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110TH CONGRESS
1ST SESSION

S. 1340

To amend title XVIII of the Social Security Act to provide Medicare beneficiaries with access to geriatric assessments and chronic care coordination services, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 9, 2007

Mrs. LINCOLN (for herself, Ms. COLLINS, Mr. KOHL, Mr. KERRY, Ms. MIKULSKI, Mrs. CLINTON, Mrs. BOXER, and Mr. CASEY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to provide Medicare beneficiaries with access to geriatric assessments and chronic care coordination services, and for other purposes.

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 “Geriatric Assessment and Chronic Care Coordination Act
6 of 2007”.

1 (b) TABLE OF CONTENTS.—The table of contents of
2 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

Sec. 3. Medicare coverage of geriatric assessments.

Sec. 4. Medicare coverage of chronic care coordination services.

Sec. 5. Outreach activities regarding geriatric assessments and chronic care coordination services under the Medicare program.

Sec. 6. Study and report on geriatric assessments and chronic care coordination services under the Medicare program.

Sec. 7. Study and report on best practices for Medicare chronic care coordination.

Sec. 8. Rule of construction.

3 **SEC. 2. FINDINGS.**

4 Congress makes the following findings:

5 (1) The Medicare program must be redesigned
6 to provide high-quality, cost-effective care to the
7 growing population of elderly individuals with mul-
8 tiple chronic conditions.

9 (2) According to the Congressional Budget Of-
10 fice, approximately 43 percent of Medicare costs can
11 be attributed to 5 percent of Medicare's most costly
12 beneficiaries.

13 (3) Currently, 78 percent of the Medicare popu-
14 lation has at least 1 chronic condition, and $\frac{2}{3}$ have
15 more than 1 chronic condition. The 20 percent of
16 beneficiaries with 5 or more chronic conditions ac-
17 count for $\frac{2}{3}$ of all Medicare spending. In addition,
18 the large baby boomer generation is moving toward
19 retirement and Medicare eligibility.

1 (4) The prevalence of chronic conditions in-
2 creases with age: 74 percent of the 65- to 69-year-
3 old group has at least 1 chronic condition, while 86
4 percent of the 85 years and older group has at least
5 1 chronic condition. Similarly, just 14 percent of the
6 65- to 69-year-old group has 5 or more chronic con-
7 ditions, while 28 percent of the 85 years and older
8 group has 5 or more chronic conditions.

9 (5) There is a strong pattern of increasing utili-
10 zation as the number of conditions increase. Fifty-
11 five percent of Medicare beneficiaries with 5 or more
12 conditions experienced an inpatient hospital stay
13 compared to 5 percent of those with 1 condition or
14 9 percent of those with 2 conditions.

15 (6) In terms of physician visits, the average
16 Medicare beneficiary has over 15 physician visits an-
17 nually and sees 6 different physicians annually.

18 (7) When Alzheimer's disease or other form of
19 dementia are present along with 1 or more other
20 chronic conditions, utilization also increases. For ex-
21 ample, in 2000, total average per person Medicare
22 expenditures for those with congestive heart failure
23 and Alzheimer's or dementia were 47 percent higher
24 than for those with congestive heart failure and no
25 dementia.

1 (8) Research conducted in the United States
2 and internationally indicate that the delivery of high-
3 er quality health care, increased efficiency, and cost-
4 effectiveness are the result of systems in which pa-
5 tients are linked with a physician or another quali-
6 fied health professional who coordinates their care.

7 (9) The current Medicare program does not re-
8 ward physicians for integrating and coordinating
9 health care because these services are not explicitly
10 recognized and distinctly paid for. Instead, physi-
11 cians are incentivized to provide episodic care and to
12 generate more individual patient visits to the doc-
13 tor's office and hospital for separately reimbursed
14 tests and procedures.

15 (10) The chronic care model established by this
16 Act includes several elements that are effective in
17 managing chronic disease, including—

18 (A) linkages with community resources;

19 (B) health care system changes that re-
20 ward quality chronic care;

21 (C) support for patient self-management of
22 chronic disease;

23 (D) practice redesign;

24 (E) evidence-based clinical practice guide-
25 lines; and

1 (F) clinical information systems, such as
2 electronic medical records and continuity of
3 care records.

