

**AMENDMENT TO H.R. 3162, AS REPORTED BY THE
COMMITTEE ON WAYS AND MEANS
OFFERED BY M. _____**

[en bloc amendments]

In the matter inserted by section 104, strike “30 percent” and insert “100 percent”.

Add at the end of subtitle B of title I the following:

1 **SEC. 115. CONTINUOUS COVERAGE UNDER CHIP.**

2 (a) IN GENERAL.—Section 2102(b) of the Social Se-
3 curity Act (42 U.S.C. 1397bb(b)) is amended by adding
4 at the end the following new paragraph:

5 “(5) 12-MONTHS CONTINUOUS ELIGIBILITY.—

6 In the case of a State child health plan that provides
7 child health assistance under this title through a
8 means other than described in section 2101(a)(2),
9 the plan shall provide for implementation under this
10 title of the 12-months continuous eligibility option
11 described in section 1902(e)(12) for targeted low-in-
12 come children whose family income is below 200 per-
13 cent of the poverty line.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply to determinations (and redeter-
3 minations) of eligibility made on or after January 1, 2008.

In the paragraph (3)(A) added by section 111, in-
sert “and ending with fiscal year 2013” after “beginning
with fiscal year 2008”.

In section 111, insert “(a) IN GENERAL.—” before
“Section 2105(a)”, and add at the end the following:

4 (b) GAO STUDY.—

5 (1) IN GENERAL.—The Comptroller General of
6 the United States shall conduct a study on the effec-
7 tiveness of the performance bonus payment program
8 under the amendment made by subsection (a) on the
9 enrollment and retention of eligible children under
10 the Medicaid and CHIP programs and in reducing
11 the rate of uninsurance among such children.

12 (2) REPORT.—Not later than January 1, 2013,
13 the Comptroller General shall submit a report to
14 Congress on such study and shall include in such re-
15 port such recommendations for extending or modi-
16 fying such program as the Comptroller General de-
17 termines appropriate.

Amend section 131 to read as follows:

1 **SEC. 131. OPTIONAL COVERAGE OF CHILDREN UP TO AGE**
2 **21 UNDER CHIP.**

3 (a) **IN GENERAL.**—Section 2110(c)(1) of the Social
4 Security Act (42 U.S.C. 1397jj(c)(1)) is amended by in-
5 serting “(or, at the option of the State, under 20 or 21
6 years of age)” after “19 years of age”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 subsection (a) shall take effect on January 1, 2008.

Add at the end of subtitle D of title I the following
(and in section 143(a), strike paragraph (2) and redesign-
nate paragraph (3) as paragraph (2)):

9 **SEC. 135. NO FEDERAL FUNDING FOR ILLEGAL ALIENS.**

10 Nothing in this Act allows Federal payment for indi-
11 viduals who are not legal residents.

12 **SEC. 136. AUDITING REQUIREMENT TO ENFORCE CITIZEN-**
13 **SHIP RESTRICTIONS ON ELIGIBILITY FOR**
14 **MEDICAID AND CHIP BENEFITS.**

15 Section 1903(x) of the Social Security Act (as amend-
16 ed by section 405(c)(1)(A) of division B of the Tax Relief
17 and Health Care Act of 2006 (Public Law 109–432)) is
18 amended by adding at the end the following new para-
19 graph:

20 “(4)(A) Each State shall audit a statistically-based
21 sample of cases of individuals whose eligibility for medical
22 assistance (or child health assistance) is determined under

1 section 1902(a)(46)(B) or under subsection (v)(4)(A) in
2 order to demonstrate to the satisfaction of the Secretary
3 that Federal funds under this title or title XXI are not
4 unlawfully spent for benefits for individuals who are not
5 legal residents. In conducting such audits, a State may
6 rely on case reviews regularly conducted pursuant to its
7 Medicaid Quality Control or Payment Error Rate Meas-
8 urement (PERM) eligibility reviews under subsection (u)
9 and the provisions of subsection (e) of section 1137 shall
10 apply under this paragraph in the same manner as they
11 apply under subsection (b) of such section.

12 “(B) The State shall remit to the Secretary the Fed-
13 eral share of any unlawful expenditures for benefits, for
14 aliens who are not legal residents, which are identified
15 under an audit conducted under subparagraph (A).”.

In section 151(a)(2)(B), insert after clause (vi) the
following new clause:

16 (vii) Data on State efforts to reduce
17 hospitalization rate of premature infants
18 under the age of 12 months who were born
19 prior to 35 weeks.

In the subclause (IV) inserted by section
211(a)(2)(D), strike “increased by \$1,000 (or \$2,000 in
the case of the combined value referred to in subclause

(III))” and insert “increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year”.

In section 211(a)(2), strike “and” at the end of subparagraph (C), strike the last period at the end of the matter inserted by subparagraph (D) and insert “; and”, and add at the end the following:

1 (E) in the last sentence, by inserting “or
2 (IV)” after “subclause (II)”.

