, which transmittal shall initiate an application of the individual for benefits under the supplemental nutrition assistance program with the State agency that administers that program.

"(B) Consultation regarding content, time, form, frequency and manner that such data transmittal provides effective assistance for purposes of State adjudication of applications for benefits under the Medicare Savings Program and the supplemental nutrition assistance program, the Commissioner shall consult with the Secretary after the Secretary has consulted with the States, regarding the content, form, frequency, and manner in which data (on a uniform basis for all States) shall be transmitted under this paragraph.";

- 1 (3) in paragraph (5), by adding at the end the 2 following new subparagraph:
- 3 "(D) SUPPLEMENTAL NUTRITION ASSIST-4 ANCE PROGRAM ADMINISTRATIVE COSTS.—The 5 costs of the Social Security Administration's 6 work related to the supplemental nutrition as-7 sistance program under this subsection shall be 8 eligible for reimbursement under section 9 11(j)(2)(C) of the Food and Nutrition Act of 10 2008 (7 U.S.C. 2020(j)(2)(C)). To the extent 11 necessary the Commissioner and the Secretary 12 of Agriculture shall revise any memoranda of 13 understanding in effect under such section."; 14 and
  - (4) by adding at the end the following new paragraph:
- 17 "(8) SUPPLEMENTAL NUTRITION ASSISTANCE
  18 PROGRAM DEFINED.—For purposes of this sub19 section, the term 'supplemental nutrition assistance
  20 program' means the program of temporary benefits
  21 authorized under section 11(v) of the Food and Nu22 trition Act of 2008 (7 U.S.C. 2020(v)).".
- 23 (b) Temporary Supplemental Nutrition As-24 Sistance Benefits.—Section 11 of the Food and Nutri-

1	tion Act of 2008 (7 U.S.C. 2020) is amended by adding
2	at the end the following:
3	"(v) Temporary Benefits for Medicare Part D
4	Low Income Subsidy Applicants.—
5	"(1) Definition of medicare part d low
6	INCOME SUBSIDY APPLICANT.—In this subsection,
7	the term 'Medicare part D low income subsidy appli-
8	cant' means an individual, along with any other fam-
9	ily members, whose low income subsidy application
10	information has been electronically transmitted to
11	the State agency under section $1144(c)(3)$ of the So-
12	cial Security Act (42 U.S.C. 1320b–14(c)(3)).
13	"(2) Provision of Temporary Benefits.—A
14	State agency shall provide temporary supplemental
15	nutrition assistance program benefits to a Medicare
16	part D low income subsidy applicant whose—
17	"(A) income does not exceed 150 percent
18	of the poverty line (as determined in accordance
19	with section $5(c)(1)$ ; and
20	"(B) financial resources do not exceed the
21	limit in effect in the State for such households
22	under section 5.
23	"(3) Determination based on medicare in-
24	FORMATION.—For purposes of determining eligibility
25	under paragraph (2) and the amount of temporary

1	benefits under paragraph (5), information on house-
2	hold members, household income, and household re-
3	sources from the Medicare part D low income sub-
4	sidy application as transmitted to the State agency
5	under section 1144(c)(3) of the Social Security Act
6	(42  U.S.C.  1320 b- 14(c)(3)) shall satisfy the require-
7	ments of this Act with regard to—
8	"(A) the members of the household under
9	section 3(n); and
10	"(B) the gross income and financial re-
11	sources of the household under section 5.
12	"(4) Temporary benefit period.—A house-
13	hold shall receive temporary supplemental nutrition
14	assistance benefits under this subsection for a period
15	of not more than 2 months.
16	"(5) Temporary benefit amount.—
17	"(A) IN GENERAL.—During the temporary
18	benefit period under paragraph (4), except as
19	provided in subparagraph (B), a household shall
20	receive a monthly amount of supplemental nu-
21	trition assistance program benefits calculated
22	under section 8(a).
23	"(B) Calculation.—In calculating bene-
24	fits under subparagraph (A)—

1	"(i) the benefits shall be determined
2	based on the gross income of the household
3	rather than net income; and
4	"(ii) the minimum allotment described
5	in the proviso in section 8(a) shall be equal
6	to 40 percent of the cost of the thrifty food
7	plan for a household containing 1 member,
8	as determined by the Secretary under sec-
9	tion 3, rounded to the nearest whole dollar
10	increment.
11	"(6) Determination of future eligi-
12	BILITY.—During the temporary benefit period under
13	paragraph (4), the State agency shall provide to the
14	household—
15	"(A) an application to apply for benefits
16	under the other provisions of this Act; and
17	"(B) an opportunity to complete the appli-
18	cation process by the month immediately fol-
19	lowing the temporary benefit period, without a
20	delay or suspension in the benefits of the house-
21	hold.
22	"(7) Limitation.—This subsection shall not
23	apply to individuals who—
24	"(A) are members of households that cur-
25	rently receive benefits under this Act; or