4 (11) Financial incentives within the Medicare
5 program should be realigned as part of a com-
6 prehensive system change. The Medicare program
7 should be restructured to reimburse physicians and
8 other qualified health professionals for the cost of
9 coordinating care.

10 (12) The provisions of, and amendments made
11 by, this Act are intended to—

12 (A) create savings to the Medicare pro-
13 gram;

14 (B) establish a process to identify those
15 Medicare beneficiaries most likely to benefit
16 from having a provider coordinate their health
17 care needs; and

18 (C) establish a payment under the Medi-
19 care program for—

20 (i) the assessment of those health care
21 needs; and

22 (ii) the activities required to coordi-
23 nate those health care needs.

1 **SEC. 3. MEDICARE COVERAGE OF GERIATRIC ASSESS-**
 2 **MENTS.**

3 (a) **COVERAGES OF GERIATRIC ASSESSMENTS.—**

4 (1) **IN GENERAL.—**Section 1861(s)(2) of the
 5 Social Security Act (42 U.S.C. 1395x(s)(2)) is
 6 amended—

7 (A) in subparagraph (Z), by striking
 8 “and” at the end;

9 (B) in subparagraph (AA), by adding
 10 “and” at the end; and

11 (C) by adding at the end the following new
 12 subparagraph:

13 “(BB) geriatric assessments (as defined in sub-
 14 section (cc)(1));”.

15 (2) **CONFORMING AMENDMENTS.—**(A) Section
 16 1862(a)(7) of the Social Security Act (42 U.S.C.
 17 1395y(a)(7)) is amended by striking “or (K)” and
 18 inserting “(K), or (BB)”.

19 (B) Clauses (i) and (ii) of section
 20 1861(s)(2)(K) of the Social Security Act (42 U.S.C.
 21 1395x(s)(2)(K)) are each amended by striking “sub-
 22 section (ww)(1)” and inserting “subsections (ww)(1)
 23 and (cc)(1)”.

24 (b) **GERIATRIC ASSESSMENTS DEFINED.—**Section
 25 1861 of the Social Security Act (42 U.S.C. 1395x) is

1 amended by adding at the end the following new sub-
2 sections:

3 “Geriatric Assessment

4 “(ccc)(1) The term ‘geriatric assessment’ means each
5 of the following:

6 “(A) An assessment of the clinical status, func-
7 tional status, social and environmental functioning,
8 and need for caregiving of a geriatric assessment eli-
9 gible individual (as defined in subsection (ddd)). The
10 assessment shall include a comprehensive history
11 and physical examination and assessments of the fol-
12 lowing domains using standardized validated clinical
13 tools:

14 “(i) Comprehensive review of medications
15 and the individual’s adherence to the medica-
16 tion regimen.

17 “(ii) Measurement of affect, cognition and
18 executive function, mobility, balance, gait, risk
19 of falling, and sensory function.

20 “(iii) Social functioning, environmental
21 needs, and caregiver resources and needs.

22 “(iv) Any other domain determined appro-
23 priate by the Secretary.

24 “(B) Subsequent assessments, which may not
25 be conducted more frequently than annually, unless

1 the subsequent assessment is medically necessary
2 due to a significant change in the condition of the
3 geriatric assessment eligible individual.

4 “(C) The development of a written care plan
5 based on the results of the assessment under sub-
6 paragraph (A) (and any subsequent assessment
7 under subparagraph (B)). The care plan shall detail
8 identified problems, outline therapies, assign respon-
9 sibility for actions, and indicate whether the indi-
10 vidual is likely to benefit from chronic care coordina-
11 tion services (as defined in subsection (eee)(1)). If
12 the individual is determined likely to benefit from
13 chronic care coordination services, the care plan
14 shall also provide the basis for the chronic care co-
15 ordination plan to be developed by the chronic care
16 manager pursuant to subsection (eee).

17 “(2) A geriatric assessment may only be conducted
18 by—

19 “(A) a physician;

20 “(B) a practitioner described in section
21 1842(b)(18)(C)(i) under the supervision of a physi-
22 cian; or

23 “(C) any other provider that meets such condi-
24 tions as the Secretary may specify.