Amend subsection (a) of section 213 to read as follows:

3 (a) ADMINISTRATIVE VERIFICATION OF INCOME AND
4 RESOURCES UNDER THE LOW-INCOME SUBSIDY PRO-
5 GRAM.—Clause (iii) of section 1860D–14(a)(3)(E) of the
6 Social Security Act (42 U.S.C. 1395w-114(a)(3)(E)) is
7 amended to read as follows:

8 “(iii) CERTIFICATION OF INCOME AND
9 RESOURCES.—For purposes of applying
10 this section—

11 “(I) an individual shall be per-
12 mitted to apply on the basis of self-
13 certification of income and resources;
14 and

1 “(II) matters attested to in the
2 application shall be subject to appro-
3 priate methods of verification without
4 the need of the individual to provide
5 additional documentation, except in
6 extraordinary situations as determined
7 by the Commissioner.”.

In section 213(b), strike “, as amended by sub-
section (a), is further amended” and insert “is amended”
and redesignate the subparagraph added by such section
as subparagraph (G).

In the paragraph (7) added by section 213(e), strike
“clauses (iii) and (iv) of section 1860D-14(a)(3)(C)” and
inserting “subparagraphs (C)(iii) and (G) of section
1860D-14(a)(3)”.

In the subsection (c)(1)(B) added by section 213(d),
strike “an application form” and insert “a simplified ap-
plication form”.

In the subsection (e)(3) added by section 213(d),
strike “COMPLETED” in the heading and “completed” in
the text.

In the clause added by section 217(a)(1) and in the
subparagraph added by section 217(a)(2), strike “2.5
percent” and insert “5 percent”.

In section 223(b), strike “January 1, 2009” and insert “January 1, 2013”.

In section 231(c)(3), insert after “systems” the following: “, including electronic health records, electronic medical records and patient health records,”.

In section 231(f)(2), strike “and” at the end of subparagraph (C), strike the period at the end of subparagraph (D) and insert “; and”, and add at the end the following new subparagraph:

1 (E) provide for the revision of existing
2 HIPAA claims-related code sets to mandate the
3 collection of racial and ethnicity data, and to
4 provide a code set for primary language.

In section 233(a), strike “limited English proficient” and insert “living in communities where racial and ethnic minorities, including populations that face language barriers, are underserved with respect to such services”.

In the matter inserted by section 301(c)(1), strike “and (8)” and insert “(8), and (9)”.

In the paragraph (8) added by section 301(c)(4), in the heading insert “AND ENDING WITH 2012” after “BEGINNING WITH 2008” and in the matter in subparagraph

(A) before clause (i), insert “and ending with 2012” after “beginning with 2008”.

In the paragraph (8)(B) added by section 301(c)(4), amend clause (i) to read as follows:

1 “(i) FOR 2008.—For 2008:
2 “(I) TOTAL 2007 ALLOWED EX-
3 PENDITURES FOR ALL SERVICES IN-
4 CLUDED IN SGR COMPUTATION.—
5 Compute total allowed expenditures
6 for physicians’ services (as defined in
7 subsection (f)(4)(A)) for 2007 that
8 would otherwise be calculated under
9 subsection (d) but for this paragraph.
10 “(II) TOTAL 2007 ALLOWED EX-
11 PENDITURES FOR PHYSICIAN FEE
12 SCHEDULE SERVICES.—Compute total
13 allowed expenditures for services fur-
14 nished under the physician fee sched-
15 ule for 2007 by subtracting, from the
16 total allowed expenditures computed
17 under subclause (I), the Secretary’s
18 estimate of the amount of the actual
19 expenditures for 2007 for services in-
20 cluded in such subclause for which
21 payment is not made under the fee

1 schedule established pursuant to this
2 section.

3 “(III) ALLOCATION OF 2007 AL-
4 LOWED EXPENDITURES TO SERVICE
5 CATEGORY.—Compute allowed ex-
6 penditures for the service category in-
7 volved for 2007 by multiplying the
8 total allowed expenditures computed
9 under subclause (II) by the overhang
10 allocation factor for the service cat-
11 egory (as defined in subparagraph
12 (C)(iii)).

13 “(IV) INCREASE BY GROWTH
14 RATE TO OBTAIN 2008 ALLOWED EX-
15 PENDITURES FOR SERVICE CAT-
16 EGORY.—Compute allowed expendi-
17 tures for the service category for 2008
18 by increasing the allowed expenditures
19 for the service category for 2007 com-
20 puted under subclause (III) by the
21 target growth rate for such service
22 category under subsection (f) for
23 2008.

In the paragraph (8)(D) added by section 301(c)(4), strike “FLOOR FOR UPDATES” and insert “UPDATES” and strike “not less than” and insert “equal to”.

In the matter added by section 301(c)(4), add at the end the following:

1 “(9) NO UPDATE FOR SERVICE CATEGORIES
2 BEGINNING WITH 2013.—The update to the conver-
3 sion factor for each of the service categories estab-
4 lished under paragraph (8) for 2013 and each suc-
5 ceeding year shall be 0 percent.”.

