

114TH CONGRESS
1ST SESSION

S. 395

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 SENATE OF THE UNITED STATES

FEBRUARY 5, 2015

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

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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Residential
5 Care Coordination Act of 2015”.

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

3 (a) ESTABLISHMENT AND IMPLEMENTATION.—

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

13 (2) TIMETABLE FOR IMPLEMENTATION.—In
14 carrying out this section—

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

21 (B) not later than 4 years after the date
22 of entering into such agreements, first provide
23 for implementation of the project through such
24 CCRCs.

25 (b) BUDGET NEUTRALITY.—With respect to the pe-
26 riod of the demonstration project under this section, the

1 aggregate expenditures under titles XVIII and XIX of the
2 Social Security Act for such period shall not exceed the
3 aggregate expenditures that would have been expended
4 under such titles if the demonstration project had not been
5 implemented.

6 (c) STATE ELECTION REQUIRED.—

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

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

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

23 (A) the number of eligible CCRC residents
24 who may be enrolled in residential care coordi-
25 nation programs in the State; and

1 (B) the number of eligible CCRCs that
 2 may operate residential care coordination pro-
 3 grams in the State.

4 (d) RESIDENTIAL CARE COORDINATION PROGRAM
 5 (RCCP); ELIGIBLE CONTINUE CARE RETIREMENT COM-
 6 MUNITY (CCRC); ELIGIBLE CCRC RESIDENTS; COM-
 7 PREHENSIVE COORDINATED HEALTH CARE SERVICES
 8 DEFINED.—

9 (1) RESIDENTIAL CARE COORDINATION PRO-
 10 GRAM; RCCP.—For purposes of this section, the
 11 terms “residential care coordination program” and
 12 “RCCP” mean a program that—

13 (A) is operated within one or more eligible
 14 continuing care retirement communities (as de-
 15 fined in paragraph (2));

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

20 (C) provides comprehensive coordinated
 21 health care services (as defined in paragraph
 22 (4)) to participating CCRC residents enrolled in
 23 the program in accordance with the program
 24 agreement under subsection (f) and the require-
 25 ments of this section.

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

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

10 (B) provides onsite—

11 (i) housing accommodations for eligi-
12 ble CCRC residents, including apartments
13 for independent living; and

14 (ii) additional services to facilitate
15 aging in place for such residents, including
16 assisted living and skilled nursing facilities
17 or alternatives; and

18 (C) has entered into a program agreement
19 with the Secretary and the State with respect
20 to its operation of the residential care coordina-
21 tion program and such agreement is consistent
22 with the requirements of this section.

23 (3) ELIGIBLE CCRC RESIDENT; PARTICIPATING
24 CCRC RESIDENT.—

1 (A) IN GENERAL.—For purposes of this
2 section:

3 (i) ELIGIBLE CCRC RESIDENT.—The
4 term “eligible CCRC resident” means an
5 individual who—

6 (I) is entitled to, or enrolled for,
7 benefits under part A of title XVIII of
8 the Social Security Act, and enrolled
9 for benefits under part B of such title;
10 and

11 (II) resides in an eligible CCRC.

12 (ii) PARTICIPATING CCRC RESI-
13 DENT.—The term “participating CCRC
14 resident” means, with respect to a resident
15 care coordination program, an eligible
16 CCRC resident who is enrolled in that pro-
17 gram.

18 (B) PARTICIPATION BY DUAL-ELIGIBLE IN-
19 DIVIDUALS; EXPANDED ELIGIBILITY.—

20 (i) IN GENERAL.—An eligible CCRC
21 resident may be, but is not required to be,
22 a dual-eligible individual.

23 (ii) DUAL-ELIGIBLE INDIVIDUAL DE-
24 FINED.—In this section, the term “dual-el-

1 eligible individual” means any individual
2 who is—

3 (I) a full-benefit dual eligible in-
4 dividual (as defined in section
5 1935(e)(6) of the Social Security
6 Act); or

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

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

23 (C) ENROLLMENT AND DISENROLLMENT
24 RULES.—

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

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

21 (D) RELATION TO MEDICARE ADVANTAGE
 22 AND PRESCRIPTION DRUG PROGRAM.—

23 (i) SUPERCEDES ENROLLMENT.—A
 24 participating CCRC resident is not eligible
 25 to enroll in an MA plan under part C of

1 title XVIII of the Social Security Act or
2 under a prescription drug plan under part
3 D of such title.