1	"(B) have received benefits under this sub-
2	section in the preceding 12-month period.".
3	(c) Medicare Savings Program Applications.—
4	(1) In general.—Section 1902(a) of the So-
5	cial Security Act (42 U.S.C. 1396a(a)) is amend-
6	$\operatorname{ed}$ —
7	(A) in paragraph (72), by striking "and"
8	at the end;
9	(B) in paragraph (73), by striking the pe-
10	riod at the end and inserting "; and"; and
11	(C) by inserting after paragraph (73) the
12	following new paragraph:
13	"(74) provide that the State coordinates with
14	the State agency that administers benefits under the
15	supplemental nutrition assistance program estab-
16	lished under the Food and Nutrition Act of 2008 (7
17	U.S.C. 2011 et seq.) to ensure that individuals ap-
18	plying for medical assistance provided under section
19	1902(a)(10)(E), as described in sections $1905(p)$
20	and 1933, have the opportunity to apply for, estab-
21	lish eligibility for, and, if eligible, receive supple-
22	mental nutrition assistance program benefits.".
23	(2) Effective date.—
24	(A) In general.—Except as provided in
25	subparagraph (B), the amendments made by

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paragraph (1) take effect on the date that is 1 year after the date of enactment of this Act.

(B) Extension of effective date for STATE LAW AMENDMENT.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by paragraph (1), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.

(3) Report to congress.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall sub-

1	mit to Congress a report on the process each State
2	uses to meet the requirements under section
3	1902(a)(74) of the Social Security Act, as added by
4	subsection (c).
5	SEC. 11. EXPEDITING LOW-INCOME SUBSIDIES UNDER THE
6	MEDICARE PRESCRIPTION DRUG PROGRAM.
7	(a) Targeted Outreach for Low-Income Sub-
8	SIDIES.—
9	(1) In General.—Section 1860D-14 of the
10	Social Security Act (42 U.S.C. 1395w-114) is
11	amended by adding at the end the following new
12	subsection:
13	"(e) Targeted Outreach for Low-Income Sub-
14	SIDIES.—
15	"(1) Targeted identification of subsidy-
16	ELIGIBLE INDIVIDUALS.—
17	"(A) In General.—The Commissioner of
18	Social Security shall provide for the identifica-
19	tion of individuals who are potentially eligible
20	for low-income assistance under this section
21	through requests to the Secretary of the Treas-
22	ury in accordance with the criterion established
23	under section 6103(l)(21) of the Internal Rev-
24	enue Code of 1986 for information indicating

whether the individual involved is likely eligible for such assistance.

"(B) Initiation of identifications.—
Not later than 90 days after the date of the enactment of this subsection, the Commissioner of Social Security shall begin the identification of individuals through the process described in subparagraph (A) and shall, by such date and through such process, submit to the Secretary of the Treasury requests for part D eligible individuals who the Commissioner has identified as potentially eligible for low-income subsidies under this section before such date of enactment.

"(2) Notification of potentially eligible individual identified under paragraph (1) who has not otherwise applied for, or been determined eligible for, benefits under this section (or who has applied for and been determined ineligible for such benefits based on excess income, resources, or both), the Commissioner shall transmit by mail to the individual a letter including the information and application required to be provided under subparagraphs (A), (B), and (D) of section 1144(c)(1).

- "(3) FOLLOW-UP COMMUNICATIONS.—If an individual to whom a letter is transmitted under paragraph (2) does not affirmatively respond to such letter either by making an enrollment, completing an application, or declining either or both, the Commissioner shall make additional attempts to contact the individual to obtain such an affirmative response.
  - "(4) USE OF PREFERRED LANGUAGE IN SUBSE-QUENT COMMUNICATIONS.—In the case an application is completed by an individual pursuant to this subsection in which a language other than English is specified, the Commissioner shall provide that subsequent communications under this part to the individual shall be in such language as needed.
  - "(5) Construction.—Nothing in this subsection shall be construed as precluding the Commissioner from taking additional outreach efforts to enroll eligible individuals under this part and to provide low-income subsidies to eligible individuals.
  - "(6) Maintenance of effort with respect to outreach to and enrollment of individuals who are potentially eligible for low-income assistance under this section after the date of the enactment of this subsection be less than such level

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1	of effort before such date of enactment until at least
2	90 percent of such potentially eligible individuals
3	have affirmatively responded.

- "(7) GAO REPORT TO CONGRESS.—Not later than 2 years after the date of the first submission to the Secretary of the Treasury described in paragraph (1)(B), the Comptroller General of the United States shall submit to Congress a report, with respect to the 18-month period following the establishment of the process described in paragraph (1)(A), on—
  - "(A) the extent to which the percentage of individuals who are eligible for low-income assistance under this section but not enrolled under this part has decreased during such period;
  - "(B) how the Commissioner of Social Security has used any savings resulting from the implementation of this section and section 6103(l)(21) of the Internal Revenue Code of 1986 to improve outreach to individual described in subparagraph (A) to increase enrollment of such individuals under this part;
  - "(C) the effectiveness of using information from the Secretary of the Treasury in accord-