In the paragraph (5)(B) added by section 301(d)(1), strike “0.03” and insert “0.025”.

In the subsection (v)(2)(A) added by section 304, insert before the period at the end the following: “as standardized to eliminate the effect of geographic adjustments in payment rates”.

In the subsection (m)(4) inserted by section 309(a)(2), in subparagraph (F) strike “(n)(3)(G)” and insert “(n)” and strike subparagraph (B) and redesignate succeeding subparagraphs accordingly.

In section 411(h)(2), add “and” at the end of subparagraph (A), strike “; and” at the end of subparagraph (B) and insert a period, and strike subparagraph (C).

Amend the clause (ii) inserted by section 431(b)(1)(A) to read as follows:

1 “(ii) as of January 1, 2009—
2 “(I) at least 90 percent of the
3 enrollees in which are described in
4 subparagraph (B)(i), as determined
5 under regulations in effect as of July
6 1, 2007;
7 “(II) at least 90 percent of the
8 enrollees in which are described in
9 subparagraph (B)(ii) and are full-ben-
10 efit dual eligible individuals (as de-
11 fined in section 1935(c)(6)) or quali-
12 fied medicare beneficiaries (as defined
13 in section 1905(p)(1)); or
14 “(III) at least 90 percent of the
15 enrollees in which have a severe or
16 disabling chronic condition of the type
17 that the plan is committed to serve as
18 indicated by the data submitted for
19 the risk-adjustment of plan payments;
20 and”.

In section 431(b)(1), add “and” at the end of subparagraph (A), strike subparagraph (B), and redesignate subparagraph (C) as subparagraph (B).

At the end of the paragraphs added by section 431(b)(1)(B)(iii), as so redesignated, add the following additional paragraph:

1 “(4) ADDITIONAL REQUIREMENTS FOR SEVERE
2 OR DISABLING CHRONIC CONDITION SNPS.—In the
3 case of a specialized MA plan for special needs indi-
4 viduals described in subsection (b)(6)(A)(ii)(III), the
5 applicable requirements of this subsection are as fol-
6 lows:

7 “(A) The plan is designated to serve, and
8 serves, Medicare beneficiaries with one or more
9 of the following specific severe or disabling
10 chronic conditions:

11 “(i) Cardiovascular.

12 “(ii) Cerebrovascular.

13 “(iii) Congestive health failure.

14 “(iv) Diabetes.

15 “(v) Chronic obstructive pulmonary
16 disease.

17 “(vi) HIV/AIDS.

18 “(B) The plan has an average risk score
19 under section 1853(a)(1)(C) of 1.35 or greater.

20 “(C) The plan has established and actively
21 manages a chronic care improvement program
22 under section 1852(e)(2) for each of the condi-

1 tions that it serves under subparagraph (A)
2 that significantly exceeds the features and re-
3 sults of such programs established and man-
4 aged by Medicare Part C plans that are not
5 specialized Medicare Part C plans for special
6 needs individuals of the type described in this
7 paragraph.

8 “(D) The plan has a network of a suffi-
9 cient number of primary care and specialty phy-
10 sicians, hospitals, and other health care pro-
11 viders under contract to the plan so that the
12 plan can clearly meet the routine and specialty
13 needs of the severely ill and disabled enrollees
14 of the plan throughout the service area of the
15 plan.

16 “(E) The plan reports to the Secretary in-
17 formation on additional quality measures speci-
18 fied by the Secretary under section
19 1852(e)(3)(D)(iv)(III) for such plans.”.

In the matter inserted by section 431(b)(2)(A),
strike “or (3)” and insert “, (3), or (4)”.

In the clause (iii) added by section 431(b)(2)(B),
strike “and” at the end of subclause (I), strike the period
at the end of subclause (II) and insert “; and”, and add
at the end the following new subclause:

1 “(III) beneficiaries enrolled in
2 specialized Medicare Part C plans for
3 special needs individuals (described in
4 section 1859(b)(6)(A)(ii)(III)) that
5 serve predominantly individuals with
6 severe or disabling chronic conditions
7 by measuring the special needs for
8 care of such individuals.”.

Amend subparagraph (A) of section 431(b)(3) to
read as follows:

9 (A) to a Medicare Advantage plan with a
10 contract with a State Medicaid integrated Medi-
11 care-Medicaid plan program that had been ap-
12 proved by the Centers for Medicare & Medicaid
13 Services as of January 1, 2004; and

Add at the end of section 431 the following:

14 (c) SUNSET OF ADDITIONAL DESIGNATION AUTHOR-
15 ITY.—

16 (1) IN GENERAL.—Subsection (d) of section
17 231 of the Medicare Prescription Drug, Improve-
18 ment, and Modernization Act of 2003 (Public Law
19 108-173) is repealed.

20 (2) EFFECTIVE DATE.—The repeal made by
21 paragraph (1) shall take effect on January 1, 2009,

1 and shall apply to plans offered on or after such
2 date.

