Amendment in the Nature of a Substitute to H.R. 3168 Offered by M .

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the "Special Needs Plans
3 Reauthorization Act of 2017" or the "SNP Reauthoriza4 tion Act of 2017".

5 SEC. 2. SPECIALIZED MEDICARE ADVANTAGE PLANS FOR 6 SPECIAL NEEDS INDIVIDUALS.

7 (a) EXTENSION.—Section 1859(f)(1) of the Social
8 Security Act (42 U.S.C. 1395w-28(f)(1)) is amended—
9 (1) by striking "and for periods before January
1, 2019"; and

(2) by adding at the end the following new sentence: "In the case of a specialized MA plan for special needs individuals described in clause (ii) or (iii)
of subsection (b)(6)(B), the previous sentence shall
apply for periods before January 1, 2024.".

16 (b) INCREASED INTEGRATION OF DUAL SNPS.—

17 (1) IN GENERAL.—Section 1859(f) of the Social
18 Security Act (42 U.S.C. 1395w-28(f)) is amended—

 $\mathbf{2}$

1	
1	(A) in paragraph (3), by adding at the end
2	the following new subparagraph:
3	"(F) The plan meets the requirements ap-
4	plicable under paragraph (8)."; and
5	(B) by adding at the end the following new
6	paragraph:
7	"(8) INCREASED INTEGRATION OF DUAL
8	SNPS.—
9	"(A) Designated contact.—The Sec-
10	retary, acting through the Federal Coordinated
11	Health Care Office established under section
12	2602 of Public Law 111–148, shall serve as a
13	dedicated point of contact for States to address
14	misalignments that arise with the integration of
15	specialized MA plans for special needs individ-
16	uals described in subsection $(b)(6)(B)(ii)$ under
17	this paragraph and, consistent with such role,
18	shall—
19	"(i) establish a uniform process for
20	disseminating to State Medicaid agencies
21	information under this title impacting con-
22	tracts between such agencies and such
23	plans under this subsection; and
24	"(ii) establish basic resources for
25	States interested in exploring such plans

1	as a platform for integration, such as a
2	model contract or other tools to achieve
3	those goals.
4	"(B) UNIFIED GRIEVANCES AND APPEALS
5	PROCESS.—
6	"(i) IN GENERAL.—Not later than
7	April 1, 2020, the Secretary shall establish
8	procedures, to the extent feasible as deter-
9	mined by the Secretary, unifying griev-
10	ances and appeals procedures under sec-
11	tions $1852(f)$, $1852(g)$, $1902(a)(3)$,
12	1902(a)(5), and $1932(b)(4)$ for items and
13	services provided by specialized MA plans
14	for special needs individuals described in
15	subsection $(b)(6)(B)(ii)$ under this title
16	and title XIX. The Secretary shall solicit
17	comment in developing such procedures
18	from States, plans, beneficiaries and their
19	representatives, and other relevant stake-
20	holders. With respect to items and services
21	described in the previous sentence, appeals
22	procedures established under this clause
23	shall apply in place of otherwise applicable
24	appeals procedures.

4

"(ii) PROCEDURES.—The procedures

I	(II) I ROCEDURES.—IIIC procedures
2	established under clause (i) shall be in-
3	cluded in the plan contract under para-
4	graph $(3)(D)$ and shall—
5	"(I) adopt the provisions for the
6	enrollee that are most protective for
7	the enrollee and, to the extent feasible
8	as determined by the Secretary, are
9	compatible with unified timeframes
10	and consolidated access to external re-
11	view under an integrated process;
12	"(II) take into account dif-
13	ferences in State plans under title
14	XIX to the extent necessary;
15	"(III) be easily navigable by an
16	enrollee; and
17	"(IV) include the elements de-
18	scribed in clause (iii), as applicable.
19	"(iii) Elements described.—Both
20	unified appeals and unified grievance pro-
21	cedures shall include, as applicable, the fol-
22	lowing elements described in this clause:
23	"(I) Single written notification of
24	all applicable grievances and appeal
25	rights under this title and title XIX.