1	ance with section 6103(l)(21) of the Internal
2	Revenue Code of 1986 for purposes of indi-
3	cating whether individuals are eligible for low-
4	income assistance under this section; and
5	"(D) the effectiveness of the outreach con-
6	ducted by the Commissioner of Social Security
7	based on the data described in subparagraph
8	(C).".
9	(2) Conforming amendment.—Section
10	1144(c)(1) of the Social Security Act (42 U.S.C.
11	1320b-14(c)(1)) is amended by inserting "(including
12	through request to the Secretary of the Treasury
13	pursuant to section 1860D-14(e))" before ", the
14	Commissioner shall".
15	(b) Improvements to the Low-Income Subsidy
16	APPLICATIONS.—Section 1860D-14(a)(3) of the Social
17	Security Act (42 U.S.C. 1395w-114(a)(3)) is amended—
18	(1) in subparagraph (E), by striking clauses (ii)
19	and (iii) and redesignating clause (iv) as clause (ii);
20	(2) by redesignating subparagraphs (F) and
21	(G) as subparagraphs (G) and (H), respectively; and
22	(3) by inserting after subparagraph (E) the fol-
23	lowing new subparagraph:
24	"(F) SIMPLIFIED LOW-INCOME SUBSIDY
25	APPLICATION AND PROCESS —

1	"(i) In General.—The Secretary,
2	jointly with the Commissioner of Social Se-
3	curity, shall—
4	"(I) develop a model, simplified
5	application form and process con-
6	sistent with clause (ii) for the deter-
7	mination and verification of a part D
8	eligible individual's assets or resources
9	under this paragraph; and
10	"(II) provide such form to
11	States.
12	"(ii) Documentation and safe-
13	GUARDS.—Under such process—
14	"(I) the application form shall
15	consist of an attestation under penalty
16	of perjury regarding the level of assets
17	or resources (or combined assets and
18	resources in the case of a married
19	part D eligible individual) and valu-
20	ations of general classes of assets or
21	resources;
22	"(II) such form shall not require
23	the submittal of additional docu-
24	mentation regarding income or assets;

1	"(III) matters attested to in the
2	application shall be subject to appro-
3	priate methods of administrative
4	verification;
5	"(IV) the applicant shall be per-
6	mitted to authorize another individual
7	to act as the applicant's personal rep-
8	resentative with respect to commu-
9	nications under this part and the en-
10	rollment of the applicant into a pre-
11	scription drug plan (or MA-PD plan)
12	and for low-income subsidies under
13	this section; and
14	"(V) the application form shall
15	allow for the specification of a lan-
16	guage (other than English) that is
17	preferred by the individual for subse-
18	quent communications with respect to
19	the individual under this part.
20	"(iii) No recovery for certain
21	SUBSIDIES IMPROPERLY PAID.—If an indi-
22	vidual in good faith and in the absence of
23	fraud is provided low-income subsidies
24	under this section, and if the individual is
25	subsequently found not eligible for such

1	subsidies, there shall be no recovery made
2	against the individual because of such sub-
3	sidies improperly paid.".
4	(c) Disclosures To Facilitate Identification
5	OF INDIVIDUALS LIKELY TO BE ELIGIBLE FOR THE LOW-
6	INCOME ASSISTANCE UNDER THE MEDICARE PRESCRIP-
7	TION DRUG PROGRAM.—
8	(1) In general.—
9	Subsection (l) of section 6103 of the Inter-
10	nal Revenue Code of 1986 is amended by add-
11	ing at the end the following new paragraph:
12	"(21) Disclosure of Return Information
13	TO FACILITATE IDENTIFICATION OF INDIVIDUALS
14	LIKELY TO BE ELIGIBLE FOR LOW-INCOME SUB-
15	SIDIES UNDER MEDICARE PRESCRIPTION DRUG PRO-
16	GRAM.—
17	"(A) IN GENERAL.—The Secretary, upon
18	written request from the Commissioner of So-
19	cial Security, shall disclose to officers and em-
20	ployees of the Social Security Administration,
21	with respect to any individual identified by the
22	Commissioner—
23	"(i) whether, based on the criterion
24	determined under subparagraph (B), such
25	individual is likely to be eligible for low-in-

1	come assistance under section 1860D-14
2	of the Social Security Act, or
3	"(ii) that, based on such criterion,
4	there is insufficient information available
5	to the Secretary to make the determination
6	described in clause (i).
7	"(B) Criterion.—Not later than 90 days
8	after the date of the enactment of this para-
9	graph, the Secretary, in consultation with the
10	Commissioner of Social Security, shall develop
11	the criterion by which the determination under
12	subparagraph (A)(i) shall be made (and the cri-
13	terion for determining that insufficient informa-
14	tion is available to make such determination).
15	Such criterion may include analysis of informa-
16	tion available on such individual's return, the
17	return of such individual's spouse, and any in-
18	formation related to such individual or such in-
19	dividual's spouse which is available on any in-
20	formation return.".
21	(2) Procedures and recordkeeping re-
22	LATED TO DISCLOSURES.—Paragraph (4) of section
23	6103(p) of such Code is amended by striking "or
24	(17)" each place it appears and inserting "(17), or

(21)".