In section 503(c)(4), strike “TRANSITION RULE”
and insert “IN GENERAL”.

In section 503(c)(5), insert “without regard to sec-
tion 412.22(h)(2)(i) of title 42, Code of Federal Regula-
tions,” after “of this Act” and strike “of title 42, Code
of Federal Regulations” and insert “of such title”.

In section 504, insert “(a) IN GENERAL.—” before
“Section 1886(d)(5)(F)(xiv)” and add at the end the fol-
lowing:

3 (b) SPECIAL RULE IN COMPUTING DISPROPOR-
4 TIONATE PATIENT PERCENTAGE.—

5 (1) IN GENERAL.—Section 1886(d)(5)(F)(vi) of
6 such Act (42 U.S.C. 1395ww(d)(5)(F)(vi)) is
7 amended by adding at the end the following: “In ap-
8 plying this clause in the case of hospitals located in
9 Puerto Rico, the Secretary shall substitute for the
10 fraction described in subclause (I) one-half of the
11 national average of such fraction for all subsection
12 (d) hospitals, as estimated by the Secretary.”.

13 (2) EFFECTIVE DATE.—The amendment made
14 by paragraph (1) shall apply to discharges in cost

1 reporting periods of hospitals beginning on or after
2 January 1, 2008.

In the clause (vii) inserted by section 505(b)(1)(B), strike subclauses (I), (V), and (VIII) and redesignate subclauses (II), (III), (IV), (VI), and (VII) as subclauses (I) through (V), respectively, and in subclause (IV), as so redesignated, add “and” at the end and in subclause (V), as so redesignated, strike “and” at the end.

In section 508, strike subsections (c) and (d).

Redesignate subsection (e) of section 508 as subsection (e) and, in such subsection, in paragraph (3)(A), insert “greater” after “and no”, in paragraph (4), strike “Notwithstanding paragraph (6), in” and insert “In” and strike “of this section” and insert “of this paragraph”, and redesignate paragraph (8) as paragraph (13) and insert after paragraph (7) the following:

- 3 (8) For purposes of making payment under sec-
4 tion 1886(d) of the Social Security Act (42 U.S.C.
5 1395ww(d)), the Nashville-Davidson-Murfreesboro
6 core based statistical area is deemed to include
7 Cumberland County, Tennessee.
- 8 (9) For purposes of making payment under sec-
9 tion 1886(d) of the Social Security Act (42 U.S.C.
10 1395ww(d)), any hospital that is co-located in

1 Marinette, Wisconsin and the Menominee, Michigan
2 is deemed to be located in Chicago, Illinois.

3 (10) In the case of a hospital located in Massa-
4 chusetts or Clinton County, New York, that is re-
5 classified based on wages under paragraph (8) or
6 (10) of section 1886(d) of the Social Security Act
7 into an area the area wage index for which is in-
8 creased under section 4410(a) of the Balanced
9 Budget Act of 1997 (Public Law 105-33), such in-
10 creased area wage index shall also apply to such hos-
11 pital under such section 1886(d).

12 (11) For purposes of applying the area wage
13 index under section 1886(d) of the Social Security
14 Act (42 U.S.C. 1395ww(d)), hospital provider num-
15 bers 360112 and 23005 shall be treated as located
16 in the same urban area as Ann Arbor, Michigan.

17 (12) For purposes of making payment under
18 section 1886(d) of the Social Security Act (42
19 U.S.C. 1395ww(d)), any hospital that is located in
20 Columbia County, New York, with less 250 beds is
21 deemed to be located in the New York-White Plains-
22 Wayne, NY-NJ core based statistical area.

In sections 608(b)(2) and 609(b)(3), strike “July
21, 2007” and insert “October 1, 2007”.

In section 612(b), amend paragraph (2) to read as follows:

1 (2) PERMITTING APPROPRIATE DELIVERY AND
2 TRANSPORT OF DRUGS.—Subsection (b)(4)(E) of
3 such section is amended—

4 (A) by striking “or” at the end of clause
5 (i);

6 (B) by striking the period at the end of
7 clause (ii) and inserting a semicolon; and

8 (C) by adding at the end the following new
9 clauses:

10 “(iii) prevent a contractor from deliv-
11 ering drugs to a satellite office designated
12 by the prescribing physician; or

13 “(iv) prevent a contractor from allow-
14 ing a selecting physician to transport
15 drugs or biologicals to the site of adminis-
16 tration consistent with State law and other
17 applicable laws and regulations.”.

In section 612(b)(4), insert before the period at the end the following: “, except in the case of a contractor terminated as a result of the application of section 1847B(b)(2)(B) of such Act”.