1	For purposes of this subparagraph,
2	the Secretary may waive the require-
3	ments under section $1852(g)(1)(B)$
4	when the specialized MA plan covers
5	items or services under this part or
6	under title XIX.
7	"(II) Single pathways for resolu-
8	tion of any grievance or appeal related
9	to a particular item or service pro-
10	vided by specialized MA plans for spe-
11	cial needs individuals described in
12	subsection $(b)(6)(B)(ii)$ under this
13	title and title XIX.
14	"(III) Notices written in plain
15	language and available in a language
16	and format that is accessible to the
17	enrollee, including in non-English lan-
18	guages that are prevalent in the serv-
19	ice area of the specialized MA plan.
20	"(IV) Unified timeframes for
21	grievances and appeals processes,
22	such as an individual's filing of a
23	grievance or appeal, a plan's acknowl-
24	edgment and resolution of a grievance

1 or appeal, and notification of decisions 2 with respect to a grievance or appeal. "(V) Requirements for how the 3 4 plan must process, track, and resolve 5 grievances and appeals, to ensure 6 beneficiaries are notified on a timely 7 basis of decisions that are made 8 throughout the grievance or appeals 9 process and are able to easily deter-10 mine the status of a grievance or ap-11 peal. 12 "(iv) CONTINUATION OF BENEFITS 13 PENDING APPEAL.—The unified procedures 14 under clause (i) shall, with respect to all 15 benefits under parts A and B and title 16 XIX subject to appeal under such proce-17 dures, incorporate provisions under current 18 law and implementing regulations that pro-19 vide continuation of benefits pending ap-20 peal under this title and title XIX. "(C) REQUIREMENT FOR UNIFIED GRIEV-21 22 ANCES AND APPEALS.—For 2022 and subse-23 quent years, the contract of a specialized MA 24 plan for special needs individuals described in 25 subsection (b)(6)(B)(ii) with a State Medicaid $\overline{7}$

1	agency under paragraph $(3)(D)$ shall require
2	the use of unified grievances and appeals proce-
3	dures as described in subparagraph (B).
4	"(D) REQUIREMENTS FOR FULL INTEGRA-
5	TION FOR CERTAIN DUAL SNPS.—
6	"(i) REQUIREMENT.—For 2021 and
7	subsequent years, a specialized MA plan
8	for special needs individuals described in
9	subsection (b)(6)(B)(ii) shall meet one or
10	more of the following requirements for in-
11	tegration of benefits under this title and
12	title XIX:
13	"(I) Meet the requirements of a
14	fully integrated plan described in sec-
15	tion $1853(a)(1)(B)(iv)(II)$ (other than
16	the requirement that the plan have
17	similar average levels of frailty, as de-
18	termined by the Secretary, as the
19	PACE program).
20	"(II) Enter into a capitated con-
21	tract with the State Medicaid agency
22	to provide long-term services and sup-
23	ports or behavioral health services, or
24	both.

1	"(III) To the extent the State
2	does not allow for or require such a
3	specialized MA plan to enter into a
4	capitated contract described in sub-
5	clause (II), enter into another type of
6	integration arrangement, as deter-
7	mined appropriate by the Secretary
8	after consultation with stakeholders,
9	such as by—
10	"(aa) entering into a con-
11	tract with the State that requires
12	notifying the State in a timely
13	manner of hospitalizations, emer-
14	gency room visits, and hospital or
15	nursing home discharges of en-
16	rollees or otherwise requires shar-
17	ing data that would benefit the
18	coordination of items and serv-
19	ices under this title and the State
20	plan under title XIX; or
21	"(bb) being offered by a
22	parent organization that also of-
23	fers a Medicaid managed care
24	plan that provides long term
25	services and supports or behav-