1 “Geriatric Assessment Eligible Individual

2 “(ddd)(1) Subject to paragraph (3), the term ‘geri-
3 atric assessment eligible individual’ means an individual
4 identified by the Secretary as eligible for a geriatric as-
5 sessment.

6 “(2) In identifying individuals under paragraph (1),
7 the following rules shall apply:

8 “(A) The individual must have at least 1 of the
9 following present:

10 “(i) Multiple chronic conditions.

11 “(ii) Dementia, as defined in the most re-
12 cent Diagnostic and Statistical Manual of Men-
13 tal Disorders, and at least 1 chronic condition.

14 “(iii) Any other factor identified by the
15 Secretary.

16 “(B)(i) The individual, as determined by the
17 Secretary—

18 “(I) must have aggregate medical
19 costs under this title in the top 10 percent
20 of all applicable individuals during the pre-
21 vious 36 months; or

22 “(II) is likely to incur costs under this
23 title in the top 10 percent of all applicable
24 individuals during the current or subse-
25 quent calendar year.

1 “(ii) The determination under clause
2 (i)(II) of future costs shall be based on the
3 medical condition of the individual, the individ-
4 ual’s past cost to the program under this title,
5 and other factors as identified by the Secretary.

6 “(iii) The individual meets such additional
7 criteria (if any) as the Secretary establishes
8 under subparagraph (C).

9 “(C)(i) If the Secretary estimates that the total
10 number of applicable individuals that would be geri-
11 atric assessment eligible individuals in a year (but
12 for this subparagraph) exceeds 10 percent of the
13 total number of applicable individuals in the year,
14 the Secretary shall establish and apply under sub-
15 paragraph (B)(iii) such additional criteria as is de-
16 signed to eliminate such excess.

17 “(ii) The Secretary shall consult with physi-
18 cians, physician groups, organizations representing
19 individuals with chronic conditions and older adults,
20 and other stakeholders in identifying any additional
21 criteria under clause (i).

22 “(D) For purposes of this paragraph, the term
23 ‘applicable individual’ means an individual enrolled
24 for benefits under part B but not enrolled in a Medi-
25 care Advantage plan or a plan under section 1876.

1 “(3) The term ‘geriatric assessment eligible indi-
2 vidual’ shall not include the following individuals:

3 “(A) An individual who is receiving hospice care
4 under this title.

5 “(B) An individual who is residing in a skilled
6 nursing facility, a nursing facility (as defined in sec-
7 tion 1919), or any other facility identified by the
8 Secretary.

9 “(C) An individual medically determined to
10 have end-stage renal disease.

11 “(D) An individual enrolled in a Medicare Ad-
12 vantage plan or a plan under section 1876.

13 “(E) An individual enrolled in a PACE pro-
14 gram under section 1894.

15 “(F) Any other categories of individuals deter-
16 mined appropriate by the Secretary.

17 “(4) For purposes of this subsection, the term ‘chron-
18 ic condition’ means a condition, such as dementia, that
19 lasts or is expected to last 1 year or longer, limits what
20 an individual can do, and requires ongoing care.”.

21 (c) PAYMENT AND ELIMINATION OF COST-SHAR-
22 ING.—

23 (1) PAYMENT AND ELIMINATION OF COINSUR-
24 ANCE.—Section 1833(a)(1) of the Social Security
25 Act (42 U.S.C. 1395l(a)(1)) is amended—

1 (A) in subparagraph (N), by inserting
2 “other than geriatric assessments (as defined in
3 section 1861(ccc)(1))” after “(as defined in sec-
4 tion 1848(j)(3))”;

5 (B) by striking “and” before “(V)”; and

6 (C) by inserting before the semicolon at
7 the end the following: “, and (W) with respect
8 to geriatric assessments (as defined in section
9 1861(ccc)(1)), the amount paid shall be 100
10 percent of the lesser of the actual charge for
11 the services or the amount determined under
12 the payment basis determined under section
13 1848”.

14 (2) PAYMENT UNDER PHYSICIAN FEE SCHED-
15 ULE.—Section 1848(j)(3) of the Social Security Act
16 (42 U.S.C. 1395w-4(j)(3)) is amended by inserting
17 “(2)(BB),” after “(2)(AA),”.