Amend the paragraph (6) added by section
612(c)(2) to read as follows:

1 “(6) SPECIAL RULE.—Beginning with January
2 1, 2008, the payment amount for—

3 “(A) each single source drug or biological
4 described in section 1842(o)(1)(G) (including a
5 single source drug or biological that is treated
6 as a multiple source drug because of the appli-
7 cation of subsection (c)(6)(C)(ii)) is the lower
8 of—

9 “(i) the payment amount that would
10 be determined for such drug or biological
11 applying such subsection; or

12 “(ii) the payment amount that would
13 have been determined for such drug or bio-
14 logical if such subsection were not applied;
15 and

16 “(B) a multiple source drug (excluding a
17 drug or biological that is treated as a multiple
18 source drug because of the application of such
19 subsection) is the lower of—

20 “(i) the payment amount that would
21 be determined for such drug or biological
22 taking into account the application of such
23 subsection; or

1 “(ii) the payment amount that would
2 have been determined for such drug or bio-
3 logical if such subsection were not ap-
4 plied.”.

 In the clause (v) added by section 705(a)(1), strike
“division of the core based” each place it appears before
subclause (I) and insert after subclause (IV) the fol-
lowing:

5 “(V) The hospital maintains no
6 more than 400 beds.

 In section 705(a)(1), strike “the following new
clause:” and insert “the following new clauses:” and add
after clause (v) (as added by such section, and after “ex-
ceed 10.”) the following new clause:

7 “(vi) INCREASE IN RESIDENCY
8 SLOTS.—In the case of a hospital located
9 in Peoria County, Illinois, that has more
10 than 500 beds, the Secretary shall increase
11 by two the otherwise applicable resident
12 limit under subparagraph (F) for such hos-
13 pital.”.

 At the end of title VII add the following:

1 **SEC. 706. STUDIES RELATING TO HOME HEALTH.**

2 (a) IN GENERAL.—The Medicare Payment Advisory
3 Commission shall conduct a study of Medicare bene-
4 ficiaries utilizing home health care services to determine—

5 (1) the impact that remote monitoring equip-
6 ment and related services have on improving health
7 care outcomes in the home health care setting for
8 beneficiaries with chronic conditions;

9 (2) the differences in the percentage of inpa-
10 tient hospital admissions and emergency room visits
11 for beneficiaries with a similar health care risk pro-
12 file who utilize remote monitoring equipment and
13 services compared to those who do not use such
14 equipment and services;

15 (3) the percentage of Medicare beneficiaries
16 currently utilizing remote monitoring equipment and
17 related services;

18 (4) the estimated reduction in aggregate ex-
19 penditures under parts A and B of title XVIII of the
20 Social Security Act expenditures if home health
21 agencies increased their utilization of remote moni-
22 toring equipment and related services for patients
23 with chronic disease conditions; and

24 (5) the variation of utilization of remote moni-
25 toring equipment and related services within geo-
26 graphic regions and by size of home health agency.

1 (b) DATA COLLECTION.—As a condition of a home
2 health agency’s participation in the program under title
3 XVIII of the Social Security Act, beginning no later than
4 January 1, 2008, the Secretary of Health and Human
5 Services shall require such agencies to collect, in a form
6 and manner determined by the Secretary, the following
7 data:

8 (1) The extent of home health agency’s usage
9 of remote monitoring equipment and related services
10 for beneficiaries with chronic conditions.

11 (2) Whether such equipment and services are
12 used to monitor patients’ with chronic conditions
13 vital signs on a daily basis.

14 (3) Whether standing physician orders accom-
15 pany the use of remote monitoring equipment and
16 services.

17 (4) The costs of remote monitoring equipment
18 and related services.

19 (c) REPORT TO CONGRESS.—Not later than June 1,
20 2010, the Commission shall report to Congress on its find-
21 ings on the study conducted under subsection (a). Such
22 report shall include recommendations regarding how Con-
23 gress may enact reimbursement policies that increase the
24 appropriate utilization of remote monitoring equipment
25 and services under the home health program for Medicare

1 beneficiaries with chronic conditions in a manner that fa-
2 cilitates health care outcomes and leads to the long-term
3 reduction of aggregate expenditures under the Medicare
4 program.

5 **SEC. 707. RURAL HOME HEALTH QUALITY DEMONSTRATION PROJECTS.**
6

7 (a) IN GENERAL.—Not later than 180 days after the
8 date of the enactment of this Act, the Secretary of Health
9 and Human Services (in this section referred to as the
10 “Secretary”) shall make grants to eligible entities for dem-
11 onstration projects to assist home health agencies to better
12 serve their Medicare populations while aiming to reduce
13 costs to the Medicare program through utilization of tech-
14 nologies, including telemonitoring and other telehealth
15 technologies, health information technologies, and tele-
16 communications technologies that—

17 (1) implement procedures and standards that
18 reduce the need for inpatient hospital services and
19 health center visits; and

20 (2) address the aims of safety, effectiveness,
21 patient- or community-centeredness, timeliness, effi-
22 ciency, and equity identified by the Institute of Med-
23 icine of the National Academies in its report entitled
24 “Crossing the Quality Chasm: A New Health System

1 for the 21st Century” released on March 1, 2001,
2 when determining when and what care is needed.

