

113TH CONGRESS
1ST SESSION

H. R. 2376

To implement a demonstration project under titles XVIII and XIX of the Social Security Act to examine the costs and benefits of providing payments for comprehensive coordinated health care services provided by purpose-built, continuing care retirement communities to Medicare beneficiaries.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2013

Mr. FITZPATRICK introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To implement a demonstration project under titles XVIII and XIX of the Social Security Act to examine the costs and benefits of providing payments for comprehensive coordinated health care services provided by purpose-built, continuing care retirement communities to Medicare beneficiaries.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Medicare Residential
3 Care Coordination Act of 2013”.

4 **SEC. 2. MEDICARE AND MEDICAID RESIDENTIAL CARE CO-**
5 **ORDINATION DEMONSTRATION PROJECT.**

6 (a) ESTABLISHMENT AND IMPLEMENTATION.—

7 (1) IN GENERAL.—The Secretary of Health and
8 Human Services (in this section referred to as the
9 “Secretary”) shall establish and implement a dem-
10 onstration project (in this section referred to as the
11 “demonstration project”) under titles XVIII and
12 XIX of the Social Security Act to evaluate the use
13 of capitated payments made to eligible continuing
14 care retirement communities for residential care co-
15 ordination programs.

16 (2) TIMETABLE FOR IMPLEMENTATION.—In
17 carrying out this section—

18 (A) not later than 1 year after the date of
19 the enactment of this Act the Secretary shall
20 complete the design for the demonstration
21 project and enter into one or more agreements
22 with eligible CCRCs for the implementation of
23 the project with respect to such CCRCs; and

24 (B) not later than 4 years after the date
25 of entering into such agreements, first provide

1 for implementation of the project through such
2 CCRCs.

3 (b) BUDGET NEUTRALITY.—With respect to the pe-
4 riod of the demonstration project under this section, the
5 aggregate expenditures under titles XVIII and XIX of the
6 Social Security Act for such period shall not exceed the
7 aggregate expenditures that would have been expended
8 under such titles if the demonstration project had not been
9 implemented.

10 (c) STATE ELECTION REQUIRED.—

11 (1) IN GENERAL.—The Secretary may only im-
12 plement the demonstration project in a State that
13 elects to participate in the demonstration project.

14 (2) BENEFITS AND PAYMENTS.—A State that
15 elects to participate in the demonstration project
16 shall provide medical assistance through title XIX of
17 the Social Security Act for each eligible CCRC resi-
18 dent who is eligible for medical assistance under the
19 State plan under such title (including such residents
20 who are made eligible under subsection
21 (d)(3)(B)(iii)) and who is enrolled in a residential
22 care coordination program in a manner that is con-
23 sistent with the requirements of this section, includ-
24 ing making the payments under subsection (e).

1 (3) LIMITATION.—A State may establish a nu-
2 merical limit on—

3 (A) the number of eligible CCRC residents
4 who may be enrolled in residential care coordi-
5 nation programs in the State; and

6 (B) the number of eligible CCRCs that
7 may operate residential care coordination pro-
8 grams in the State.

9 (d) RESIDENTIAL CARE COORDINATION PROGRAM
10 (RCCP); ELIGIBLE CONTINUE CARE RETIREMENT COM-
11 MUNITY (CCRC); ELIGIBLE CCRC RESIDENTS; COM-
12 PREHENSIVE COORDINATED HEALTH CARE SERVICES
13 DEFINED.—

14 (1) RESIDENTIAL CARE COORDINATION PRO-
15 GRAM; RCCP.—For purposes of this section, the
16 terms “residential care coordination program” and
17 “RCCP” mean a program that—

18 (A) is operated within one or more eligible
19 continuing care retirement communities (as de-
20 fined in paragraph (2));

21 (B) is designed with a capacity of serving
22 at least 1,000, but not more than 1,500, eligible
23 CCRC residents (as defined in paragraph (3))
24 at any one time; and

1 (C) provides comprehensive coordinated
2 health care services (as defined in paragraph
3 (4)) to participating CCRC residents enrolled in
4 the program in accordance with the program
5 agreement under subsection (f) and the require-
6 ments of this section.