1	ioral health services to the same
2	enrollees as under such special-
3	ized MA plan.
4	"(ii) SANCTIONS.—For 2021 and sub-
5	sequent years, if the Secretary determines
6	that a specialized MA plan fails to comply
7	with clause (i), the Secretary may provide
8	for the application against the Medicare
9	Advantage organization offering the plan
10	any of the remedies described in section
11	1857(g)(2).".
12	(2) Conforming Amendment to respon-
13	SIBILITIES OF FEDERAL COORDINATED HEALTH
14	CARE OFFICE.—Section 2602(d) of Public Law 111–
15	148 (42 U.S.C. 1315b(d)) is amended by adding at
16	the end the following new paragraphs:
17	"(6) To act as a designated contact for States
18	under subsection $(f)(8)(A)$ of section 1859 of the So-
19	cial Security Act (42 U.S.C. 1395w–28) with respect
20	to the integration of specialized MA plans for special
21	needs individuals described in subsection
22	(b)(6)(B)(ii) of such section.
23	((7) To be responsible for developing regula-
24	tions and guidance related to the implementation of
25	a unified grievance and appeals process as described

in subparagraphs (B) and (C) of section 1859(f)(8)
 of the Social Security Act (42 U.S.C. 1395w 28(f)(8)).

"(8) To be responsible for developing regula-4 5 tions and guidance related to the integration or 6 alignment of policy and oversight under the Medicare program under title XVIII of such Act and 7 8 Medicaid program under title XIX of such Act re-9 garding specialized MA plans for special needs indi-10 viduals described in subsection (b)(6)(B)(ii) of such section 1859.". 11

12 (c) IMPROVEMENTS TO SEVERE OR DISABLING13 CHRONIC CONDITION SNPs.—

14 (1) CARE MANAGEMENT REQUIREMENTS.—Sec15 tion 1859(f)(5) of the Social Security Act (42
16 U.S.C. 1395w-28(f)(5)) is amended—

17 (A) by redesignating subparagraphs (A)
18 and (B) as clauses (i) and (ii), respectively, and
19 indenting appropriately;

20 (B) in clause (ii), as redesignated by sub21 paragraph (B), by redesignating clauses (i)
22 through (iii) as subclauses (I) through (III), re23 spectively, and indenting appropriately;

24 (C) by striking "ALL SNPS.—The require25 ments" and inserting "ALL SNPS.—

1	"(A) IN GENERAL.—Subject to subpara-
2	graph (B), the requirements"; and
3	(D) by adding at the end the following new
4	subparagraph:
5	"(B) Improvements to care manage-
6	MENT REQUIREMENTS FOR SEVERE OR DIS-
7	ABLING CHRONIC CONDITION SNPS.—For 2020
8	and subsequent years, in the case of a special-
9	ized MA plan for special needs individuals de-
10	scribed in subsection (b)(6)(B)(iii), the require-
11	ments described in this paragraph include the
12	following:
13	"(i) The interdisciplinary team under
14	subparagraph (A)(ii)(III) includes a team
15	of providers with demonstrated expertise,
16	including training in an applicable spe-
17	cialty, in treating individuals similar to the
18	targeted population of the plan.
19	"(ii) Requirements developed by the
20	Secretary to provide face-to-face encoun-
21	ters with individuals enrolled in the plan
22	not less frequently than on an annual
23	basis.
24	"(iii) As part of the model of care
25	under clause (i) of subparagraph (A), the

1	results of the initial assessment and an-
2	nual reassessment under clause $(ii)(I)$ of
3	such subparagraph of each individual en-
4	rolled in the plan are addressed in the indi-
5	vidual's individualized care plan under
6	clause (ii)(II) of such subparagraph.
7	"(iv) As part of the annual evaluation
8	and approval of such model of care, the
9	Secretary shall take into account whether
10	the plan fulfilled the previous year's goals
11	(as required under the model of care).
12	"(v) The Secretary shall establish a
13	minimum benchmark for each element of
14	the model of care of a plan. The Secretary
15	shall only approve a plan's model of care
16	under this paragraph if each element of
17	the model of care meets the minimum
18	benchmark applicable under the preceding
19	sentence.".
20	(2) Revisions to the definition of a se-
21	VERE OR DISABLING CHRONIC CONDITIONS SPECIAL-
22	IZED NEEDS INDIVIDUAL.—
23	(A) IN GENERAL.—Section
24	1859(b)(6)(B)(iii) of the Social Security Act