3 (b) ELIGIBLE ENTITIES.—In this section, the term
4 “eligible entity” means a State that includes—

5 (1) a rural academic medical center;

6 (2) no urban regional medical center; and

7 (3) a Medicare population whose enrollees in
8 the Medicare Part C program is less than 3 percent.

9 (c) CONSULTATION.—In developing the program for
10 awarding grants under this section, the Secretary shall
11 consult with the Administrator of the Centers for Medi-
12 care & Medicaid Services, home health agencies, rural
13 health care researchers, and private and non-profit groups
14 (including national associations) which are undertaking
15 similar efforts.

16 (d) DURATION.—Each demonstration project under
17 this section shall be for a period of 2 years.

18 (e) REPORT.—Not later than one year after the con-
19 clusion of all of the demonstration projects funded under
20 this section, the Secretary shall submit a report to the
21 Congress on the results of such projects. The report shall
22 include—

23 (1) an evaluation of technologies utilized and
24 effects on patient access to home health care, patient

1 outcomes, and an analysis of the cost effectiveness
2 of each such project; and

3 (2) recommendations on Federal legislation,
4 regulations, or administrative policies to enhance
5 rural home health quality and outcomes.

6 (f) FUNDING.— Out of any funds in the Treasury
7 not otherwise appropriated, there are appropriated to the
8 Secretary for fiscal year 2008, \$3,000,000 to carry out
9 this section. Funds appropriated under this subsection
10 shall remain available until expended.

In section 801(a), strike “TWO-YEAR” and insert
“FOUR-YEAR” and in the matter inserted by section
801(a)(1) strike “September 30, 2009” and insert “Sep-
tember 30, 2011”.

In the subclause (VI) added by section 812(a)(3),
strike “20.1 percent” and insert “22.1 percent”.

In section 812, strike “(a) BRAND.—” and strike
subsection (b).

At the end of subtitle B of title VIII, add the fol-
lowing:

1 **SEC. 817. EXTENSION OF SSI WEB-BASED ASSET DEM-**
2 **ONSTRATION PROJECT TO THE MEDICAID**
3 **PROGRAM.**

4 (a) IN GENERAL.—The Secretary of Health and
5 Human Services shall provide for the application to asset
6 eligibility determinations under the Medicaid program
7 under title XIX of the Social Security Act of the auto-
8 mated, secure, web-based asset verification request and re-
9 sponse process being applied for determining eligibility for
10 benefits under the Supplemental Security Income (SSI)
11 program under title XVI of such Act under a demonstra-
12 tion project conducted under the authority of section
13 1631(e)(1)(B)(ii) of such Act (42 U.S.C.
14 1383(e)(1)(B)(ii)).

15 (b) LIMITATION.—Such application shall only extend
16 to those States in which such demonstration project is op-
17 erating and only for the period in which such project is
18 otherwise provided.

19 (c) RULES OF APPLICATION.—For purposes of car-
20 rying out subsection (a), notwithstanding any other provi-
21 sion of law, information obtained from a financial institu-
22 tion that is used for purposes of eligibility determinations
23 under such demonstration project with respect to the Sec-
24 retary of Health and Human Services under the SSI pro-
25 gram may also be shared and used by States for purposes
26 of eligibility determinations under the Medicaid program.

1 In applying section 1631(e)(1)(B)(ii) of the Social Secu-
2 rity Act under this subsection, references to the Commis-
3 sioner of Social Security and benefits under title XVI of
4 such Act shall be treated as including a reference to a
5 State described in subsection (b) and medical assistance
6 under title XIX of such Act provided by such a State.

In the section 1822 added by section 904(a), in sub-
section (b)(3)(A)(iii) strike “up to 15” and insert “15”;
in subsection (b)(6)(B) strike “10” and “9” and insert
“8” and “7”, respectively; and in subsection (g)(2)(B)(ii)
strike “8” and “7” and insert “10” and “9”, respec-
tively.

Amend paragraph (2) of the section 4375(c) added
by section 904(b)(2)(A) to read as follows:

7 “(2) EXEMPTION FOR CERTAIN POLICIES.—The
8 term ‘specified health insurance policy’ does not in-
9 clude any insurance if substantially all of its cov-
10 erage is of excepted benefits described in section
11 9832(e).