7 (2) ELIGIBLE CONTINUING CARE RETIREMENT
8 COMMUNITY; ELIGIBLE CCRC.—In this section, the
9 terms “eligible continuing care retirement commu-
10 nity” and “eligible CCRC” mean an entity that is a
11 continuing care retirement community (as defined in
12 section 1852(l)(4)(B) of the Social Security Act (42
13 U.S.C. 1395w–22(l)(4)(B))) that—

14 (A) is built for the purposes of partici-
15 pating in the demonstration project;

16 (B) provides onsite—

17 (i) housing accommodations for eligi-
18 ble CCRC residents, including apartments
19 for independent living; and

20 (ii) additional services to facilitate
21 aging in place for such residents, including
22 assisted living and skilled nursing facilities
23 or alternatives; and

24 (C) has entered into a program agreement
25 with the Secretary and the State with respect

1 to its operation of the residential care coordina-
2 tion program and such agreement is consistent
3 with the requirements of this section.

4 (3) ELIGIBLE CCRC RESIDENT; PARTICIPATING
5 CCRC RESIDENT.—

6 (A) IN GENERAL.—For purposes of this
7 section:

8 (i) ELIGIBLE CCRC RESIDENT.—The
9 term “eligible CCRC resident” means an
10 individual who—

11 (I) is entitled to, or enrolled for,
12 benefits under part A of title XVIII of
13 the Social Security Act, and enrolled
14 for benefits under part B of such title;
15 and

16 (II) resides in an eligible CCRC.

17 (ii) PARTICIPATING CCRC RESI-
18 DENT.—The term “participating CCRC
19 resident” means, with respect to a resident
20 care coordination program, an eligible
21 CCRC resident who is enrolled in that pro-
22 gram.

23 (B) PARTICIPATION BY DUAL-ELIGIBLE IN-
24 DIVIDUALS; EXPANDED ELIGIBILITY.—

1 (i) IN GENERAL.—An eligible CCRC
2 resident may be, but is not required to be,
3 a dual-eligible individual.

4 (ii) DUAL-ELIGIBLE INDIVIDUAL DE-
5 FINED.—In this section, the term “dual-el-
6 ible individual” means any individual
7 who is—

8 (I) a full-benefit dual eligible in-
9 dividual (as defined in section
10 1935(e)(6) of the Social Security
11 Act); or

12 (II) is described in clause (iii).

13 (iii) QUALIFICATION OF PARTICI-
14 PATING CCRC RESIDENTS FOR MEDICAID
15 BENEFITS.—An individual who is a partici-
16 pating CCRC resident, regardless of the
17 level of care, who meets income and re-
18 source eligibility criteria established under
19 the State Medicaid plan for an individual
20 to obtain coverage for nursing facility serv-
21 ices on the basis of the individual’s re-
22 quirement for the level of care for such
23 services, shall be treated as a dual-eligible
24 individual under this section and under
25 title XIX of the Social Security Act so long

1 as the individual remains a participating
2 CCRC resident.

3 (C) ENROLLMENT AND DISENROLLMENT
4 RULES.—

5 (i) DEEMED ENROLLMENT AT TIME
6 OF INITIAL RESIDENCY.—An individual
7 who is described in subclause (I) of sub-
8 paragraph (A)(i) is deemed, at the time of
9 becoming a resident in an eligible CCRC,
10 to have voluntarily consented to enroll in
11 the RCCP operated by that CCRC for pur-
12 poses of subparagraph (A)(ii).

13 (ii) DISENROLLMENT PROCESS.—The
14 demonstration project shall provide a
15 method for the disenrollment from the
16 project of participating CCRC residents,
17 which method shall take into account the
18 unique circumstances of residents who are
19 required to leave the CCRC and shall per-
20 mit disenrollment at least in the same cir-
21 cumstances as would permit an individual
22 to disenroll from a Medicare Advantage
23 plan under part C of title XVIII of the So-
24 cial Security Act for cause.

1 (D) RELATION TO MEDICARE ADVANTAGE
2 AND PRESCRIPTION DRUG PROGRAM.—

3 (i) SUPERCEDES ENROLLMENT.—A
4 participating CCRC resident is not eligible
5 to enroll in an MA plan under part C of
6 title XVIII of the Social Security Act or
7 under a prescription drug plan under part
8 D of such title.

