

115TH CONGRESS  
1ST SESSION

# S. 309

To establish a Community-Based Institutional Special Needs Plan demonstration program to target home and community-based care to eligible Medicare beneficiaries.

---

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6, 2017

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

---

## A BILL

To establish a Community-Based Institutional Special Needs Plan demonstration program to target home and community-based care to eligible Medicare beneficiaries.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community-Based  
5 Independence for Seniors Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) Community-based services play an essential  
9 role in keeping individuals healthy.

1           (2) Without community-based long-term serv-  
2           ices and supports, which are not typically covered by  
3           Medicare, seniors frequently experience negative  
4           health outcomes and lose their ability to live inde-  
5           pendently.

6           (3) Seniors who deplete their resources often  
7           have no option but to turn to Medicaid for coverage  
8           of long-term care expenses.

9           (4) Targeting community-based services and  
10          supports to at-risk seniors can help these individuals  
11          avoid depleting their assets and becoming Medicaid  
12          dependent.

13 **SEC. 3. COMMUNITY-BASED INSTITUTIONAL SPECIAL**  
14 **NEEDS PLAN DEMONSTRATION.**

15          (a) IN GENERAL.—The Secretary of Health and  
16          Human Services (referred to in this section as the Sec-  
17          retary) shall establish a Community-Based Institutional  
18          Special Needs Plan demonstration program (in this sec-  
19          tion referred to as the CBI–SNP demonstration program)  
20          to prevent and delay institutionalization under the Med-  
21          icaid program among eligible low-income Medicare bene-  
22          ficiaries.

23          (b) ESTABLISHMENT.—

24                  (1) IN GENERAL.—The Secretary shall enter  
25          into agreements with not more than 5 eligible MA

1 plans to conduct the CBI–SNP demonstration pro-  
2 gram. Each such eligible MA plan may enroll up to  
3 1,000 eligible low-income Medicare beneficiaries (in-  
4 cluding new enrollees) in such program.

5 (2) USE OF PART C REBATE TO FURNISH CER-  
6 TAIN BENEFITS.—Under the CBI–SNP demonstra-  
7 tion program, an eligible MA plan selected to par-  
8 ticipate in such program shall use the rebate that  
9 the plan is required (under section 1854 of the So-  
10 cial Security Act (42 U.S.C. 13954–24)) to provide  
11 to eligible low-income Medicare beneficiaries enrolled  
12 in the plan in order to furnish, as supplemental ben-  
13 efits under section 1852(a)(3) of such Act (42  
14 U.S.C. 1395w–22(a)(3)) and notwithstanding any  
15 waivers under section 1915(c) of such Act (42  
16 U.S.C. 1396n(c)), benefits to such beneficiaries, in-  
17 cluding long-term care services and supports, that  
18 the Secretary determines appropriate for the pur-  
19 poses of the CBI–SNP demonstration program, such  
20 as—

- 21 (A) homemaker services;  
22 (B) home delivered meals;  
23 (C) transportation services;  
24 (D) respite care;  
25 (E) adult day care services; and

1 (F) non-Medicare-covered safety and other  
2 equipment.

3 (c) ELIGIBLE MA PLAN.—In this section, the term  
4 eligible MA plan means a specialized MA plan for special  
5 needs individuals (as defined in section 1859(b)(6) of the  
6 Social Security Act (42 U.S.C. 1395w–28(b)(6))) that—

7 (1) has experience in offering special needs  
8 plans for nursing home-eligible, non-institutionalized  
9 Medicare beneficiaries who live in the community;

10 (2) has experience working with low income  
11 beneficiaries, including low income beneficiaries du-  
12 ally eligible for benefits under titles XVIII and XIX  
13 of such Act;

14 (3) has a service area in a State that has  
15 agreed to make available to the Secretary Medicaid  
16 data necessary for purposes of conducting the inde-  
17 pendent evaluation required under subsection (j);  
18 and

19 (4) meets such other criteria as the Secretary  
20 may require.

21 (d) ELIGIBLE LOW-INCOME MEDICARE BENEFICIARY  
22 DEFINED.—In this section, the term eligible low-income  
23 Medicare beneficiary means an individual who is—

1 (1) a Medicare Advantage eligible individual (as  
2 defined in section 1851(a)(3) of the Social Security  
3 Act (42 U.S.C. 1395w–21(a)(3)));

4 (2) a subsidy eligible individual (as defined in  
5 section 1860D–14(a)(3)(A) of such Act (42 U.S.C.  
6 1395w–114(a)(3)(A)));

7 (3) not eligible to receive benefits under title  
8 XIX of the Social Security Act;

9 (4) unable to perform two or more activities of  
10 daily living (as defined in section 7702B(e)(2)(B) of  
11 the Internal Revenue Code of 1986); and

12 (5) age 65 or older.

13 (e) SPECIAL ELECTION PERIOD.—Notwithstanding  
14 sections 1852(e)(2)(C) and 1860D–1(b)(1)(B)(iii) of the  
15 Social Security Act (42 U.S.C. 1395w–21(e)(2)(C);  
16 1395w–101(b)(1)(B)(iii)), an eligible Medicare beneficiary  
17 may, other than during the annual, coordinated election  
18 periods under such sections—

19 (1) discontinue enrollment in a Medicare Ad-  
20 vantage plan not participating in the CBI–SNP  
21 demonstration program and enroll in an eligible MA  
22 plan participating in such program if the beneficiary  
23 resides in the participating plan’s service area; and

24 (2) discontinue enrollment under the original  
25 medicare fee-for-service program under parts A and

1 B of title XVIII of such Act and the enrollment in  
2 a prescription drug plan under part D of such title  
3 and enroll in an eligible MA plan participating in the  
4 CBI–SNP demonstration program if the beneficiary  
5 resides in the participating plan’s service area.