18 (3) ELIMINATION OF COINSURANCE IN OUT-
19 PATIENT HOSPITAL SETTINGS.—

20 (A) EXCLUSION FROM OPD FEE SCHED-
21 ULE.—Section 1833(t)(1)(B)(iv) of the Social
22 Security Act (42 U.S.C. 1395l(t)(1)(B)(iv)) is
23 amended by striking “and diagnostic mammog-
24 raphy” and inserting “, diagnostic mammog-

1 raphy, or geriatric assessments (as defined in
2 section 1861(ccc)(1))”.

3 (B) CONFORMING AMENDMENTS.—Section
4 1833(a)(2) of the Social Security Act (42
5 U.S.C. 1395l(a)(2)) is amended—

6 (i) in subparagraph (F), by striking
7 “and” at the end;

8 (ii) in subparagraph (G)(ii), by strik-
9 ing the comma at the end and inserting “;
10 and”; and

11 (iii) by inserting after subparagraph
12 (G)(ii) the following new subparagraph:

13 “(H) with respect to geriatric assessments
14 (as defined in section 1861(ccc)(1)) furnished
15 by an outpatient department of a hospital, the
16 amount determined under paragraph (1)(W),”.

17 (4) ELIMINATION OF DEDUCTIBLE.—The first
18 sentence of section 1833(b) of the Social Security
19 Act (42 U.S.C. 1395l(b)) is amended—

20 (A) by striking “and” before “(8)”; and

21 (B) by inserting before the period the fol-
22 lowing: “, and (9) such deductible shall not
23 apply with respect to geriatric assessments (as
24 defined in section 1861(ccc)(1))”.

1 (d) FREQUENCY LIMITATION.—Section 1862(a)(1) of
 2 the Social Security Act (42 U.S.C. 1395y(a)(1)) is amend-
 3 ed—

4 (1) by striking “and” at the end of subpara-
 5 graph (M);

6 (2) by striking the semicolon at the end of sub-
 7 paragraph (N) and inserting “, and”; and

8 (3) by adding at the end the following new sub-
 9 paragraph:

10 “(O) in the case of geriatric assessments (as de-
 11 fined in section 1861(ccc)(1)), which are performed
 12 more frequently than is covered under such sec-
 13 tion;”.

14 (e) EXCEPTION TO LIMITS ON PHYSICIAN REFER-
 15 RALS.—Section 1877(b) of the Social Security Act (42
 16 U.S.C. 1395m(b)) is amended by adding at the end the
 17 following new paragraph:

18 “(6) GERIATRIC ASSESSMENTS.—In the case of
 19 a designated health service, if the designated health
 20 service is a geriatric assessment (as defined in sec-
 21 tion 1861(ccc)(1)) and furnished by a physician.”.

22 (f) RULEMAKING.—The Secretary of Health and
 23 Human Services shall define such terms, establish such
 24 procedures, and promulgate such regulations as the Sec-
 25 retary determines necessary to implement the amend-

1 ments made by, and the provisions of, this section, includ-
 2 ing the establishment of additional domains under sub-
 3 section (ccc)(1)(A)(iv) of section 1861 of the Social Secu-
 4 rity Act, as added by subsection (b). In promulgating such
 5 regulations, the Secretary shall consult with physicians,
 6 physician groups and organizations, and organizations
 7 representing individuals with chronic conditions and older
 8 adults.

9 (g) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to assessments furnished on or
 11 after January 1, 2008.

12 **SEC. 4. MEDICARE COVERAGE OF CHRONIC CARE COORDI-**
 13 **NATION SERVICES.**

14 (a) PART B COVERAGE OF CHRONIC CARE COORDI-
 15 NATION SERVICES.—

16 (1) IN GENERAL.—Section 1861(s)(2) of the
 17 Social Security Act (42 U.S.C. 1395x(s)(2)), as
 18 amended by section 3(a)(1), is amended—

19 (A) in subparagraph (AA), by striking
 20 “and” at the end;

21 (B) in subparagraph (BB), by adding
 22 “and” at the end; and

23 (C) by adding at the end the following new
 24 subparagraph:

1 (CC) chronic care coordination services (as de-
2 fined in subsection (ccc));”.