9 (ii) COORDINATION IN CASE OF
10 DISENROLLMENT.—In the case of a par-
11 ticipating CCRC resident who disenrolls
12 from the demonstration project, the
13 disenrollment shall be treated, for purposes
14 of parts C and D of such title, as if the in-
15 dividual had been previously enrolled in,
16 and disenrolled from, an MA–PD plan
17 under part C of such title.

18 (E) PREMIUM PAYMENTS.—During the pe-
19 riod in which an individual is a participating
20 CCRC resident—

21 (i) for purposes of payment of pre-
22 miums under parts B, C, and D of title
23 XVIII of the Social Security Act, the indi-
24 vidual shall be treated as if the individual
25 were enrolled under an MA–PD plan with

1 a premium equal to an amount specified in
2 the program agreement; and

3 (ii) the individual shall be eligible for
4 assistance with respect to such premiums
5 under part D and Medicare cost-sharing in
6 the same manner and in the equivalent
7 amounts as if the individual had not been
8 enrolled as a participating CCRC resident.

9 (4) COMPREHENSIVE COORDINATED HEALTH
10 CARE SERVICES DEFINED.—For purposes of this
11 section, the term “comprehensive coordinated health
12 care services”, with respect to an eligible CCRC resi-
13 dent—

14 (A) means all items and services that are
15 otherwise payable under title XVIII of the So-
16 cial Security Act, including the minimum pre-
17 scription drug coverage required under a pre-
18 scription drug plan under part D of such title;

19 (B) includes in the case of a dual eligible
20 individual all items and services that are other-
21 wise payable under the State plan under title
22 XIX of such Act of the State in which the resi-
23 dent resides; and

24 (C) also includes—

1 (i) care management services that co-
2 ordinate acute and specialty services (in-
3 cluding inpatient hospital services, services
4 provided by specialty physicians, and other
5 necessary services) provided to eligible
6 CCRC residents;

7 (ii) wellness services, including assist-
8 ance and instruction in healthy living (in-
9 cluding diet and exercise); and

10 (iii) other health care items and serv-
11 ices to manage chronic conditions, treat
12 subacute conditions, and provide preventive
13 care.

14 (e) PAYMENT UNDER MEDICARE AND MEDICAID.—

15 (1) IN GENERAL.—In the case of an individual
16 who is a participating CCRC resident who is en-
17 rolled in a residential care coordination program op-
18 erated by an eligible CCRC—

19 (A) the individual shall receive benefits
20 under title XVIII of the Social Security Act,
21 and, if such individual is a dual-eligible indi-
22 vidual (as defined in subsection (d)(3)(B)(ii)),
23 under the State Medicaid plan or waiver under
24 title XIX of such Act, solely through the resi-
25 dential care coordination program, which shall

1 provide such individual with comprehensive co-
2 ordinated health care services; and

3 (B) the eligible CCRC shall receive
4 capitated payments for the provision of such
5 services (from the Secretary for benefits under
6 title XVIII and from the State for benefits
7 under such State plan or waiver), in accordance
8 with this section.

9 (2) PAYMENT METHODOLOGY.—

10 (A) PAYMENT UNDER MEDICARE.—

11 (i) PAYMENT ON MONTHLY BASIS.—

12 With respect to each eligible CCRC, the
13 Secretary shall make prospective monthly
14 payments of a capitated amount, based on
15 the rate established under clause (ii), for
16 each participating CCRC resident enrolled
17 in the residential care coordination pro-
18 gram operated by such CCRC in the same
19 manner and from the same sources as pay-
20 ments are made to a Medicare Advantage
21 organization under section 1853 of the So-
22 cial Security Act. Such payments shall be
23 subject to adjustment in the manner de-
24 scribed in paragraphs (2) and (3) of sec-
25 tion 1853(a).

1 (ii) ESTABLISHMENT OF PAYMENT
2 RATE.—

3 (I) IN GENERAL.—The Secretary
4 shall establish a risk-adjusted
5 capitated payment rate under title
6 XVIII of the Social Security Act for
7 comprehensive coordinated health care
8 services provided to eligible CCRC
9 residents through a residential care
10 coordination program operated by an
11 eligible CCRC. The payment rate shall
12 be 90 percent of the adjusted average
13 per capita cost described in section
14 1853(c)(1)(D)(i) of such Act (42
15 U.S.C. 1395w-23(c)(1)(D)(i)), plus
16 an amount equivalent to 90 percent of
17 the amount that would have been paid
18 to a prescription drug plan the stand-
19 ardized bid amount of which (as de-
20 fined in 1860D-13(a)(5) of such Act)
21 was equal to the adjusted national av-
22 erage monthly bid amount (as defined
23 in section 1860D-13(a)(1)(B)(iii) of
24 such Act) and taking into account

1 low-income subsidies paid under sec-
2 tion 1860D–14.

