

107TH CONGRESS  
2D SESSION

# S. 2855

To amend title XIX of the Social Security Act to improve the qualified medicare beneficiary (QMB) and special low-income medicare beneficiary (SLMB) programs within the medicaid program.

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## IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2002

Mr. BINGAMAN (for himself, Mr. ROCKEFELLER, and Mr. GRAHAM) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XIX of the Social Security Act to improve the qualified medicare beneficiary (QMB) and special low-income medicare beneficiary (SLMB) programs within the medicaid program.

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 “Medicare Beneficiary Assistance Improvement Act of  
6 2002”.

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



1 (B) by striking “and” at the end of clause  
2 (iii); and

3 (C) by striking clause (iv).

4 (2) Section 1933 of such Act (42 U.S.C.  
5 1396u-3) is repealed.

6 (3) The amendments made by this subsection  
7 shall take effect as of January 1, 2003.

8 (c) APPLICATION OF CHIP ENHANCED MATCHING  
9 RATE FOR SLMB ASSISTANCE.—

10 (1) IN GENERAL.—Section 1905(b)(4) of such  
11 Act (42 U.S.C. 1396d(b)(4)) is amended by insert-  
12 ing “or section 1902(a)(10)(E)(iii)” after “section  
13 1902(a)(10)(A)(ii)(XVIII)”.

14 (2) EFFECTIVE DATE.—The amendment made  
15 by paragraph (1) shall apply to medical assistance  
16 for medicare cost-sharing for months beginning with  
17 January 2003.

18 **SEC. 4. ELIMINATING BARRIERS TO ENROLLMENT.**

19 (a) AUTOMATIC ELIGIBILITY FOR SSI RECIPIENTS IN  
20 209(b) STATES AND SSI CRITERIA STATES.—Section  
21 1905(p) of the Social Security Act (42 U.S.C. 1396d(p))  
22 is amended—

23 (1) by redesignating paragraph (6) as para-  
24 graph (11); and

1           (2) by adding at the end the following new  
2 paragraph:

3           “(6) In the case of a State which has elected treat-  
4 ment under section 1902(f) for aged, blind, and disabled  
5 individuals, individuals with respect to whom supplemental  
6 security income payments are being paid under title XVI  
7 are deemed for purposes of this title to be qualified medi-  
8 care beneficiaries.”.

9           (b) SELF-CERTIFICATION OF INCOME.—Section  
10 1905(p) of the Social Security Act (42 U.S.C. 1396d(p)),  
11 as amended by subsection (a), is further amended by in-  
12 serting after paragraph (6) the following new paragraph:

13           “(7) In determining whether an individual qualifies  
14 as a qualified medicare beneficiary or is eligible for bene-  
15 fits under section 1902(a)(10)(E)(iii), the State shall per-  
16 mit individuals to qualify on the basis of self-certifications  
17 of income without the need to provide additional docu-  
18 mentation.”.

19           (c) AUTOMATIC REENROLLMENT WITHOUT NEED TO  
20 REAPPLY.—

21           (1) IN GENERAL.—Section 1905(p) of the So-  
22 cial Security Act (42 U.S.C. 1396d(p)), as amended  
23 by subsections (a) and (b), is further amended by in-  
24 serting after paragraph (7) the following new para-  
25 graph:

1       “(8) In the case of an individual who has been deter-  
2 mined to qualify as a qualified medicare beneficiary or to  
3 be eligible for benefits under section 1902(a)(10)(E)(iii),  
4 the individual shall be deemed to continue to be so quali-  
5 fied or eligible without the need for any annual or periodic  
6 application unless and until the individual notifies the  
7 State that the individual’s eligibility conditions have  
8 changed so that the individual is no longer so qualified  
9 or eligible.”.

10           (2)     CONFORMING     AMENDMENT.—Section  
11     1902(e)(8) of the Social Security Act (42 U.S.C.  
12     1396a(e)(8)) is amended by striking the second sen-  
13     tence.

14           (d) USE OF SIMPLIFIED APPLICATION PROCESS.—  
15     Section 1905(p) of the Social Security Act (42 U.S.C.  
16     1396d(p)), as amended by subsections (a), (b), and (c),  
17     is further amended by inserting after paragraph (8) the  
18     following new paragraph:

19           “(9) A State shall permit individuals to apply to qual-  
20 ify as a qualified medicare beneficiary or for benefits  
21 under section 1902(a)(10)(E)(iii) through the use of the  
22 simplified application form developed under section  
23 1905(p)(5)(A) and shall permit such an application to be  
24 made over the telephone or by mail, without the need for

1 an interview in person by the applicant or a representative  
2 of the applicant.”.