1	(3) Effective date.—The amendments made
2	by this subsection shall apply to disclosures made
3	after the date of the enactment of this Act.
4	SEC. 12. ENHANCED OVERSIGHT AND ENFORCEMENT RE-
5	LATING TO REIMBURSEMENTS FOR RETRO-
6	ACTIVE LIS ENROLLMENT.
7	(a) In General.—In the case of a retroactive LIS
8	enrollment beneficiary (as defined in subsection $(e)(4)$ )
9	who is enrolled under a prescription drug plan under part
10	D of title XVIII of the Social Security Act (or an MA-
11	PD plan under part C of such title)—
12	(1) the beneficiary (or any eligible third party)
13	is entitled to reimbursement by the plan for covered
14	drug costs (as defined in subsection $(e)(1)$ ) incurred
15	by the beneficiary during the retroactive coverage
16	period of the beneficiary in accordance with sub-
17	section (b) and in the case of such a beneficiary de-
18	scribed in subsection $(e)(4)(A)(i)$ , such reimburse-
19	ment shall be made automatically by the plan upon
20	receipt of appropriate notice the beneficiary is eligi-
21	ble for assistance described in such subsection
22	(e)(4)(A)(i) without further information required to
23	be filed with the plan by the beneficiary;

1	(2) the Secretary of Health and Human Serv-
2	ices (in this section referred to as the "Secretary")
3	shall not make payment to the plan—
4	(A) in the case that the beneficiary is de-
5	scribed in subsection $(e)(4)(A)(i)$ , for premium
6	subsidies and cost sharing subsidies under sec-
7	tion 1860D–14 of the Social Security Act (42
8	U.S.C. 1395w-114) with respect to the provi-
9	sion of prescription drug coverage to the bene-
10	ficiary during such retroactive period; and
11	(B) in the case that the beneficiary is de-
12	scribed in subsection $(e)(4)(A)(ii)$ , for direct
13	subsidies under section $1860D-15(a)(1)$ of such
14	Act and premium subsidies and cost-sharing
15	subsidies under section 1860D–14 of such Act
16	with respect to the provision of prescription
17	drug coverage to the beneficiary during such
18	retroactive period;
19	unless the plan demonstrates to the Secretary that
20	the plan has provided timely and accurate reim-
21	bursement to the beneficiary (or eligible third party)
22	in accordance with paragraph (1);
23	(3) the Secretary shall not make any payment
24	described in paragraph (2) to the plan with respect
25	to such beneficiary for any month of the retroactive

1	enrollment period during which no expenses for cov-
2	ered part D drugs (as defined in section 1860D-2(e)
3	of the Social Security Act (42 U.S.C. 1395w-
4	102(e)) were incurred by such beneficiary (or eligible
5	third party on behalf of such beneficiary); and
6	(4) any payment owed the plan pursuant to this
7	section, taking into account paragraphs (2) and (3)
8	shall be made at the time the Centers for Medicare
9	& Medicaid Services reconciles payments for the en-
10	tire plan year following the end of the plan year, and
11	not before such time.
12	(b) Administrative Requirements Relating to
13	Reimbursements.—
14	(1) Line-item description.—Each reimburse-
15	ment made by a prescription drug plan or MA-PD
16	plan under subsection (a)(1) shall include a line-item
17	description of the items for which the reimbursement
18	is made.
19	(2) Timing of Reimbursements.—A prescrip-
20	tion drug plan or MA-PD plan must make a reim-
21	bursement under subsection (a)(1) to a retroactive
22	LIS enrollment beneficiary, with respect to a claim,
23	not later than 30 days after—
24	(A) in the case of a beneficiary described
25	in subsection $(e)(4)(A)(i)$ the date on which the

1	plan receives notice from the Secretary that the
2	beneficiary is eligible for assistance described in
3	such subsection; or
4	(B) in the case of a beneficiary described
5	in subsection (e)(4)(A)(ii), the date on which
6	the beneficiary files the claim with the plan.
7	(c) Notice Requirements.—
8	(1) By secretary of hhs and commission
9	OF THE SOCIAL SECURITY ADMINISTRATION.—The
10	Secretary, jointly with the Commissioner of the So-
11	cial Security Administration, shall ensure that each
12	retroactive LIS enrollment beneficiary receives, with
13	any letter or notification of eligibility for a low-in-
14	come subsidy under section 1860D–14 of the Social
15	Security Act, a notice of their right to reimburse-
16	ment described in subsection $(a)(1)$ for covered drug
17	costs incurred during the retroactive coverage period
18	of the beneficiary. Such notice shall—
19	(A) with respect to a beneficiary described
20	in subsection $(e)(4)(A)(i)$ , inform the bene-
21	ficiary of the beneficiary's right to automatic
22	reimbursement as described in subsection
23	(a)(1); and
24	(B) with respect to a beneficiary described
25	in subsection (e)(4)(A)(ii), include a description

of a clear process that the beneficiary should follow to seek such reimbursement.