3 (II) PROGRAM AGREEMENT.—

4 The mechanism for establishing the
5 capitated amount under this subpara-
6 graph for a specific eligible CCRC
7 shall be specified in the program
8 agreement.

9 (B) PAYMENT UNDER MEDICAID.—

10 (i) PAYMENT ON A MONTHLY BASIS.—

11 With respect to an eligible CCRC oper-
12 ating an RCCP, the State shall make pro-
13 spective monthly payments of the capitated
14 amount determined under and specified in
15 the program agreement for each eligible
16 CCRC resident of such community who is
17 a dual-eligible individual.

18 (ii) RELATIONSHIP TO MEDICARE PAY-

19 MENTS.—The payment made under this
20 subparagraph shall be in addition to any
21 payment made under subparagraph (A) to
22 an eligible CCRC for eligible CCRC resi-
23 dents who are dual-eligible individuals.

24 (iii) PROGRAM AGREEMENT.—The

25 capitated amount under this subparagraph

1 for a specific eligible CCRC shall be speci-
2 fied in the program agreement.

3 (iv) PAYMENTS TO THE STATE.—The
4 Secretary shall treat the payments made
5 under clause (i) as medical assistance
6 under title XIX of the Social Security Act
7 for purposes of making payments to the
8 State under section 1903 of such Act (42
9 U.S.C. 1396b).

10 (v) PAYMENTS TO REFLECT SPEND
11 DOWN AMOUNTS AND PERSONAL NEEDS
12 ALLOWANCES.—The payments under this
13 subparagraph shall be made in a manner
14 that takes into account the financial con-
15 tributions required of dual-eligible individ-
16 uals and the personal needs allowance es-
17 tablished under the State plan. Such per-
18 sonal needs allowances may vary depending
19 upon the level of care required by such an
20 individual.

21 (3) TREATMENT OF SERVICES FURNISHED BY
22 NONCONTRACT PHYSICIANS AND OTHER ENTITIES.—

23 (A) APPLICATION OF MEDICARE ADVAN-
24 TAGE REQUIREMENTS.—Section 1852(k)(1) of
25 the Social Security Act (42 U.S.C. 1395w-

1 22(k)(1)) (relating to limitations on balance
2 billing against Medicare Advantage organiza-
3 tions for noncontract physicians and other enti-
4 ties with respect to services covered under title
5 XVIII of such Act) shall apply to eligible
6 CCRCs, eligible CCRC residents enrolled in a
7 residential care coordination program, and phy-
8 sicians and other entities that do not have a
9 contract or other agreement establishing pay-
10 ment amounts for services furnished to such a
11 resident in the same manner as such section ap-
12 plies to Medicare Advantage organizations, indi-
13 viduals enrolled with such organizations, and
14 physicians and other entities referred to in such
15 section.

16 (B) APPLICATION OF BALANCED BILLING
17 LIMITATIONS.—Section 1866(a)(1)(O) shall
18 apply to services that are covered under title
19 XVIII of the Social Security Act and are fur-
20 nished to any eligible CCRC residents enrolled
21 in a residential care coordination program in
22 the same manner that such section applies to
23 services furnished to an individual enrolled with
24 a PACE provider under section 1894 or 1934
25 of such Act.

1 (f) PROGRAM AGREEMENT.—

2 (1) REQUIREMENT.—The Secretary, in close co-
3 operation with the single State agency that admin-
4 isters or supervises the administration of the State
5 plan under title XIX of the Social Security Act (42
6 U.S.C. 1396 et seq.) (in this section referred to as
7 the “State Medicaid agency”), shall establish proce-
8 dures for entering into, extending, and terminating
9 program agreements (each in this section referred to
10 as a “program agreement”) for the operation of resi-
11 dential care coordination programs by eligible
12 CCRCs.