1	(42 U.S.C. 1395w-28(b)(6)(B)(iii)) is amend-
2	ed—
3	(i) by striking "who have" and insert-
4	ing "who—
5	"(I) before January 1, 2022,
6	have";
7	(ii) in subclause (I), as added by
8	clause (i), by striking the period at the end
9	and inserting "; and"; and
10	(iii) by adding at the end the fol-
11	lowing new subclause:
12	"(II) on or after January 1,
13	2022, have one or more comorbid and
14	medically complex chronic conditions
15	that is life threatening or significantly
16	limits overall health or function, have
17	a high risk of hospitalization or other
18	adverse health outcomes, and require
19	intensive care coordination and that is
20	listed under subsection $(f)(9)(A)$.".
21	(B) PANEL OF CLINICAL ADVISORS.—Sec-
22	tion $1859(f)$ of the Social Security Act (42)
23	U.S.C. $1395w-28(f)$), as amended by subsection
24	(b), is amended by adding at the end the fol-
25	lowing new paragraph:

1	"(9) List of conditions for clarification
2	OF THE DEFINITION OF A SEVERE OR DISABLING
3	CHRONIC CONDITIONS SPECIALIZED NEEDS INDI-
4	VIDUAL.—
5	"(A) IN GENERAL.—Not later than De-
6	cember 31, 2020, and every 5 years thereafter,
7	the Secretary shall convene a panel of clinical
8	advisors to establish and update a list of condi-
9	tions that meet each of the following criteria:
10	"(i) Conditions that meet the defini-
11	tion of a severe or disabling chronic condi-
12	tion under subsection $(b)(6)(B)(iii)$ on or
13	after January 1, 2022.
14	"(ii) Conditions that require prescrip-
15	tion drugs, providers, and models of care
16	that are unique to the specific population
17	of enrollees in a specialized MA plan for
18	special needs individuals described in such
19	subsection on or after such date and—
20	"(I) as a result of such special
21	needs individuals with such a condi-
22	tion having access to and being en-
23	rolled in such a plan, as compared to
24	access to and enrollment in other
25	Medicare Advantage plans under this

1	part, it is projected that such individ-
2	uals would improve health outcomes
3	with respect to such condition, that
4	such individuals would have reduced
5	overall costs under this title, and that
6	there would not be any increase in ex-
7	penditures under this title for such in-
8	dividuals; or
9	"(II) have a low prevalence in the
10	general population of beneficiaries
11	under this title or a disproportionally
12	high per-beneficiary cost under this
13	title.
14	"(B) GAO STUDY ON HEALTH OUTCOMES
15	OF INDIVIDUALS ENROLLED IN SPECIALIZED
16	MA PLANS.—Not later than the date that is 3
17	years after the date of the enactment of this
18	paragraph, the Comptroller General of the
19	United States shall conduct a study and submit
20	to Congress a report on the extent to which
21	health outcomes can be compared across spe-
22	cialized MA plans for special needs individuals
23	(as defined in section $1859(b)(6)$) and other
24	Medicare Advantage plans under this part
25	across similar populations, using existing meas-

	10
1	ures and that identifies any potential limita-
2	tions where new measures may need to be de-
3	veloped for such population.".
4	(d) Quality Measurement at the Plan Level
5	FOR SNPs and Determination of Feasability of
6	QUALITY MEASUREMENT AT THE PLAN LEVEL FOR ALL
7	MA PLANS.—Section 1853(o) of the Social Security Act
8	(42 U.S.C. 1395w–23(o)) is amended by adding at the end
9	the following new paragraphs:
10	"(6) QUALITY MEASUREMENT AT THE PLAN
11	LEVEL FOR SNPS.—
12	"(A) IN GENERAL.—Subject to subpara-
13	graph (B), the Secretary may require reporting
14	of data under section 1852(e) for, and apply
15	under this subsection, quality measures at the
16	plan level for specialized MA plans for special
17	needs individuals instead of at the contract
18	level.
19	"(B) Considerations.—Prior to applying
20	quality measurement at the plan level under
21	this paragraph, the Secretary shall—
22	"(i) take into consideration the min-
23	imum number of enrollees in a specialized
24	MA plan for special needs individuals in
25	order to determine if a statistically signifi-