## (2) By prescription drug plans.—

- (A) IN GENERAL.—Each prescription drug plan under part D of title XVIII of the Social Security Act (and MA-PD plan under part C of such title) shall include in a notice from the plan to a retroactive LIS enrollment beneficiary described in subsection (e)(4)(A)(ii) a model notice developed under subparagraph (B) describing the process the beneficiary must follow to seek retroactive reimbursement. Such notice shall include any form required by the plan to complete such reimbursement and shall indicate the period of retroactive coverage for which the beneficiary is eligible for such reimbursement.
- (B) Model Notice.—The Secretary, jointly with the Commissioner of Social Security, shall develop a model notice for purposes of subparagraph (A) and shall make such model notice available to all prescription drug plans under part D of title XVIII of the Social Security Act (and MA-PD plans under part C of such title).
- (d) Public Posting To Track Payments.—

- (1) In General.—Not later than one year after the date of the enactment of this Act, the Sec-retary shall post (and annually update) on the public Internet website of the Department of Health and Human Services information on the total amount of payments made by the Secretary under subsection (a)(2) to prescription drug plans during the most re-cent plan year for which plan data is available.
  - (2) Specific information.—Such information posted—
    - (A) in 2010 or in a subsequent year before 2016, shall include information on payments made for years beginning with 2006 and ending with the year for which the most current information is available; and
    - (B) in 2016 or a subsequent year, shall include information on payments made for at least the 10 previous years.

## (e) Definitions.—In this section:

(1) COVERED DRUG COSTS.—The term "covered drug costs" means, with respect to a retroactive LIS enrollment beneficiary enrolled under a prescription drug plan under part D of title XVIII of the Social Security Act (or an MA-PD plan under part C of such title), the amount by which—

1	(A) the costs incurred by such beneficiary
2	during the retroactive coverage period of the
3	beneficiary for covered part D drugs, premiums
4	and cost-sharing under such title; exceeds
5	(B) such costs that would have been in-
6	curred by such beneficiary during such period it
7	the beneficiary had been both enrolled in the
8	plan and recognized by such plan as qualified
9	during such period for the low income subsidy
10	under section 1860D-14 of the Social Security
11	Act to which the individual is entitled.
12	(2) Eligible third party.—The term "eligi-
13	ble third party" means, with respect to a retroactive
14	LIS enrollment beneficiary, an organization or other
15	third party that paid on behalf of such beneficiary
16	for covered drug costs incurred by such beneficiary
17	during the retroactive coverage period of such bene-
18	ficiary.
19	(3) Retroactive coverage period.—The
20	term "retroactive coverage period" means—
21	(A) with respect to a retroactive LIS en-
22	rollment beneficiary described in paragraph
23	(4)(A)(i), the period—

1	(i) beginning on the effective date of
2	the assistance described in such paragraph
3	for which the individual is eligible; and
4	(ii) ending on the date the plan effec-
5	tuates the status of such individual as so
6	eligible; and
7	(B) with respect to a retroactive LIS en-
8	rollment beneficiary described in paragraph
9	(4)(A)(ii), the period—
10	(i) beginning on the date the indi-
11	vidual is both entitled to benefits under
12	part A, or enrolled under part B, of title
13	XVIII of the Social Security Act and eligi-
14	ble for medical assistance under a State
15	plan under title XIX of such Act; and
16	(ii) ending on the date the plan effec-
17	tuates the status of such individual as a
18	full-benefit dual eligible individual (as de-
19	fined in section $1935(c)(6)$ of such Act).
20	(4) Retroactive lis enrollment bene-
21	FICIARY.—
22	(A) In general.—The term "retroactive
23	LIS enrollment beneficiary' means an indi-
24	vidual who—

1	(i) is enrolled in a prescription drug
2	plan under part D of title XVIII of the So-
3	cial Security Act (or an MA-PD plan
4	under part C of such title) and subse-
5	quently becomes eligible as a full-benefit
6	dual eligible individual (as defined in sec-
7	tion 1935(c)(6) of such Act), an individual
8	receiving a low-income subsidy under sec-
9	tion 1860D-14 of such Act, an individual
10	receiving assistance under the Medicare
11	Savings Program implemented under
12	clauses (i), (ii), (iii), and (iv) of section
13	1902(a)(10)(E) of such Act, or an indi-
14	vidual receiving assistance under the sup-
15	plemental security income program under
16	section 1611 of such Act; or
17	(ii) subject to subparagraph (B)(i), is
18	a full-benefit dual eligible individual (as
19	defined in section 1935(c)(6) of such Act)
20	who is automatically enrolled in such a
21	plan under section $1860D-1(b)(1)(C)$ of
22	such Act.
23	(B) Exception for beneficiaries en-
24	ROLLED IN RFP PLAN.—

- individual described in subparagraph

  (A)(ii) include an individual who is en
  rolled, pursuant to a RFP contract described in clause (ii), in a prescription drug plan offered by the sponsor of such plan awarded such contract.
  - (ii) RFP contract described in this section
    The RFP contract described in this section
    is a contract entered into between the Secretary and a sponsor of a prescription drug
    plan pursuant to the Centers for Medicare
    & Medicaid Services' request for proposals
    issued on February 17, 2009, relating to
    Medicare part D retroactive coverage for
    certain low income beneficiaries, or a similar subsequent request for proposals.
- 18 (f) GAO REPORT.—Not later than 24 months after 19 the date of the enactment of this Act, the Comptroller 20 General of the United States shall submit to Congress a 21 report on the extent to which the provisions of this section 22 improve reimbursement for covered drug costs to retro-23 active LIS enrollment beneficiaries and lower the amounts 24 of payments made by the Secretary, with respect to such 25 beneficiaries, to prescription drug plans under part D of