3 (2) CONFORMING AMENDMENTS.—

4 (A) Section 1862(a)(7) of the Social Secu-
5 rity Act (42 U.S.C. 1395y(a)(7)), as amended
6 by section 3(a)(2)(A), is amended by striking
7 “or (BB)” and inserting “(BB), or (CC)”.

8 (B) Clauses (i) and (ii) of section
9 1861(s)(2)(K) of the Social Security Act (42
10 U.S.C. 1395x(s)(2)(K)), as amended by section
11 3(a)(2)(B), are each amended by striking “sub-
12 sections (ww)(1) and (ccc)” and inserting “sub-
13 sections (ww)(1), (ccc), and (ccc)”.

14 (b) SERVICES DESCRIBED.—Section 1861 of the So-
15 cial Security Act (42 U.S.C. 1395x), as amended by sec-
16 tion 3(b), is amended by adding at the end the following
17 new subsection:

18 “Chronic Care Coordination Services; Chronic Care
19 Manager; Chronic Care Eligible Individual

20 “(ccc)(1) The term ‘chronic care coordination serv-
21 ices’ means services that are furnished to a chronic care
22 eligible individual (as defined in paragraph (3)) by a single
23 chronic care manager (as defined in paragraph (2)) chosen
24 by the individual under a plan of care prescribed by such
25 chronic care manager for the purpose of chronic care and

1 dementia coordination, which may include any of the fol-
2 lowing services:

3 “(A) The development of an initial plan of care
4 (based on the results of a geriatric assessment, as
5 defined in subsection ccc)), and subsequent appro-
6 priate revisions to that plan of care.

7 “(B) The management of, and referral for,
8 medical and other health services, including inter-
9 disciplinary care conferences and management with
10 other providers.

11 “(C) The monitoring and management of medi-
12 cations.

13 “(D) Patient education and counseling services.

14 “(E) Family caregiver education and counseling
15 services.

16 “(F) Self-management services, including
17 health education and risk appraisal to identify be-
18 havioral risk factors through self-assessment.

19 “(G) Providing access by telephone with physi-
20 cians and other appropriate health care profes-
21 sionals, including 24-hour availability of such profes-
22 sionals for emergencies.

23 “(H) Management with the principal nonprofes-
24 sional caregiver in the home.

1 “(I) Managing and facilitating transitions
2 among health care professionals and across settings
3 of care, including the following:

4 “(i) Pursuing the treatment option elected
5 by the individual.

6 “(ii) Including any advance directive exe-
7 cuted by the individual in the medical file of the
8 individual.

9 “(J) Information about, and referral to, hospice
10 care, including patient and family caregiver edu-
11 cation and counseling about hospice care, and facili-
12 tating transition to hospice care when elected.

13 “(K) Information about, referral to, and man-
14 agement with, community services.

15 “(L) Such additional services for which pay-
16 ment would not otherwise be made under this title
17 that the Secretary may specify that encourage the
18 receipt of, or improve the effectiveness of, the serv-
19 ices described in the preceding subparagraphs.

20 “(2)(A) For purposes of this subsection, the term
21 ‘chronic care manager’ means an individual or entity
22 that—

23 “(i) is—

24 “(I) a physician;

1 “(II) a practitioner described in clause (i)
2 or (iv) of section 1842(b)(18)(C) under the su-
3 pervision of a physician; or

4 “(III) any other provider that meets such
5 conditions as the Secretary may specify; and

6 “(ii) has entered into a chronic care coordina-
7 tion agreement with the Secretary.

8 “(B)(i) For purposes of subparagraph (A)(ii), each
9 chronic care coordination agreement shall meet the re-
10 quirements described in subparagraph (C) and shall—

11 “(I) subject to clause (ii), be entered into for a
12 period of 3 years and may be renewed if the Sec-
13 retary is satisfied that the chronic care manager
14 continues to meet such terms and conditions as the
15 Secretary may require; and

16 “(II) contain such other terms and conditions
17 as the Secretary may require.

18 “(ii) Each chronic care coordination agreement shall
19 provide for the termination of such agreement prior to
20 such 3-year period in the case where the chronic care man-
21 ager—

22 “(I) is no longer able to provide chronic care
23 services; or

24 “(II) does not meet such terms and conditions
25 as the Secretary may require.