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

13 (E) PREMIUM PAYMENTS.—During the pe-
14 riod in which an individual is a participating
15 CCRC resident—

16 (i) for purposes of payment of pre-
17 miums under parts B, C, and D of title
18 XVIII of the Social Security Act, the indi-
19 vidual shall be treated as if the individual
20 were enrolled under an MA–PD plan with
21 a premium equal to an amount specified in
22 the program agreement; and

23 (ii) the individual shall be eligible for
24 assistance with respect to such premiums
25 under part D and Medicare cost-sharing in

1 the same manner and in the equivalent
2 amounts as if the individual had not been
3 enrolled as a participating CCRC resident.

4 (4) COMPREHENSIVE COORDINATED HEALTH
5 CARE SERVICES DEFINED.—For purposes of this
6 section, the term “comprehensive coordinated health
7 care services”, with respect to an eligible CCRC resi-
8 dent—

9 (A) means all items and services that are
10 otherwise payable under title XVIII of the So-
11 cial Security Act, including the minimum pre-
12 scription drug coverage required under a pre-
13 scription drug plan under part D of such title;

14 (B) includes in the case of a dual eligible
15 individual all items and services that are other-
16 wise payable under the State plan under title
17 XIX of such Act of the State in which the resi-
18 dent resides; and

19 (C) also includes—

20 (i) care management services that co-
21 ordinate acute and specialty services (in-
22 cluding inpatient hospital services, services
23 provided by specialty physicians, and other
24 necessary services) provided to eligible
25 CCRC residents;

1 (ii) wellness services, including assist-
2 ance and instruction in healthy living (in-
3 cluding diet and exercise); and

4 (iii) other health care items and serv-
5 ices to manage chronic conditions, treat
6 subacute conditions, and provide preventive
7 care.

8 (e) PAYMENT UNDER MEDICARE AND MEDICAID.—

9 (1) IN GENERAL.—In the case of an individual
10 who is a participating CCRC resident who is en-
11 rolled in a residential care coordination program op-
12 erated by an eligible CCRC—

13 (A) the individual shall receive benefits
14 under title XVIII of the Social Security Act,
15 and, if such individual is a dual-eligible indi-
16 vidual (as defined in subsection (d)(3)(B)(ii)),
17 under the State Medicaid plan or waiver under
18 title XIX of such Act, solely through the resi-
19 dential care coordination program, which shall
20 provide such individual with comprehensive co-
21 ordinated health care services; and

22 (B) the eligible CCRC shall receive
23 capitated payments for the provision of such
24 services (from the Secretary for benefits under
25 title XVIII and from the State for benefits

1 under such State plan or waiver), in accordance
2 with this section.

3 (2) PAYMENT METHODOLOGY.—

4 (A) PAYMENT UNDER MEDICARE.—

5 (i) PAYMENT ON MONTHLY BASIS.—

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

20 (ii) ESTABLISHMENT OF PAYMENT
21 RATE.—

22 (I) IN GENERAL.—The Secretary
23 shall establish a risk-adjusted
24 capitated payment rate under title
25 XVIII of the Social Security Act for

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

21 (II) PROGRAM AGREEMENT.—
22 The mechanism for establishing the
23 capitated amount under this subpara-
24 graph for a specific eligible CCRC

1 shall be specified in the program
2 agreement.

3 (B) PAYMENT UNDER MEDICAID.—

4 (i) PAYMENT ON A MONTHLY BASIS.—

5 With respect to an eligible CCRC oper-
6 ating an RCCP, the State shall make pro-
7 spective monthly payments of the capitated
8 amount determined under and specified in
9 the program agreement for each eligible
10 CCRC resident of such community who is
11 a dual-eligible individual.