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- 1 title XVIII of the Social Security Act (and MA-PD plans2 under part C of such title).
- 3 (g) Report to Congress.—In the case that an
- 4 RFP contract described in subsection (e)(4)(B)(ii) is
- 5 awarded, not later than two years after the effective date
- 6 of such contract, the Secretary of Health and Human
- 7 Services shall submit to Congress a report evaluating the
- 8 program carried out through such contract.
- 9 (h) Effective Date.—Paragraphs (2) and (3) of
- 10 subsection (a) and subsections (b) and (c) shall apply to
- 11 subsidy determinations made on or after the date that is
- 12 3 months after the date of the enactment of this Act.
- 13 SEC. 13. INTELLIGENT ASSIGNMENT IN ENROLLMENT.
- 14 (a) IN GENERAL.—Section 1860D–1(b)(1) of the So-
- 15 cial Security Act (42 U.S.C. 1395w–101(b)(1), as amend-
- 16 ed by section 7(b), is amended—
- 17 (1) in the second sentence of subparagraph (C),
- by striking "on a random basis among all such
- 19 plans" and inserting ", subject to subparagraph (E),
- in the most appropriate plan for such individual";
- 21 and
- (2) by adding at the end the following new sub-
- paragraph:
- 24 "(E) Intelligent assignment.—In the
- 25 case of any auto-enrollment under subpara-

1 graph (C), no part D eligible individual de-2 scribed in such subparagraph shall be enrolled 3 in a prescription drug plan which does not meet requirements established by the Secretary.". 4 5 (b) Effective Date.—The amendment made by subsection (a) shall apply to enrollments effected on or 6 7 after November 15, 2010. 8 SEC. 14. MEDICARE ENROLLMENT ASSISTANCE. 9 (a) Additional Funding for State Health In-SURANCE ASSISTANCE PROGRAMS.— 10 11 (1) Grants.— 12 GENERAL.—The (A)IN Secretary 13 Health and Human Services (in this section referred to as the "Secretary") shall use amounts 14 15 made available under subparagraph (B) to 16 make grants to States for State health insur-17 ance assistance programs receiving assistance 18 under section 4360 of the Omnibus Budget 19 Reconciliation Act of 1990. 20 (B) Funding.—For purposes of making 21 grants under this subsection, the Secretary 22 shall provide for the transfer, from the Federal 23 Hospital Insurance Trust Fund under section 24 1817 of the Social Security Act (42 U.S.C.

1395i) and the Federal Supplementary Medical

Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in the same proportion as the Secretary determines under section 1853(f) of such Act (42 U.S.C. 1395w–23(f)), of \$14,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for fiscal year 2011, to remain available until expended.

(2) AMOUNT OF GRANTS.—The amount of a grant to a State under this subsection from the total amount made available under paragraph (1) shall be equal to the sum of the amount allocated to the State under paragraph (3)(A) and the amount allocated to the State under subparagraph (3)(B).

## (3) Allocation to states.—

(A) Allocation based on Percentage of Low-income beneficiaries.—The amount allocated to a State under this subparagraph from  $^2$ /3 of the total amount made available under paragraph (1) shall be based on the number of individuals who meet the requirement under subsection (a)(3)(A)(ii) of section 1860D–14 of the Social Security Act (42 U.S.C. 1395w–114) but who have not enrolled to receive a subsidy under such section 1860D–

14 relative to the total number of individuals who meet the requirement under such subsection (a)(3)(A)(ii) in each State, as estimated by the Secretary.

- (B) Allocation based on Percentage of Rural Beneficiaries.—The amount allocated to a State under this subparagraph from ½ of the total amount made available under paragraph (1) shall be based on the number of part D eligible individuals (as defined in section 1860D–1(a)(3)(A) of such Act (42 U.S.C. 1395w–101(a)(3)(A))) residing in a rural area relative to the total number of such individuals in each State, as estimated by the Secretary.
- (4) PORTION OF GRANT BASED ON PERCENT-AGE OF LOW-INCOME BENEFICIARIES TO BE USED TO PROVIDE OUTREACH TO INDIVIDUALS WHO MAY BE SUBSIDY ELIGIBLE INDIVIDUALS OR ELIGIBLE FOR THE MEDICARE SAVINGS PROGRAM.—Each grant awarded under this subsection with respect to amounts allocated under paragraph (3)(A) shall be used to provide outreach to individuals who may be subsidy eligible individuals (as defined in section 1860D–14(a)(3)(A) of the Social Security Act (42 U.S.C. 1395w–114(a)(3)(A)) or eligible for the