1 “(C)(i) Subject to clause (ii), the requirements of this
2 subparagraph are met if the agreement requires the chron-
3 ic care manager to perform, or provide for the perform-
4 ance of, the following services:

5 “(I) Advocating for, and providing ongoing sup-
6 port, oversight, and guidance with respect to the im-
7 plementation of a plan of care that provides an inte-
8 grated, coherent, and cross-disciplined plan for ongo-
9 ing medical care that is developed in partnership
10 with the chronic care eligible individual and all other
11 physicians and other care providers and agencies (in-
12 cluding home health agencies) providing care to the
13 chronic care eligible individual.

14 “(II) Using evidence-based medicine and clin-
15 ical decision support tools to guide decision making
16 at the point of care and on the basis of specific pa-
17 tient factors.

18 “(III) Using health information technology, in-
19 cluding, where appropriate, remote monitoring and
20 patient registries, to monitor and track the health
21 status of patients and to provide patients with en-
22 hanced and convenient access to health care services.

23 “(IV) Encouraging patients to engage in the
24 management of their own health through education
25 and support systems.

1 “(V) Incorporating family caregivers into the
2 chronic care planning process.

3 “(ii) The Secretary may modify the services required
4 under the agreement under clause (i), including by requir-
5 ing different services or services in addition to those de-
6 scribed in subclauses (I) through (V) of such clause.

7 “(D) The Secretary shall adopt procedures which ex-
8 empt providers in rural areas from providing 1 or more
9 of the services otherwise required to be provided under
10 subparagraph (C) or modify such requirements for such
11 providers. In establishing such procedures, the Secretary
12 shall ensure that such exemptions and modifications do
13 not impact the quality of chronic care coordination serv-
14 ices furnished by such providers.

15 “(3) For purposes of this subsection, the term ‘chron-
16 ic care eligible individual’ means a geriatric assessment
17 eligible individual (as defined in subsection (ddd)) who has
18 undergone a geriatric assessment (as defined in subsection
19 (ccc)(1)) which determined that the individual would ben-
20 efit from chronic care coordination.”.

21 (c) PAYMENT AND ELIMINATION OF COST-SHAR-
22 ING.—

23 (1) PAYMENT AND ELIMINATION OF COINSUR-
24 ANCE.—Section 1833(a)(1) of the Social Security

1 Act (42 U.S.C. 1395l(a)(1)), as amended by section
2 3(c)(1), is amended—

3 (A) in subparagraph (N), by inserting “or
4 chronic care coordination services (as defined in
5 section 1861(eee))” after “other than geriatric
6 assessments (as defined in section
7 1861(ccc)(1))”;

8 (B) by striking “and” before “(W)”;

9 (C) by inserting before the semicolon at
10 the end the following: “, and (X) with respect
11 to chronic care coordination services (as defined
12 in section 1861(eee)), the amount paid shall be
13 100 percent of the amount determined under
14 section 1848(m)”.

15 (2) PAYMENT.—

16 (A) IN GENERAL.—Section 1848 of the So-
17 cial Security Act (42 U.S.C. 1395w-4) is
18 amended by adding at the end the following
19 new subsection:

20 “(m) PAYMENT FOR CHRONIC CARE COORDINATION
21 SERVICES.—

22 “(1) ESTABLISHMENT.—

23 “(A) IN GENERAL.—The Secretary shall
24 establish a monthly care coordination payment
25 amount under this section for chronic care co-

1 ordination services (as defined in paragraph (1)
2 of section 1861(eee)(1)) furnished to a chronic
3 care eligible individual (as defined in paragraph
4 (3) of such section) by a chronic care manager
5 (as defined in paragraph (2) of such section
6 1861).

7 “(B) REQUIREMENTS.—In establishing
8 payment amounts under subparagraph (A), the
9 Secretary shall—

10 “(i) take into account the time re-
11 quired of the chronic care manager in pro-
12 viding the care coordination services to
13 chronic care eligible individuals and the
14 costs associated with the practice-level
15 health information technologies and sys-
16 tems incurred by the chronic care manager
17 in providing such services; and

18 “(ii) ensure that such payments do
19 not result in a reduction in payments for
20 office visits or other evaluation and man-
21 agement services that would otherwise be
22 allowable.