1	cant or valid measurement of quality at
2	the plan level is possible under this para-
3	$\operatorname{graph};$
4	"(ii) if quality measures are reported
5	at the plan level, ensure that MA plans are
6	not required to provide duplicative infor-
7	mation; and
8	"(iii) ensure that such reporting does
9	not interfere with the collection of encoun-
10	ter data submitted by MA organizations or
11	the administration of any changes to the
12	program under this part as a result of the
13	collection of such data.
14	"(C) Application.—If the Secretary ap-
15	plies quality measurement at the plan level
16	under this paragraph—
17	"(i) such quality measurement may
18	include Medicare Health Outcomes Survey
19	(HOS), Healthcare Effectiveness Data and
20	Information Set (HEDIS), Consumer As-
21	sessment of Healthcare Providers and Sys-
22	tems (CAHPS) measures and quality
23	measures under part D; and
24	"(ii) the Secretary shall consider ap-
25	plying administrative actions, such as rem-

1	edies described in section $1857(g)(2)$, to
2	the plan level.
3	"(7) DETERMINATION OF FEASIBILITY OF
4	QUALITY MEASUREMENT AT THE PLAN LEVEL FOR
5	ALL MA PLANS.—
6	"(A) DETERMINATION OF FEASIBILITY.—
7	The Secretary shall determine the feasibility of
8	requiring reporting of data under section
9	1852(e) for, and applying under this subsection,
10	quality measures at the plan level for all MA
11	plans under this part.
12	"(B) Consideration of change.—After
13	making a determination under subparagraph
14	(A), the Secretary shall consider requiring such
15	reporting and applying such quality measures
16	at the plan level as described in such subpara-
17	graph.".
18	(e) GAO STUDY AND REPORT ON STATE-LEVEL IN-
19	TEGRATION BETWEEN DUAL SNPS AND MEDICAID.—
20	(1) Study.—The Comptroller General of the
21	United States (in this paragraph referred to as the
22	"Comptroller General") shall conduct a study on
23	State-level integration between specialized MA plans
24	for special needs individuals described in subsection
25	(b)(6)(B)(ii) of section 1859 of the Social Security

Act (42 U.S.C. 1395w–28) and the Medicaid pro gram under title XIX of such Act (42 U.S.C. 1396
 et seq.). Such study shall include an analysis of the
 following:

(A) The characteristics of States in which 5 6 the State agency responsible for administering 7 the State plan under such title XIX has a con-8 tract with such a specialized MA plan and that 9 delivers long term services and supports under 10 the State plan under such title XIX through a 11 managed care program, including the require-12 ments under such State plan with respect to 13 long term services and supports.

14 (B) The types of such specialized MA15 plans, which may include the following:

16 (i) A plan described in section
17 1853(a)(1)(B)(iv)(II) of such Act (42)
18 U.S.C. 1395w-23(a)(1)(B)(iv)(II)).
19 (ii) A plan that meets the require-

20 ments described in subsection (f)(3)(D) of
21 such section 1859.

22 (iii) A plan described in clause (ii)
23 that also meets additional requirements es24 tablished by the State.

1	(C) The characteristics of individuals en-
2	rolled in such specialized MA plans.
3	(D) As practicable, the following with re-
4	spect to State programs for the delivery of long
5	term services and supports under such title
6	XIX through a managed care program:
7	(i) Which populations of individuals
8	are eligible to receive such services and
9	supports.
10	(ii) Whether all such services and sup-
11	ports are provided on a capitated basis or
12	if any of such services and supports are
13	carved out and provided through fee-for-
14	service.
15	(E) As, practicable, how the availability
16	and variation of integration arrangements of
17	such specialized MA plans offered in States af-
18	fects spending, service delivery options, access
19	to community-based care, and utilization of
20	care.
21	(F) Barriers and opportunities for making
22	further progress on dual integration, as well as
23	recommend legislation to expedite or refine
24	pathways toward fully integrated care.