3 (e) ROLE OF SOCIAL SECURITY OFFICES.—

4 (1) ENROLLMENT AND PROVISION OF INFORMA-  
5 TION AT SOCIAL SECURITY OFFICES.—Section  
6 1905(p) of the Social Security Act (42 U.S.C.  
7 1396d(p)), as amended by subsections (a), (b), (c),  
8 and (d) is further amended by inserting after para-  
9 graph (9) the following new paragraph:

10 “(10) The Commissioner of Social Security shall pro-  
11 vide, through local offices of the Social Security  
12 Administration—

13 “(A) for the enrollment under State plans  
14 under this title for appropriate medicare cost-shar-  
15 ing benefits for individuals who qualify as a qualified  
16 medicare beneficiary or for benefits under section  
17 1902(a)(10)(E)(iii); and

18 “(B) for providing oral and written notice of  
19 the availability of such benefits.”.

20 (2) CLARIFYING AMENDMENT.—Section  
21 1902(a)(5) of such Act (42 U.S.C. 1396a(a)(5)) is  
22 amended by inserting “as provided in section  
23 1905(p)(10)” after “except”.

1 (f) OUTSTATIONING OF STATE ELIGIBILITY WORK-  
 2 ERS AT SSA FIELD OFFICES.—Section 1902(a)(55) of  
 3 such Act (42 U.S.C. 1396a(a)(55)) is amended—

4 (1) in the matter preceding subparagraph (A),  
 5 by striking “subsection (a)(10)(A)(i)(IV),  
 6 (a)(10)(A)(i)(VI), (a)(10)(A)(i)(VII), or  
 7 (a)(10)(A)(ii)(IX)” and inserting “paragraph  
 8 (10)(A)(i)(IV), (10)(A)(i)(VI), (10)(A)(i)(VII),  
 9 (10)(A)(ii)(IX), or (10)(E)”; and

10 (2) in subparagraph (A), by striking  
 11 “1905(1)(2)(B)” and inserting “1905(l)(2)(B), and  
 12 in the case of applications of individuals for medical  
 13 assistance under paragraph (10)(E), at locations  
 14 that include field offices of the Social Security Ad-  
 15 ministration”.

16 **SEC. 5. ELIMINATION OF ASSET TEST.**

17 (a) IN GENERAL.—Section 1905(p)(1) of the Social  
 18 Security Act (42 U.S.C. 1396d(p)(1)) is amended—

19 (1) by adding “and” at the end of subpara-  
 20 graph (A);

21 (2) by striking “, and” at the end of subpara-  
 22 graph (B) and inserting a period; and

23 (3) by striking subparagraph (C).

24 (b) EFFECTIVE DATE.—The amendments made by  
 25 subsection (a) shall apply to eligibility determinations for

1 medicare cost-sharing furnished for periods beginning on  
2 or after January 1, 2003.

3 **SEC. 6. IMPROVING ASSISTANCE WITH OUT-OF-POCKET**  
4 **COSTS.**

5 (a) **ELIMINATING APPLICATION OF ESTATE RECOV-**  
6 **ERY PROVISIONS.**—Section 1917(b)(1)(B)(ii) of the Social  
7 Security Act (42 U.S.C. 1396p(b)(1)(B)(ii)) is amended  
8 by inserting “(but not including medical assistance for  
9 medicare cost-sharing or for benefits described in section  
10 1902(a)(10)(E))” before the period at the end.

11 (b) **PROVIDING FOR 3-MONTHS RETROACTIVE ELIGI-**  
12 **BILITY.**—

13 (1) **IN GENERAL.**—Section 1905(a) of such Act  
14 (42 U.S.C. 1396d(a)) is amended, in the matter be-  
15 fore paragraph (1), by striking “described in sub-  
16 section (p)(1), if provided after the month” and in-  
17 serting “described in subsection (p)(1), if provided  
18 in or after the third month before the month”.

19 (2) **CONFORMING AMENDMENTS.**—(A) The first  
20 sentence of section 1902(e)(8) of such Act (42  
21 U.S.C. 1396a(e)(8)), as amended by section 4(c)(2),  
22 is amended by striking “(8)” and the first sentence.

23 (B) Section 1848(g)(3) of such Act (42 U.S.C.  
24 1395w-4(g)(3)) is amended by adding at the end  
25 the following new subparagraph:



1           “(C) TREATMENT OF RETROACTIVE ELIGI-  
 2           BILITY.—In the case of an individual who is de-  
 3           termined to be eligible for medical assistance  
 4           described in subparagraph (A) retroactively, the  
 5           Secretary shall provide a process whereby  
 6           claims previously for services furnished during  
 7           the period of retroactive eligibility which were  
 8           not submitted in accordance with such subpara-  
 9           graph are resubmitted and re-processed in ac-  
 10          cordance with such subparagraph.”.