23 “(2) CODE.—Under the conditions set forth in
24 this section, the Secretary shall develop a care co-

1 ordination payment code for chronic care coordina-
2 tion services and a value for such code.

3 “(3) SEPARATE PAYMENTS FROM PAYMENTS
4 FOR GERIATRIC ASSESSMENTS.—Payments for
5 chronic care coordination services shall be made sep-
6 arately from payments for geriatric assessments (as
7 defined in section 1861(ccc)(1)) and other services
8 for which payment is made under this title.”.

9 (B) CONFORMING AMENDMENT.—Section
10 1848(j)(3) of the Social Security Act (42
11 U.S.C. 1395w-4(j)(3)), as amended by section
12 3(c)(2)), is amended by inserting “(2)(CC),”
13 after “(2)(BB),”.

14 (3) ELIMINATION OF COINSURANCE IN OUT-
15 PATIENT HOSPITAL SETTINGS.—

16 (A) EXCLUSION FROM OPD FEE SCHED-
17 ULE.—Section 1833(t)(1)(B)(iv) of the Social
18 Security Act (42 U.S.C. 1395l(t)(1)(B)(iv)), as
19 amended by section 3(c)(3)(A), is amended by
20 striking “or geriatric assessments (as defined in
21 section 1861(ccc)(1))” and inserting “geriatric
22 assessments (as defined in section
23 1861(ccc)(1)), or chronic care coordination
24 services (as defined in section 1861(ccc)(1))”.

1 (B) CONFORMING AMENDMENTS.—Section
2 1833(a)(2) of the Social Security Act (42
3 U.S.C. 1395l(a)(2)), as amended by section
4 3(c)(3)(B), is amended—

5 (i) in subparagraph (G)(ii), by strik-
6 ing “and” at the end;

7 (ii) in subparagraph (H), by striking
8 the comma at the end and inserting “;
9 and”; and

10 (iii) by inserting after subparagraph
11 (H) the following new subparagraph:

12 “(I) with respect to chronic care coordina-
13 tion services (as defined in section
14 1861(eee)(1)) furnished by an outpatient de-
15 partment of a hospital, the amount determined
16 under section 1848(m).”.

17 (4) ELIMINATION OF DEDUCTIBLE.—Paragraph
18 (9) of section 1833(b) of the Social Security Act (42
19 U.S.C. 1395l(b)), as added by section 3(c)(4), is
20 amended by inserting “or chronic care coordination
21 services (as defined in section 1861(eee)(1))” after
22 “geriatric assessments (as defined in section
23 1861(ccc)(1))”.

24 (d) APPLICATION OF LIMITS ON BILLING.—Section
25 1842(b)(18)(C) of the Social Security Act (42 U.S.C.

1 1395u(b)(18)(C)) is amended by adding at the end the
2 following new clause:

3 “(vii) A chronic care manager (as defined in
4 section 1861(eee)(2)) that is not a physician.”.

5 (e) EXCEPTION TO LIMITS ON PHYSICIAN REFER-
6 RALS.—Section 1877(b)(6) of the Social Security Act (42
7 U.S.C. 1395m(b)(6)), as amended by section 3(e), is
8 amended to read as follows:

9 “(6) GERIATRIC ASSESSMENTS AND CHRONIC
10 CARE COORDINATION SERVICES.—In the case of a
11 designated health service, if the designated health
12 service is—

13 “(A) a geriatric assessment or a chronic
14 care coordination service (as defined in sub-
15 sections (ccc)(1) or (eee)(1) of section 1861, re-
16 spectively); and

17 “(B) provided by a physician or a chronic
18 care manager (as defined in section
19 1861(eee)(2)).”.

20 (f) RULEMAKING.—The Secretary of Health and
21 Human Services shall define such terms, establish such
22 procedures, and promulgate such regulations as the Sec-
23 retary determines necessary to implement the amend-
24 ments made by, and the provisions of, this section. In pro-
25 mulgating such regulations, the Secretary shall consult

1 with physicians, physician groups and organizations, and
2 organizations representing individuals with chronic condi-
3 tions and older adults.