1 Medicare Savings Program (as defined in subsection 2 (f)). 3 (b) Additional Funding for Area Agencies on AGING.— 5 (1) Grants.— 6 (A) IN GENERAL.—The Secretary, acting 7 through the Assistant Secretary for Aging, shall 8 make grants to States for area agencies on 9 aging (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)) and 10 11 Native American programs carried out under 12 the Older Americans Act of 1965 (42 U.S.C. 13 3001 et seq.). 14 (B) Funding.—For purposes of making 15 grants under this subsection, the Secretary 16 shall provide for the transfer, from the Federal 17 Hospital Insurance Trust Fund under section 18 1817 of the Social Security Act (42 U.S.C. 19 1395i) and the Federal Supplementary Medical 20 Insurance Trust Fund under section 1841 of 21 such Act (42 U.S.C. 1395t), in the same pro-22 portion as the Secretary determines under sec-

tion 1853(f) of such Act (42 U.S.C. 1395w-

23(f)), of \$10,000,000 to the Administration on

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1 Aging for fiscal year 2011, to remain available 2 until expended.

(2) Amount of grant and allocation to States based on Percentage of Low-income and Rural Beneficiaries.—The amount of a grant to a State under this subsection from the total amount made available under paragraph (1) shall be determined in the same manner as the amount of a grant to a State under subsection (a), from the total amount made available under paragraph (1) of such subsection, is determined under paragraph (2) and subparagraphs (A) and (B) of paragraph (3) of such subsection.

## (3) Required use of funds.—

(A) ALL FUNDS.—Subject to subparagraph (B), each grant awarded under this subsection shall be used to provide outreach to eligible Medicare beneficiaries regarding the benefits available under title XVIII of the Social Security Act.

(B) OUTREACH TO INDIVIDUALS WHO MAY BE SUBSIDY ELIGIBLE INDIVIDUALS OR ELIGIBLE FOR THE MEDICARE SAVINGS PROGRAM.—
Subsection (a)(4) shall apply to each grant awarded under this subsection in the same

1	manner	as	it	applies	to	a	grant	under	sub-
2	section (	(a).							

- 3 (c) Additional Funding for Aging and Dis-4 ability Resource Centers.—
- 5 (1) Grants.—

- (A) IN GENERAL.—The Secretary shall make grants to Aging and Disability Resource Centers under the Aging and Disability Resource Center grant program that are established centers under such program on the date of the enactment of this Act.
- (B) Funding.—For purposes of making grants under this subsection, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in the same proportion as the Secretary determines under section 1853(f) of such Act (42 U.S.C. 1395w–23(f)), of \$10,000,000 to the Administration on Aging for fiscal year 2011, to remain available until expended.

1	(2) REQUIRED USE OF FUNDS.—Each grant
2	awarded under this subsection shall be used to pro-
3	vide outreach to individuals regarding the benefits
4	available under the Medicare prescription drug ben-
5	efit under part D of title XVIII of the Social Secu-
6	rity Act and under the Medicare Savings Program.
7	(d) Coordination of Efforts To Inform Older
8	AMERICANS ABOUT BENEFITS AVAILABLE UNDER FED-
9	ERAL AND STATE PROGRAMS.—
10	(1) In General.—The Secretary, acting
11	through the Assistant Secretary for Aging, in co-
12	operation with related Federal agency partners, shall
13	make a grant to, or enter into a contract with, a
14	qualified, experienced entity under which the entity
15	shall—
16	(A) maintain and update web-based deci-
17	sion support tools, and integrated, person-cen-
18	tered systems, designed to inform older individ-
19	uals (as defined in section 102 of the Older
20	Americans Act of 1965 (42 U.S.C. 3002))
21	about the full range of benefits for which the
22	individuals may be eligible under Federal and
23	State programs;
24	(B) utilize cost-effective strategies to find
25	older individuals with the greatest economic

- need (as defined in such section 102) and inform the individuals of the programs;
  - (C) develop and maintain an information clearinghouse on best practices and the most cost-effective methods for finding older individuals with greatest economic need and informing the individuals of the programs; and
    - (D) provide, in collaboration with related Federal agency partners administering the Federal programs, training and technical assistance on the most effective outreach, screening, and follow-up strategies for the Federal and State programs.
  - (2) Funding.—For purposes of making a grant or entering into a contract under paragraph (1), the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in the same proportion as the Secretary determines under section 1853(f) of such Act (42 U.S.C. 1395w–23(f)), of \$10,000,000 to the Administration on Aging for fiscal year 2011, to remain available until expended.

1	(e) Medicare Savings Program Defined.—For
2	purposes of this section, the term "Medicare Savings Pro-
3	gram" means the program of medical assistance for pay-
4	ment of the cost of medicare cost-sharing under the Med-
5	icaid program pursuant to sections 1902(a)(10)(E) and
6	1933 of the Social Security Act (42 U.S.C.
7	1396a(a)(10)(E), 1396u-3).
8	SEC. 15. QMB BUY-IN OF PART A AND PART B PREMIUMS.
9	(a) Requirement.—Section 1902(a) of the Social
10	Security Act (42 U.S.C. 1396a(a)), as amended by section
11	10, is amended—
12	(1) in paragraph (73), by striking "and" at the
13	end;
14	(2) in paragraph (74), by striking the period at
15	the end and inserting "; and"; and
16	(3) by inserting after paragraph (74) the fol-
17	lowing new paragraph:
18	"(75) provide that the State enters into a modi-
19	fication of an agreement under section 1818(g).".
20	(b) Effective Date.—
21	(1) In general.—Except as provided in para-
22	graph (2), the amendments made by this section
23	take effect on the date that is 6 months after the
24	date of enactment of this Act.