At the end of title IX add the following:

12 **SEC. 909. ACCESS TO DATA ON PRESCRIPTION DRUG PLANS**
13 **AND MEDICARE ADVANTAGE PLANS.**

14 (a) IN GENERAL.—Section 1875 of the Social Secu-
15 rity Act (42 U.S.C. 1395ll) is amended—

1 (1) in the heading, by inserting “TO CONGRESS;
2 PROVIDING INFORMATION TO CONGRESSIONAL SUP-
3 PORT AGENCIES” after “AND RECOMMENDATIONS”;
4 and

5 (2) by adding at the end the following new sub-
6 section:

7 “(c) PROVIDING INFORMATION TO CONGRESSIONAL
8 SUPPORT AGENCIES.—

9 “(1) IN GENERAL.—Notwithstanding any provi-
10 sion under part D that limits the use of prescription
11 drug data collected under such part, upon the re-
12 quest of a Congressional support agency, the Sec-
13 retary shall provide such agency with information
14 submitted to, or compiled by, the Secretary under
15 part D (subject to the restriction on disclosure under
16 paragraph (2)), including—

17 “(A) only with respect to Congressional
18 support agencies that make official baseline
19 spending projections, conduct oversight studies
20 mandated by Congress, or make official rec-
21 ommendations on the program under this title
22 to Congress—

23 “(i) aggregate negotiated prices for
24 drugs covered under prescription drug
25 plans and MA-PD plans;

1 “(ii) negotiated rebates, discounts,
2 and other price concessions by drug and by
3 contract or plan (as reported under section
4 1860D-2(d)(2));

5 “(iii) bid information (described in
6 section 1860D-11(b)(2)(C)) submitted by
7 such plans;

8 “(iv) data or a representative sample
9 of data regarding drug claims and other
10 data submitted under section 1860D-
11 15(e)(1)(C) (as determined necessary and
12 appropriate by the Congressional support
13 agency to carry out the legislatively man-
14 dated duties of the agency);

15 “(v) the amount of reinsurance pay-
16 ments paid under section 1860D-15(a)(2),
17 provided at the plan level; and

18 “(vi) the amount of any adjustments
19 of payments made under subparagraph (B)
20 or (C) of section 1860D-15(e)(2), provided
21 at the plan level aggregate negotiated
22 prices for drugs covered under prescription
23 drug plans and MA-PD plans; and

24 “(B) access to drug event data submitted
25 by such plans under section 1860D-

1 15(d)(2)(A), except, with respect to data that
2 reveals prices negotiated with drug manufactur-
3 ers, such data shall only be available to Con-
4 gressional support agencies that make official
5 baseline spending projections, conduct oversight
6 studies mandated by Congress, or make official
7 recommendations on the program under this
8 title to Congress.

9 “(2) RESTRICTION ON DATA DISCLOSURE.—

10 “(A) IN GENERAL.—Data provided to a
11 Congressional support agency under this sub-
12 section shall not be disclosed, reported, or re-
13 leased in identifiable form.

14 “(B) IDENTIFIABLE FORM.—For purposes
15 of subparagraph (A), the term ‘identifiable
16 form’ means any representation of information
17 that permits identification of a specific prescrip-
18 tion drug plan, MA-PD plan, pharmacy benefit
19 manager, drug manufacturer, drug wholesaler,
20 or individual enrolled in a prescription drug
21 plan or an MA-PD plan under part D.

22 “(3) TIMING.—The Secretary shall release data
23 under this subsection in a timeframe that enables
24 Congressional support agencies to complete congres-
25 sional requests.

1 “(4) USE OF THE DATA PROVIDED.—Data pro-
2 vided to a Congressional support agency under this
3 subsection shall only be used by such agency for car-
4 rying out the functions and activities of the agency
5 mandated by Congress.

6 “(5) CONFIDENTIALITY.—The Secretary shall
7 establish safeguards to protect the confidentiality of
8 data released under this subsection. Such safeguards
9 shall not provide for greater disclosure than is per-
10 mitted under any of the following:

11 “(A) The Federal regulations (concerning
12 the privacy of individually identifiable health in-
13 formation) promulgated under section 264(c) of
14 the Health Insurance Portability and Account-
15 ability Act of 1996.

16 “(B) Sections 552 or 552a of title 5,
17 United States Code, with regard to the privacy
18 of individually identifiable beneficiary health in-
19 formation.

20 “(6) DEFINITIONS.—In this subsection:

21 “(A) CONGRESSIONAL SUPPORT AGEN-
22 CY.—The term ‘Congressional support agency’
23 means—

24 “(i) the Medicare Payment Advisory
25 Commission;

1 “(ii) the Government Accountability
2 Office; and

3 “(iii) the Congressional Budget Office.

4 “(B) MA-PD PLAN.—The term ‘MA-PD
5 plan’ has the meaning given such term in sec-
6 tion 1860D-1(a)(3)(C).

7 “(C) PRESCRIPTION DRUG PLAN.—The
8 term ‘prescription drug plan’ has the meaning
9 given such term in section 1860D-41(a)(14).”.

10 (b) CONFORMING AMENDMENT.—Section 1805(b)(2)
11 of the Social Security Act (42 U.S.C. 1395b-6(b)(2)) is
12 amended by adding at the end the following new subpara-
13 graph:

14 “(D) PART D.—Specifically, the Commis-
15 sion shall review payment policies with respect
16 to the Voluntary Prescription Drug Benefit
17 Program under part D, including—

18 “(i) the factors affecting expenditures;

19 “(ii) payment methodologies; and

20 “(iii) their relationship to access and
21 quality of care for Medicare beneficiaries.”.