4 (g) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to chronic care coordination serv-
6 ices furnished on or after January 1, 2008.

7 **SEC. 5. OUTREACH ACTIVITIES REGARDING GERIATRIC AS-**
8 **SESSMENTS AND CHRONIC CARE COORDINA-**
9 **TION SERVICES UNDER THE MEDICARE PRO-**
10 **GRAM.**

11 The Secretary of Health and Human Services shall
12 conduct outreach activities to individuals likely to be eligi-
13 ble to receive coverage of geriatric assessments (as defined
14 in subsection (ccc) of section 1861 of the Social Security
15 Act, as added by section 3) under the Medicare program
16 and individuals likely to be eligible to receive coverage of
17 chronic care coordination services (as defined in sub-
18 section (eee) of such section 1861, as added by section
19 4) under the Medicare program, to inform such individuals
20 about the availability of such benefits under the Medicare
21 program.

1 **SEC. 6. STUDY AND REPORT ON GERIATRIC ASSESSMENTS**
2 **AND CHRONIC CARE COORDINATION SERV-**
3 **ICES UNDER THE MEDICARE PROGRAM.**

4 (a) **STUDY.**—The Secretary of Health and Human
5 Services shall enter into a contract with an entity to con-
6 duct a study on—

7 (1) the effectiveness of the coverage of geriatric
8 assessments and chronic care coordination services
9 under the Medicare program (under the amendments
10 made by sections 3 and 4) on improving the quality
11 of care provided to Medicare beneficiaries with
12 chronic conditions, including dementia; and

13 (2) the impact of such geriatric assessments
14 and care coordination services on reducing expendi-
15 tures under title XVIII of the Social Security Act,
16 including reduced expenditures that may result
17 from—

18 (A) reducing preventable hospital admis-
19 sions;

20 (B) more appropriate use of pharma-
21 centicals; and

22 (C) reducing duplicate or unnecessary
23 tests.

24 (b) **REPORT.**—Not later than 3 years after the date
25 of enactment of this Act, the entity conducting the study
26 under subsection (a) shall submit to Congress and the Sec-

1 retary of Health and Human Services a report on the
2 study, together with recommendations for such legislation
3 or administrative action as such entity determines appro-
4 priate.

5 (c) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated such sums as may be
7 necessary to carry out this section.

8 **SEC. 7. STUDY AND REPORT ON BEST PRACTICES FOR**
9 **MEDICARE CHRONIC CARE COORDINATION.**

10 (a) STUDY.—The Secretary of Health and Human
11 Services, in consultation with the Medicare Payment Advi-
12 sory Commission, shall conduct a study of the following
13 issues:

14 (1) The effectiveness of pay-for-performance
15 programs to serve Medicare beneficiaries with mul-
16 tiple chronic conditions, including dementia.

17 (2) The cost-effectiveness of chronic care co-
18 ordination under the Medicare program.

19 (3) Whether the quality measures used for
20 making payments under part B of the Medicare pro-
21 gram, including the measures developed under sub-
22 section (k) of section 1848 of the Social Security Act
23 (as added by section 101 of division B of the Tax
24 Relief and Health Care Act of 2006, Public Law
25 109–432), improve the quality of care provided to

1 Medicare beneficiaries with multiple chronic ill-
2 nesses, including dementia.

3 (b) REPORT.—Not later than 3 years after the date
4 of enactment of this Act, the Secretary of Health and
5 Human Services shall submit to Congress a report on the
6 study conducted under subsection (a) that contains—

7 (1) recommendations on the best quality indica-
8 tors for monitoring the chronic care coordination of
9 the conditions of Medicare beneficiaries with mul-
10 tiple chronic conditions, including dementia; and

11 (2) such other recommendations for legislation
12 or administrative action as the Secretary determines
13 appropriate.

14 **SEC. 8. RULE OF CONSTRUCTION.**

15 Nothing in this Act, or in the amendments made by
16 this Act, shall be construed as requiring an individual to
17 receive a geriatric assessment (as defined in section
18 1861(eee)(1) of the Social Security Act, as added by sec-
19 tion 3(b)) or chronic care coordination services (as defined
20 in section 1861(eee)(1) of such Act, as added by section
21 4(b)).

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