13 (2) AGREEMENT REQUIRED FOR PAYMENT.—In
14 order to receive payment under subsection (e), each
15 eligible CCRC operating a residential care coordina-
16 tion program shall enter into a program agreement
17 with the Secretary and the State, which shall con-
18 tain such terms and conditions as the parties may
19 agree to, so long as such terms and conditions are
20 consistent with this section.

21 (3) DURATION.—

22 (A) IN GENERAL.—A program agreement
23 under this section shall be effective for a con-
24 tract year, beginning consistent with subsection
25 (a)(2)(B) not later than the fourth calendar

1 year to begin after the establishment of the
2 demonstration project, and shall be extended
3 for additional contract years in the absence of
4 notice by a party to terminate.

5 (B) TERMINATION.—

6 (i) END OF DEMONSTRATION
7 PROJECT.—The Secretary and the State
8 Medicaid agency shall terminate the pro-
9 gram agreement at the termination of the
10 demonstration project under subsection (i).

11 (ii) NOTICE OF PROVIDER TERMI-
12 NATION.—The eligible CCRC may termi-
13 nate the agreement after appropriate no-
14 tice to the Secretary, the State Medicaid
15 agency, and eligible CCRC residents.

16 (iii) TERMINATION FOR CAUSE.—The
17 Secretary and the State Medicaid agency
18 may terminate the program agreement at
19 any time for cause (as provided under the
20 agreement). Reasons for terminating an
21 agreement under this clause include that
22 the Secretary or State administering agen-
23 cy determines that—

24 (I) there are significant defi-
25 ciencies in the quality of care provided

1 to eligible CCRC residents enrolled in
2 the program or the eligible CCRC has
3 failed to comply substantially with the
4 requirements of this section; and

5 (II) the entity has failed to de-
6 velop and successfully initiate, within
7 30 days of the date of the receipt of
8 written notice of such a determina-
9 tion, a plan to correct the deficiencies,
10 or has failed to continue implementa-
11 tion of such a plan.

12 (iv) RIGHT TO REMAIN.—Nothing in
13 this paragraph shall be construed, in the
14 case that a program agreement is termi-
15 nated—

16 (I) for a previously participating
17 CCRC resident continuing, as affect-
18 ing the individual's right to continue
19 to reside in the CCRC and to receive
20 traditional CCRC care and services in
21 accordance with the contract between
22 the CCRC resident and the CCRC;
23 and

24 (II) as relieving the State from
25 continuing to provide medical assist-

1 ance with respect to such services for
2 individuals who would qualify as dual-
3 eligible individuals if the agreement
4 had not been terminated.

5 (4) SCOPE OF BENEFITS.—

6 (A) IN GENERAL.—Under the agreement
7 under paragraph (2), the eligible CCRC shall—

8 (i) provide to participating CCRC
9 residents of such community, regardless of
10 source of payment, directly or under con-
11 tracts with other entities, at a minimum,
12 all comprehensive coordinated health care
13 services, without regard to any limitation
14 or condition as to amount, duration, or
15 scope under title XVIII or title XIX of the
16 Social Security Act;

17 (ii) provide such residents with access
18 to necessary covered items and services 24
19 hours a day, every day of the year;

20 (iii) provide services to such residents
21 onsite at the eligible CCRC through a mul-
22 tidisciplinary team that is led by a primary
23 care physician and includes care coordina-
24 tors, case managers, and nurses;

1 (iv) has a ratio of accessible physi-
2 cians to eligible CCRC residents that the
3 Secretary determines is adequate; and

4 (v) specify the covered items and serv-
5 ices that will not be provided directly by
6 the eligible CCRC and—

7 (I) provide for delivery of those
8 items and services through contracts
9 to ensure compliance with the require-
10 ments of this section; and

11 (II) provides, on an as needed
12 basis for those residents who cannot
13 transport themselves, for necessary
14 transportation services to the pro-
15 viders of such items and services, if
16 such items and services are provided
17 outside of the eligible CCRC.

18 (B) APPLICATION OF REGULAR COST-
19 SHARING RULES.—Under such agreement the
20 eligible CCRC may apply deductibles, copay-
21 ments, coinsurance, or other cost sharing that
22 would otherwise apply under titles XVIII and
23 XIX of the Social Security Act in the case of
24 a MA–PD plan under part C of title XVIII of
25 such Act.