12 (ii) RELATIONSHIP TO MEDICARE PAY-
13 MENTS.—The payment made under this
14 subparagraph shall be in addition to any
15 payment made under subparagraph (A) to
16 an eligible CCRC for eligible CCRC resi-
17 dents who are dual-eligible individuals.

18 (iii) PROGRAM AGREEMENT.—The
19 capitated amount under this subparagraph
20 for a specific eligible CCRC shall be speci-
21 fied in the program agreement.

22 (iv) PAYMENTS TO THE STATE.—The
23 Secretary shall treat the payments made
24 under clause (i) as medical assistance
25 under title XIX of the Social Security Act

1 for purposes of making payments to the
2 State under section 1903 of such Act (42
3 U.S.C. 1396b).

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

15 (3) TREATMENT OF SERVICES FURNISHED BY
16 NONCONTRACT PHYSICIANS AND OTHER ENTITIES.—

17 (A) APPLICATION OF MEDICARE ADVAN-
18 TAGE REQUIREMENTS.—Section 1852(k)(1) of
19 the Social Security Act (42 U.S.C. 1395w-
20 22(k)(1)) (relating to limitations on balance
21 billing against Medicare Advantage organiza-
22 tions for noncontract physicians and other enti-
23 ties with respect to services covered under title
24 XVIII of such Act) shall apply to eligible
25 CCRCs, eligible CCRC residents enrolled in a

1 residential care coordination program, and phy-
2 sicians and other entities that do not have a
3 contract or other agreement establishing pay-
4 ment amounts for services furnished to such a
5 resident in the same manner as such section ap-
6 plies to Medicare Advantage organizations, indi-
7 viduals enrolled with such organizations, and
8 physicians and other entities referred to in such
9 section.

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

20 (f) PROGRAM AGREEMENT.—

21 (1) REQUIREMENT.—The Secretary, in close co-
22 operation with the single State agency that admin-
23 isters or supervises the administration of the State
24 plan under title XIX of the Social Security Act (42
25 U.S.C. 1396 et seq.) (in this section referred to as

1 the “State Medicaid agency”), shall establish proce-
2 dures for entering into, extending, and terminating
3 program agreements (each in this section referred to
4 as a “program agreement”) for the operation of resi-
5 dential care coordination programs by eligible
6 CCRCs.

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

15 (3) DURATION.—

16 (A) IN GENERAL.—A program agreement
17 under this section shall be effective for a con-
18 tract year, beginning consistent with subsection
19 (a)(2)(B) not later than the fourth calendar
20 year to begin after the establishment of the
21 demonstration project, and shall be extended
22 for additional contract years in the absence of
23 notice by a party to terminate.

24 (B) TERMINATION.—

1 (i) END OF DEMONSTRATION
2 PROJECT.—The Secretary and the State
3 Medicaid agency shall terminate the pro-
4 gram agreement at the termination of the
5 demonstration project under subsection (i).

6 (ii) NOTICE OF PROVIDER TERMI-
7 NATION.—The eligible CCRC may termi-
8 nate the agreement after appropriate no-
9 tice to the Secretary, the State Medicaid
10 agency, and eligible CCRC residents.

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

19 (I) there are significant defi-
20 ciencies in the quality of care provided
21 to eligible CCRC residents enrolled in
22 the program or the eligible CCRC has
23 failed to comply substantially with the
24 requirements of this section; and

1 (II) the entity has failed to de-
2 velop and successfully initiate, within
3 30 days of the date of the receipt of
4 written notice of such a determina-
5 tion, a plan to correct the deficiencies,
6 or has failed to continue implementa-
7 tion of such a plan.

8 (iv) RIGHT TO REMAIN.—Nothing in
9 this paragraph shall be construed, in the
10 case that a program agreement is termi-
11 nated—

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

20 (II) as relieving the State from
21 continuing to provide medical assist-
22 ance with respect to such services for
23 individuals who would qualify as dual-
24 eligible individuals if the agreement
25 had not been terminated.