22 **SEC. 910. ABSTINENCE EDUCATION.**

23 Section 510 of the Social Security Act (42 U.S.C.
24 710) is amended to read as follows:

1 **“SEC. 510. SEPARATE PROGRAM FOR ABSTINENCE EDU-**
2 **CATION.**

3 “(a) IN GENERAL.—For the purpose described in
4 subsection (b), the Secretary shall, for fiscal year 2008
5 and fiscal year 2009, allot to each State which has trans-
6 mitted an application for the fiscal year under section
7 505(a) an amount equal to the product of—

8 “(1) the amount appropriated in subsection (d)
9 for the fiscal year; and

10 “(2) the percentage determined for the State
11 under section 502(c)(1)(B)(ii).

12 “(b) PURPOSE OF ALLOTMENT.—

13 “(1) PURPOSE.—The purpose of an allotment
14 under subsection (a) to a State is to enable the
15 State to provide abstinence education, and where ap-
16 propriate, mentoring, counseling, and adult super-
17 vision to promote abstinence from sexual activity,
18 with a focus on those groups which are most likely
19 to bear children out-of-wedlock.

20 “(2) DEFINITION; STATE OPTION.—For pur-
21 poses of this section, the term ‘abstinence education’
22 has, at the option of each State receiving an allot-
23 ment under subsection (a), the meaning given such
24 term in subparagraph (A), or the meaning given
25 such term in subparagraph (B), as follows:

1 “(A) Such term means a medically and sci-
2 entifically accurate educational or motivational
3 program which—

4 “(i) has as its exclusive purpose,
5 teaching the social, psychological, and
6 health gains to be realized by abstaining
7 from sexual activity;

8 “(ii) teaches abstinence from sexual
9 activity outside marriage as the expected
10 standard for all school age children;

11 “(iii) teaches that abstinence from
12 sexual activity is the only certain way to
13 avoid out-of-wedlock pregnancy, sexually
14 transmitted diseases, and other associated
15 health problems;

16 “(iv) teaches that a mutually faithful
17 monogamous relationship in context of
18 marriage is the expected standard of
19 human sexual activity;

20 “(v) teaches that sexual activity out-
21 side of the context of marriage is likely to
22 have harmful psychological and physical ef-
23 fects;

24 “(vi) teaches that bearing children
25 out-of-wedlock is likely to have harmful

1 consequences for the child, the child's par-
2 ents, and society;

3 “(vii) teaches young people how to re-
4 ject sexual advances and how alcohol and
5 drug use increases vulnerability to sexual
6 advances; and

7 “(viii) teaches the importance of at-
8 taining self-sufficiency before engaging in
9 sexual activity.

10 “(B) Such term means a medically and sci-
11 entifically accurate educational or motivational
12 program which promotes abstinence and edu-
13 cates those who are currently sexually active or
14 at risk of sexual activity about additional meth-
15 ods to prevent unintended pregnancy or reduce
16 other health risks.

17 “(3) CERTAIN REQUIREMENTS.—

18 “(A) LIMITATION REGARDING INACCURATE
19 INFORMATION.—None of the funds made avail-
20 able under this section may be used to provide
21 abstinence education that includes information
22 that is medically and scientifically inaccurate.
23 For purposes of this section, the term ‘medi-
24 cally and scientifically inaccurate’ means infor-
25 mation that is unsupported or contradicted by

1 a preponderance of peer-reviewed research by
2 leading medical, psychological, psychiatric, and
3 public health publications, organizations and
4 agencies.

5 “(B) EFFECTIVENESS REGARDING CER-
6 TAIN MATTERS.—None of the funds made avail-
7 able under this section may be used for a pro-
8 gram unless the program is based on a model
9 that has been demonstrated to be effective in
10 preventing unintended pregnancy, or in reduc-
11 ing the transmission of a sexually transmitted
12 disease, including the human immunodeficiency
13 virus. The preceding sentence does not apply to
14 any program that was approved and funded
15 under this section on or before September 30,
16 2007.

17 “(c) APPLICABILITY OF CERTAIN SECTIONS.—

18 “(1) REQUIREMENTS.—Sections 503, 507, and
19 508 apply to allotments under subsection (a) to the
20 same extent and in the same manner as such sec-
21 tions apply to allotments under section 502(c).

22 “(2) DISCRETION OF SECRETARY.—Sections
23 505 and 506 apply to allotments under subsection
24 (a) to the extent determined by the Secretary to be
25 appropriate.

1 “(d) AUTHORIZATION OF APPROPRIATIONS.—For the
2 purpose of allotments under subsection (a), there is au-
3 thorized to be appropriated \$50,000,000 for each of fiscal
4 years 2008 and 2009.”.

In the matter proposed to be inserted by section 1001(d)(1), strike “44.63 percent” and insert “40 percent (33 percent on cigars removed after December 31, 2007, and before October 1, 2013)”.

Conform the table of contents accordingly.