

114TH CONGRESS
1ST SESSION

S. 704

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

MARCH 11, 2015

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 (in this section referred to 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 pro-
20 gram”) to target home and community-based care to eligi-
21 ble Medicare beneficiaries.

22 (b) **ESTABLISHMENT.**—

23 (1) **IN GENERAL.**—The Secretary shall enter
24 into agreements with up to 5 Medicare Advantage
25 plans to conduct the CBI-SNP demonstration pro-

1 gram. Each such MA plan may enroll up to 1,000
2 eligible Medicare beneficiaries (including new enroll-
3 ees) in such program.

4 (2) BENEFITS.—Under the CBI-SNP dem-
5 onstration program, eligible Medicare beneficiaries
6 shall receive benefits, in addition to those under part
7 C of title XVIII of the Social Security Act (including
8 benefits under section 1852(a)(3) of such Act (42
9 U.S.C. 1395w22(a)(3))) and notwithstanding any
10 waivers under section 1915(c) (42 U.S.C. 1396n(c)),
11 including long-term care services and supports, that
12 the Secretary determines appropriate for the pur-
13 poses of the CBI-SNP demonstration program, such
14 as—

15 (A) homemaker services;

16 (B) home delivered meals;

17 (C) transportation services;

18 (D) respite care;

19 (E) adult day care services; and

20 (F) non-Medicare-covered safety and other
21 equipment.

22 (3) PAYMENTS.—The Secretary shall establish
23 a benchmark payment amount for reimbursing Medi-
24 care Advantage plans participating in the CBI-SNP
25 demonstration program for benefits provided to eligi-

1 ble beneficiaries under such program. Such pay-
2 ments shall be in addition to payments made to such
3 plans under part C of title XVIII of the Social Secu-
4 rity Act.

5 (c) ELIGIBLE PLANS.—To be eligible to participate
6 in the CBI-SNP demonstration program, a Medicare Ad-
7 vantage plan must—

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

11 (2) have experience working with low income
12 seniors groups;

13 (3) be located in a State that the Secretary has
14 determined will participate in the CBI-SNP dem-
15 onstration program by agreeing to make available
16 data necessary for purposes of conducting the inde-
17 pendent evaluation required under subsection (h);
18 and

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

21 (d) ELIGIBLE MEDICARE BENEFICIARY DEFINED.—
22 In this section, the term “eligible Medicare beneficiary”
23 means a Medicare beneficiary who—

1 (1) is enrolled or eligible to enroll in a Medicare
2 Advantage plan that has been selected to participate
3 in the CBI-SNP demonstration program;

4 (2) is a subsidy eligible individual (as defined in
5 section 1860D–14(a)(3)(A) of the Social Security
6 Act (42 U.S.C. 1395w114(a)(3)(A)));

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

9 (4) is unable to perform 2 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) is 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 dem-
21 onstration program and enroll in a Medicare Advan-
22 tage plan participating in such program; and

23 (2) discontinue enrollment under the original
24 medicare fee-for-service program under parts A and
25 B of such title and the enrollment in a prescription

1 drug plan under part D of such title and enroll in
2 a Medicare Advantage plan participating in the CBI-
3 SNP demonstration program.

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

10 (g) IMPLEMENTATION.—

11 (1) DEADLINE.—The CBI-SNP demonstration
12 program shall be implemented not later than Janu-
13 ary 1, 2017.

14 (2) DURATION.—Subject to paragraph (3), the
15 CBI-SNP demonstration program shall be conducted
16 for a period of 5 years.

17 (3) EXTENSION OR EXPANSION.—Taking into
18 account the report under subsection (h)(2), the Sec-
19 retary may, through rulemaking, expand (including
20 implementation on a nationwide or permanent basis)
21 the duration or the scope CBI-SNP demonstration
22 program to the extent determined appropriate by the
23 Secretary, unless the Secretary determines that such
24 expansion is expected to—

1 (A) increase expenditures under titles
2 XVIII and XIX of the Social Security Act with
3 respect to eligible Medicare beneficiaries partici-
4 pating in the CBI-SNP demonstration program;
5 or

6 (B) decrease the quality of health care
7 services furnished to eligible Medicare bene-
8 ficiaries participating in the CBI-SNP dem-
9 onstration program.

10 (h) INDEPENDENT EVALUATION AND REPORTS.—

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

24 (A) improved patient care;

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

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

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

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

11 (2) REPORTS.—Not later than 4 years after the
12 implementation of the CBI-SNP demonstration pro-
13 gram, 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 demonstration pro-
20 gram.

21 (i) BUDGET NEUTRALITY.—By the end of the third
22 year of the CBI-SNP demonstration program, the Sec-
23 retary shall ensure that the aggregate payments made
24 under titles XVIII and XIX of the Social Security Act,
25 including under the demonstration program, for subse-

1 quent periods do not exceed the amount which the Sec-
2 retary estimates would have been expended under such ti-
3 tles during such a period if the CBI-SNP demonstration
4 program had not been implemented.

5 (j) PAPERWORK REDUCTION ACT.—Chapter 35 of
6 title 44, United States Code, shall not apply to the testing
7 and evaluation of the CBI-SNP demonstration program.

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