1 (4) SCOPE OF BENEFITS.—

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

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

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

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

21 (iv) has a ratio of accessible physi-
22 cians to eligible CCRC residents that the
23 Secretary determines is adequate; and

1 (v) specify the covered items and serv-
2 ices that will not be provided directly by
3 the eligible CCRC and—

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

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

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

23 (5) QUALITY CONTROL.—

24 (A) IN GENERAL.—Under the program
25 agreement, the eligible CCRC shall—

1 (i) collect data;

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

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

17 (B) QUALITY AND OUTCOME MEASURES.—

18 The Secretary shall establish clinical and other
19 outcome measurements to assess the efficacy of
20 the demonstration project in—

21 (i) improving—

22 (I) the health status and out-
23 comes of participating CCRC resi-
24 dents enrolled in residential care co-
25 ordination programs under this dem-

1 onstration project, compared to Medi-
2 care beneficiaries (including tradi-
3 tional dual-eligible individuals de-
4 scribed in subsection (d)(3)(B)(ii)(I))
5 who are not enrolled in such pro-
6 grams; and

7 (II) the quality of health care
8 provided to such participating CCRC
9 residents; and

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

16 (6) PATIENT SAFEGUARDS.—The agreement
17 under paragraph (2) shall provide for written safe-
18 guards of the rights of participating CCRC residents
19 enrolled in a residential care coordination program
20 (including a patient bill of rights and procedures for
21 grievances and appeals). Such safeguards shall be
22 similar to the safeguards required under the section
23 1894(b)(2)(B) of the Social Security Act (42 U.S.C.
24 1395eee(b)(2)(B)) with respect to the PACE pro-
25 gram.

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

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

12 (g) SECRETARY’S OVERSIGHT; ENFORCEMENT AU-
13 THORITY.—

14 (1) OVERSIGHT.—

15 (A) IN GENERAL.—During the duration of
16 the demonstration project, with respect to an el-
17 igible CCRC operating a residential care coordi-
18 nation program under a program agreement
19 under subsection (f), the Secretary (acting in
20 cooperation with the State Medicaid agency)
21 shall conduct a comprehensive annual review of
22 the operation of the eligible CCRC in order to
23 ensure compliance with the requirements of this
24 section. Such review shall include—

1 (i) an onsite visit to the eligible
2 CCRC;

3 (ii) a comprehensive assessment of the
4 community's fiscal soundness;

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

9 (iv) detailed analysis of the commu-
10 nity's substantial compliance with the re-
11 quirements of this section; and

12 (v) any other elements that the Sec-
13 retary or the State Medicaid agency con-
14 siders necessary or appropriate.

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

22 (2) SANCTIONS.—

23 (A) IN GENERAL.—If the Secretary deter-
24 mines (after consultation with the State Med-
25 icaid agency) that an eligible CCRC operating

1 a residential care coordination program under a
2 program agreement under subsection (f) is fail-
3 ing substantially to comply with the require-
4 ments of this section, the Secretary (and the
5 State Medicaid agency) may take any or all of
6 the following actions:

7 (i) Condition the continuation of the
8 program agreement upon timely execution
9 of a corrective action plan.

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

15 (iii) Terminate such agreement under
16 subsection (f)(3)(B).

17 (B) APPLICATION OF INTERMEDIATE
18 SANCTIONS.—The Secretary may, by regulation,
19 provide for the application against an eligible
20 CCRC operating a residential care coordination
21 program under a program agreement under this
22 section of remedies described in section
23 1857(g)(2) of the Social Security Act (42
24 U.S.C. 1395w-27(g)(2)) or section
25 1903(m)(5)(B) of such Act (42 U.S.C.

1 1396b(m)(5)(B)) in the case of violations by
2 the community of the type described in section
3 1857(g)(1) or 1903(m)(5)(A) of such Act, re-
4 spectively (in relation to agreements, enrollees,
5 and requirements under this section).

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

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

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

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

4 (i) DURATION OF 10 YEARS.—

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

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

20 (j) STUDY AND REPORT TO CONGRESS.—

21 (1) INTERIM EVALUATION AND REPORT.—Not
22 later than 3 years after the date on which the dem-
23 onstration project is first implemented under sub-
24 section (a)(2)(B), the Secretary shall submit to Con-
25 gress a report that contains the following:

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

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

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

○