1 (5) QUALITY CONTROL.—

2 (A) IN GENERAL.—Under the program
3 agreement, the eligible CCRC shall—

4 (i) collect data;

5 (ii) maintain, and afford the Secretary
6 and the State Medicaid agency access to,
7 the records relating to the program, in-
8 cluding pertinent financial, medical, and
9 personnel records; and

10 (iii) submit to the Secretary and the
11 State Medicaid agency such reports as the
12 Secretary finds (in consultation with State
13 Medicaid agencies) necessary to monitor
14 the operation, cost, and effectiveness of the
15 demonstration project, including data rel-
16 evant to the measurements established by
17 the Secretary under subparagraph (B), to
18 permit the Secretary and the State to
19 evaluate such demonstration project.

20 (B) QUALITY AND OUTCOME MEASURES.—

21 The Secretary shall establish clinical and other
22 outcome measurements to assess the efficacy of
23 the demonstration project in—

24 (i) improving—

1 (I) the health status and out-
2 comes of participating CCRC resi-
3 dents enrolled in residential care co-
4 ordination programs under this dem-
5 onstration project, compared to Medi-
6 care beneficiaries (including tradi-
7 tional dual-eligible individuals de-
8 scribed in subsection (d)(3)(B)(ii)(I))
9 who are not enrolled in such pro-
10 grams; and

11 (II) the quality of health care
12 provided to such participating CCRC
13 residents; and

14 (ii) controlling the overall cost of pro-
15 viding health care items and services to
16 such participating CCRC residents, com-
17 pared to the cost of providing such items
18 and services to other Medicare bene-
19 ficiaries.

20 (6) PATIENT SAFEGUARDS.—The agreement
21 under paragraph (2) shall provide for written safe-
22 guards of the rights of participating CCRC residents
23 enrolled in a residential care coordination program
24 (including a patient bill of rights and procedures for
25 grievances and appeals). Such safeguards shall be

1 similar to the safeguards required under the section
2 1894(b)(2)(B) of the Social Security Act (42 U.S.C.
3 1395eee(b)(2)(B)) with respect to the PACE pro-
4 gram.

5 (7) TRANSITION.—If a participating CCRC
6 resident who is enrolled in a residential care coordi-
7 nation program is disenrolled from such program,
8 the eligible CCRC shall provide assistance to the in-
9 dividual in obtaining necessary care through appro-
10 priate referrals and making the individual’s medical
11 records available to new providers.

12 (8) RULE OF CONSTRUCTION.—Nothing in this
13 subsection shall be construed as preventing the eligi-
14 ble CCRC from assessing typical and appropriate
15 fees to eligible CCRC residents.

16 (g) SECRETARY’S OVERSIGHT; ENFORCEMENT AU-
17 THORITY.—

18 (1) OVERSIGHT.—

19 (A) IN GENERAL.—During the duration of
20 the demonstration project, with respect to an el-
21 igible CCRC operating a residential care coordi-
22 nation program under a program agreement
23 under subsection (f), the Secretary (acting in
24 cooperation with the State Medicaid agency)
25 shall conduct a comprehensive annual review of

1 the operation of the eligible CCRC in order to
2 ensure compliance with the requirements of this
3 section. Such review shall include—

4 (i) an onsite visit to the eligible
5 CCRC;

6 (ii) a comprehensive assessment of the
7 community's fiscal soundness;

8 (iii) a comprehensive assessment of
9 the eligible CCRC's capacity to provide all
10 comprehensive coordinated health care
11 services to participating CCRC residents;

12 (iv) detailed analysis of the commu-
13 nity's substantial compliance with the re-
14 quirements of this section; and

15 (v) any other elements that the Sec-
16 retary or the State Medicaid agency con-
17 siders necessary or appropriate.

18 (B) DISCLOSURE.—The results of reviews
19 under this paragraph shall be reported prompt-
20 ly to the eligible CCRC, along with any rec-
21 ommendations for changes to the community's
22 program, and shall be made available to the
23 public through a public Web site of the Depart-
24 ment of Health and Human Services.