11 **SEC. 7. IMPROVING PROGRAM INFORMATION AND COORDI-**  
 12                   **NATION WITH STATE, LOCAL, AND OTHER**  
 13                   **PARTNERS.**

14           (a) DATA MATCH DEMONSTRATION PROJECT.—

15           (1) IN GENERAL.—The Secretary of Health and  
 16           Human Services (acting through the Administrator  
 17           of the Centers for Medicare & Medicaid Services),  
 18           the Secretary of the Treasury, and the Commis-  
 19           sioner of Social Security shall enter into an arrange-  
 20           ment under which a demonstration is conducted,  
 21           consistent with this subsection, for the exchange be-  
 22           tween the Centers for Medicare & Medicaid Services,  
 23           the Internal Revenue Service, and the Social Secu-  
 24           rity Administration of information in order to iden-  
 25           tity individuals who are medicare beneficiaries and

1 who, based on data from the Internal Revenue Serv-  
2 ice that (such as their not filing tax returns or other  
3 appropriate filters) are likely to be qualified medi-  
4 care beneficiaries or individuals otherwise eligible for  
5 medical assistance under section 1902(a)(10)(E) of  
6 the Social Security Act (42 U.S.C.  
7 1396a(a)(10)(E)).

8 (2) LIMITATION ON USE OF INFORMATION.—

9 Notwithstanding any other provision of law, specific  
10 information on income or related matters exchanged  
11 under paragraph (1) may be disclosed only as re-  
12 quired to carry out subsection (b) and for related  
13 Federal and State outreach efforts.

14 (3) PERIOD.—The project under this subsection

15 shall be for an initial period of 3 years and may be  
16 extended for additional periods (not to exceed 3  
17 years each) after such an extension is recommended  
18 in a report under subsection (d).

19 (b) STATE DEMONSTRATION GRANTS.—

20 (1) IN GENERAL.—The Secretary of Health and

21 Human Services shall enter into a demonstration  
22 project with States (as defined for purposes of title  
23 XIX of the Social Security Act (42 U.S.C. 1396 et  
24 seq.) to provide funds to States to use information  
25 identified under subsection (a), and other appro-

1        appropriate information, in order to do ex parte deter-  
2        minations or other methods for identifying and en-  
3        rolling individuals who are potentially eligible to be  
4        qualified medicare beneficiaries or otherwise eligible  
5        for medical assistance described in section  
6        1902(a)(10)(E) of the Social Security Act (42  
7        U.S.C. 1396a(a)(10)(E)).

8                (2) AUTHORIZATION OF APPROPRIATIONS.—  
9        There are authorized to be appropriated such sums  
10       as may be necessary to the Secretary of Health and  
11       Human Services for the purpose of making grants  
12       under this subsection.

13                (c) ADDITIONAL CMS FUNDING FOR OUTREACH AND  
14       ENROLLMENT PROJECTS.—There are hereby appro-  
15       priated, out of any funds in the Treasury not otherwise  
16       appropriated, to the Secretary of Health and Human  
17       Services through the Administrator of the Centers for  
18       Medicare & Medicaid Services, \$100,000,000 which shall  
19       be used only for the purpose of providing grants to States  
20       to fund projects to improve outreach and increase enroll-  
21       ment in Medicare Savings Programs. Such projects may  
22       include cooperative grants and contracts with community  
23       groups and other groups (such as the Department of Vet-  
24       erans' Affairs and the Indian Health Service) to assist in  
25       the enrollment of eligible individuals.

1 (d) REPORTS.—The Secretary of Health and Human  
2 Services shall submit to Congress periodic reports on the  
3 projects conducted under this section. Such reports shall  
4 include such recommendations for extension of such  
5 projects, and changes in laws based on based projects, as  
6 the Secretary deems appropriate.

7 **SEC. 8. NOTICES TO CERTAIN NEW MEDICARE BENE-**  
8 **FICIARIES.**

9 (a) SSA NOTICE.—At the time that the Commis-  
10 sioner of Social Security sends a notice to individuals that  
11 they have been determined to be eligible for benefits under  
12 part A or B of title XVIII of the Social Security Act (42  
13 U.S.C. 1395 et seq., 1395j et seq.), the Commissioner  
14 shall send a notice and application for benefits under title  
15 XIX of the Social Security Act (42 U.S.C. 1396 et seq.)  
16 to those individuals the Commissioner identifies as being  
17 likely to be eligible for benefits under clause (i), (ii), or  
18 (iii) of section 1902(a)(10)(E) of such Act (42 U.S.C.  
19 1396a(a)(10)(E)). Such notice and application shall be ac-  
20 companied by information on how to submit such an appli-  
21 cation and on where to obtain more information (including  
22 answers to questions) on the application process.

23 (b) INCLUDING INFORMATION IN MEDICARE & YOU  
24 HANDBOOK.—The Secretary of Health and Human Serv-  
25 ices shall include in the annual handbook distributed

1 under section 1804(a) of the Social Security Act (42  
2 U.S.C. 1395b-2(a)) information on the availability of  
3 Medicare Savings Programs and a toll-free telephone num-  
4 ber that medicare beneficiaries may use to obtain addi-  
5 tional information about the program.

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