6 (f) BENEFICIARY EDUCATION.—The Secretary shall  
7 help to educate eligible Medicare beneficiaries on the avail-  
8 ability of the CBI–SNP demonstration program through  
9 State Health Insurance Assistance Programs and other  
10 organizations dedicated to assisting seniors with Medicare  
11 benefits and enrollment.

12 (g) DURATION.—The CBI–SNP demonstration pro-  
13 gram shall be implemented not later than January 1,  
14 2018, and shall be conducted for a period of 5 years.

15 (h) BUDGET NEUTRALITY.—In conducting the CBI–  
16 SNP demonstration program, the Secretary shall ensure  
17 that the aggregate payments made by the Secretary do  
18 not exceed the amount which the Secretary estimates  
19 would have been expended under titles XVIII and XIX  
20 of the Social Security Act (42 U.S.C. 1395 et seq., 1396  
21 et seq.) if the CBI–SNP demonstration program had not  
22 been implemented.

23 (i) EXPANSION OF DEMONSTRATION PROGRAM.—  
24 Taking into account the evaluation under subsection (j),  
25 the Secretary may, through notice and comment rule-

1 making, expand (including implementation on a nation-  
2 wide basis) the duration and scope of the CBI–SNP dem-  
3 onstration program under title XVIII of the Social Secu-  
4 rity Act, other than under the original medicare fee-for-  
5 service program under parts A and B of such title, to the  
6 extent determined appropriate by the Secretary, if the re-  
7 quirements of paragraphs (1), (2) and (3) of subsection  
8 (c) of section 1115A of the Social Security Act (42 U.S.C.  
9 1315a), as applied to the testing of a model under sub-  
10 section (b) of such section, applied to the CBI–SNP dem-  
11 onstration program.

12 (j) INDEPENDENT EVALUATION AND REPORTS.—

13 (1) INDEPENDENT EVALUATION.—The Sec-  
14 retary shall provide for the evaluation of the CBI–  
15 SNP demonstration program by an independent  
16 third party. Such evaluation shall be completed  
17 using evaluation criteria that are clearly articulated  
18 prior to the implementation of such program. Such  
19 criteria shall include specific goals of such program,  
20 hypotheses being tested, and clear data collection  
21 and reporting requirements, recognizing that defini-  
22 tions, benefits, and program requirements for long-  
23 term care services and supports vary across States.  
24 Such evaluation shall determine whether the CBI–  
25 SNP demonstration program has—

1 (A) improved patient care;

2 (B) reduced hospitalizations or rehos-  
3 pitalizations;

4 (C) reduced or delayed Medicaid nursing  
5 facility admissions and lengths of stay;

6 (D) reduced spend down of income and as-  
7 sets for purposes of becoming eligible for Med-  
8 icaid; and

9 (E) improved quality of life for the dem-  
10 onstration population and beneficiary and care-  
11 giver satisfaction.

12 (2) REPORTS.—Not later than January 1,  
13 2022, the Secretary shall submit to Congress a re-  
14 port containing the results of the evaluation con-  
15 ducted under paragraph (1), together with such rec-  
16 ommendations for legislative or administrative action  
17 as the Secretary determines appropriate. In pre-  
18 paring such report, the Secretary shall use at least  
19 3 years worth of data under the CBI–SNP dem-  
20 onstration program.

21 (k) FUNDING.—

22 (1) FUNDING FOR IMPLEMENTATION.—For  
23 purposes of administering the CBI–SNP demonstra-  
24 tion program (other than the evaluation and report  
25 under subsection (j)), the Secretary shall provide for



1 the transfer from the Federal Hospital Insurance  
2 Trust Fund under section 1817 of the Social Secu-  
3 rity Act (42 U.S.C. 1395i) and the Federal Supple-  
4 mentary Medical Insurance Trust Fund under sec-  
5 tion 1841 of such Act (42 U.S.C. 1395t), in such  
6 proportion as the Secretary determines appropriate,  
7 of \$3,000,000 to the Centers for Medicare & Med-  
8 icaid Services Program Management Account.

9 (2) FUNDING FOR EVALUATION AND REPORT.—

10 For purposes of carrying out the evaluation and re-  
11 port under subsection (j), the Secretary shall provide  
12 for the transfer from the Federal Hospital Insurance  
13 Trust Fund under such section 1817 and the Fed-  
14 eral Supplementary Medical Insurance Trust Fund  
15 under such section 1841, in such proportion as the  
16 Secretary determines appropriate, of \$500,000 to  
17 the Centers for Medicare & Medicaid Services Pro-  
18 gram Management Account.

19 (3) AVAILABILITY.—Amounts transferred under  
20 paragraph (1) or (2) shall remain available until ex-  
21 pended.

22 (l) PAPERWORK REDUCTION ACT.—Chapter 35 of  
23 title 44, United States Code, shall not apply to the testing  
24 and evaluation of the CBI–SNP demonstration program.

○