25 (2) SANCTIONS.—

1 (A) IN GENERAL.—If the Secretary deter-
2 mines (after consultation with the State Med-
3 icaid agency) that an eligible CCRC operating
4 a residential care coordination program under a
5 program agreement under subsection (f) is fail-
6 ing substantially to comply with the require-
7 ments of this section, the Secretary (and the
8 State Medicaid agency) may take any or all of
9 the following actions:

10 (i) Condition the continuation of the
11 program agreement upon timely execution
12 of a corrective action plan.

13 (ii) Withhold some or all further pay-
14 ments under the program agreement under
15 this section with respect to services fur-
16 nished by such community until the defi-
17 ciencies have been corrected.

18 (iii) Terminate such agreement under
19 subsection (f)(3)(B).

20 (B) APPLICATION OF INTERMEDIATE
21 SANCTIONS.—The Secretary may, by regulation,
22 provide for the application against an eligible
23 CCRC operating a residential care coordination
24 program under a program agreement under this
25 section of remedies described in section

1 1857(g)(2) of the Social Security Act (42
2 U.S.C. 1395w-27(g)(2)) or section
3 1903(m)(5)(B) of such Act (42 U.S.C.
4 1396b(m)(5)(B)) in the case of violations by
5 the community of the type described in section
6 1857(g)(1) or 1903(m)(5)(A) of such Act, re-
7 spectively (in relation to agreements, enrollees,
8 and requirements under this section).

9 (C) PROCEDURES FOR TERMINATION OR
10 IMPOSITION OF SANCTIONS.—The provisions of
11 section 1857(h) of the Social Security Act (42
12 U.S.C. 1395w-27(h)) shall apply, by regulation,
13 to termination and sanctions respecting a pro-
14 gram agreement and an eligible CCRC oper-
15 ating a residential care coordination program
16 under a program agreement under this sub-
17 section in the same manner as they apply to a
18 termination and sanctions with respect to a
19 contract and a Medicare Advantage organiza-
20 tion under part C of title XVIII of such Act.

21 (h) WAIVER.—Notwithstanding section 1115(a) of
22 the Social Security Act (42 U.S.C. 1315(a)), the Secretary
23 may waive such provisions of titles XI, XVIII, and XIX
24 of that Act as may be necessary to—

1 (1) accomplish the goals of the demonstration
2 project under this section; and

3 (2) maximize the quality of life of eligible
4 CCRC beneficiaries, as determined using the meas-
5 ures established under subsection (f)(5)(B).

6 (i) DURATION OF 10 YEARS.—

7 (1) IN GENERAL.—Subject to paragraph (2)
8 and subsection (f)(3)(B), the demonstration project
9 shall terminate 10 years after the date on which the
10 demonstration project is first implemented under
11 subsection (a)(2)(B).

12 (2) EXTENSION.—The Secretary, acting
13 through the Center for Medicare and Medicaid Inno-
14 vation, may extend the use of capitated payments
15 for eligible CCRCs for residential care coordination
16 programs under this section if, by the termination
17 date that would otherwise apply under paragraph
18 (1), the Secretary has demonstrated that the dem-
19 onstration project has improved the coordination,
20 quality, and efficiency of health care services fur-
21 nished to Medicare beneficiaries.

22 (j) STUDY AND REPORT TO CONGRESS.—

23 (1) INTERIM EVALUATION AND REPORT.—Not
24 later than 3 years after the date on which the dem-
25 onstration project is first implemented under sub-

1 section (a)(2)(B), the Secretary shall submit to Con-
2 gress a report that contains the following:

3 (A) An interim evaluation of the costs and
4 benefits of providing comprehensive coordinated
5 health care services to Medicare beneficiaries
6 (including dual-eligible individuals) through res-
7 idential care coordination programs, including
8 the costs and benefits of using payments under
9 title XIX of the Social Security Act to provide
10 continuity of care by permitting certain individ-
11 uals to continue to participate in such programs
12 after qualifying for enrollment in the Medicaid
13 program under this section due to reduced in-
14 come and assets.

15 (B) An analysis of the appropriateness of
16 implementing a new payment methodology
17 under titles XVIII and XIX of the Social Secu-
18 rity Act for such services in the future.

19 (2) FINAL EVALUATION AND REPORT.—Not
20 later than 10 years after the date on which the dem-
21 onstration project is first so implemented, the Sec-
22 retary shall submit to Congress a report that con-
23 tains a final evaluation of the impact of the dem-
24 onstration project.

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