1 (2)EXTENSION OF EFFECTIVE DATE 2 STATE LAW AMENDMENT.—In the case of a State 3 plan under title XIX of the Social Security Act (42) 4 U.S.C. 1396 et seq.) which the Secretary of Health 5 and Human Services determines requires State legis-6 lation in order for the plan to meet the additional 7 requirements imposed by the amendments made by 8 this section, the State plan shall not be regarded as 9 failing to comply with the requirements of such title 10 solely on the basis of its failure to meet these addi-11 tional requirements before the first day of the first calendar quarter beginning after the close of the 12 13 first regular session of the State legislature that be-14 gins after the date of enactment of this Act. For 15 purposes of the previous sentence, in the case of a 16 State that has a 2-year legislative session, each year 17 of the session is considered to be a separate regular 18 session of the State legislature. 19 SEC. 16. INCREASING AVAILABILITY OF MSP APPLICATIONS 20 THROUGH AVAILABILITY ON THE INTERNET 21 AND DESIGNATION OF PREFERRED LAN-

**GUAGE.** 23 (a) Requirement for States.—

1	(1) IN GENERAL.—Section 1902(a) of the So-
2	cial Security Act (42 U.S.C. 1396a(a)), as amended
3	by section 15, is amended—
4	(A) in paragraph (74), by striking "and"
5	at the end;
6	(B) in paragraph (75), by striking the pe-
7	riod at the end and inserting "; and; and
8	(C) by inserting after paragraph (75) the
9	following new paragraph:
10	"(76) provide—
11	"(A) that the application for medical as-
12	sistance for medicare cost-sharing under this
13	title used by the State allows an individual to
14	specify a preferred language for subsequent
15	communication and, in the case in which a lan-
16	guage other than English is specified, provide
17	that subsequent communications under this title
18	to the individual shall be in such language; and
19	"(B) that the State makes such application
20	available through an Internet website and pro-
21	vides for such application to be completed on
22	such website.".
23	(2) Effective date.—
24	(A) In general.—Except as provided in
25	subparagraph (B), the amendments made by

this subsection take effect on the date that is 2 years after the date of enactment of this Act.

> (B) Extension of effective date for STATE LAW AMENDMENT.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this subsection, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.

23 (b) REQUIREMENT FOR THE SECRETARY.—Section 24 1905(p)(5) of the Social Security Act (42 U.S.C. 25 1396d(p)(5)) is amended by adding at the end the fol-

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1 lowing new sentence: "Such form shall allow an individual to specify a preferred language for subsequent commu-3 nication.". SEC. 17. STATE MEDICAID AGENCY CONSIDERATION OF 5 LOW-INCOME SUBSIDY APPLICATION AND 6 DATA TRANSMITTAL. 7 (a) Technical Amendments.— 8 (1) In General.—Section 1144(c)(3)(A)(i) of 9 the Social Security Act (42 U.S.C. 1320b-10 14(c)(3)(A)(i), as amended by section 10, is amend-11 ed— 12 (A) by striking "transmittal"; and (B) by inserting "(as specified in section 13 14 1935(a)(4))" before the semicolon at the end. 15 (2) Effective date.—The amendments made 16 by this subsection shall take effect as if included in 17 the enactment of section 113(a) of the Medicare Im-18 provements for Patients and Providers Act of 2008 19 (Public Law 110–275). 20 (b) Clarification of State Medicaid Agency 21 CONSIDERATION OF LOW-INCOME SUBSIDY APPLICA-22 TION.—Section 1935(a)(4) of the Social Security Act (42) U.S.C. 1396u-5(a)(4), as added by section 113(b) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110–275), is amended—

1	(1) by striking "Program.—The State" and
2	inserting "Program.—
3	"(A) IN GENERAL.—The State";
4	(2) in subparagraph (A), as inserting by para-
5	graph (1), by striking the second sentence; and
6	(3) by adding at the end the following new sub-
7	paragraphs:
8	"(B) For purposes of a State's obligation
9	under section 1902(a)(8) to furnish medical as-
10	sistance with reasonable promptness, the date
11	of the electronic transmission by the Commis-
12	sioner of Social Security to the State Medicaid
13	agency of data under section $1144(c)(3)$ shall
14	be the date of the filing of such application for
15	benefits under the Medicare Savings Program.
16	"(C) For the purpose of determining when
17	medical assistance shall be made available for
18	medicare cost-sharing under this title, the State
19	shall consider the date of the application for
20	low-income subsidies under section 1860D–14
21	to be the date of the filing of an application for
22	benefits under the Medicare Savings Pro-
23	oram "