1	(2) REPORT.—Not later than 2 years after the
2	date of the enactment of this Act, the Comptroller
3	General shall submit to Congress a report containing
4	the results of the study conducted under paragraph
5	(1), together with recommendations for such legisla-
6	tion and administrative action as the Comptroller
7	General determines appropriate.
8	SEC. 3. EXPANDING SUPPLEMENTAL BENEFITS TO MEET
9	THE NEEDS OF CHRONICALLY ILL MEDICARE
10	ADVANTAGE ENROLLEES.
11	(a) IN GENERAL.—Section 1852(a)(3) of the Social
12	Security Act (42 U.S.C. 1395w-22(a)(3)) is amended—
13	(1) in subparagraph (A), by striking "Each"
14	and inserting "Subject to subparagraph (D), each";
15	and
16	(2) by adding at the end the following new sub-
17	paragraph:
18	"(D) EXPANDING SUPPLEMENTAL BENE-
19	FITS TO MEET THE NEEDS OF CHRONICALLY
20	ILL ENROLLEES.—
21	"(i) IN GENERAL.—For plan year
22	2020 and subsequent plan years, in addi-
23	tion to any supplemental health care bene-
24	fits otherwise provided under this para-
25	graph, an MA plan, including a specialized

1	MA plan for special needs individuals de-
2	scribed in subsection $(b)(6)$ of section
3	1859, may provide supplemental benefits
4	described in clause (ii) to a chronically ill
5	enrollee (as defined in clause (iii)).
6	"(ii) Supplemental benefits de-
7	SCRIBED.—
8	"(I) IN GENERAL.—Supplemental
9	benefits described in this clause are
10	supplemental benefits that, with re-
11	spect to a chronically ill enrollee, have
12	a reasonable expectation of improving
13	or maintaining the health or overall
14	function of the chronically ill enrollee
15	and may not be limited to being pri-
16	marily health related benefits.
17	"(II) AUTHORITY TO WAIVE UNI-
18	FORMITY REQUIREMENTS.—The Sec-
19	retary may, with respect to supple-
20	mental benefits provided to a chron-
21	ically ill enrollee under this subpara-
22	graph, waive the uniformity require-
23	ment, as determined appropriate by
24	the Secretary.

1	"(iii) Chronically ill enrollee
2	DEFINED.—In this subparagraph, the term
3	'chronically ill enrollee' means an enrollee
4	in an MA plan that the Secretary deter-
5	mines—
6	"(I) has one or more comorbid
7	and medically complex chronic condi-
8	tions that is life threatening or signifi-
9	cantly limits the overall health or
10	function of the enrollee;
11	"(II) has a high risk of hos-
12	pitalization or other adverse health
13	outcomes; or
14	"(III) requires intensive care co-
15	ordination.".
16	(b) GAO STUDY AND REPORT.—
17	(1) Study.—The Comptroller General of the
18	United States (in this subsection referred to as the
19	"Comptroller General") shall conduct a study on
20	supplemental benefits provided to enrollees in Medi-
21	care Advantage plans under part C of title XVIII of
22	the Social Security Act, including specialized MA
23	plans for special needs individuals described in sec-
24	tion $1859(b)(6)$ of such Act (42 U.S.C. $1395w$ -
25	28(b)(6)). Such study shall be conducted in con-

1	sultation with the Centers for Medicare & Medicaid
2	Services and Medicare Advantage plans as necessary
3	and, to the extent data is available, shall include an
4	analysis of the following:
5	(A) The type of supplemental benefits pro-
6	vided to such enrollees, the total number of en-
7	rollees receiving each supplemental benefit, and
8	whether the supplemental benefit is covered by
9	the standard benchmark cost of the benefit or
10	with an additional premium.
11	(B) The frequency in which supplemental
12	benefits are utilized by such enrollees.
13	(C) The impact supplemental benefits have
14	on—
15	(i) indicators of the quality of care re-
16	ceived by such enrollees, including overall
17	health and function of the enrollees;
18	(ii) the utilization of items and serv-
19	ices for which benefits are available under
20	the original Medicare fee-for-service pro-
21	gram option under parts A and B of such
22	title XVIII by such enrollees; and
23	(iii) the amount of the bids submitted
24	by Medicare Advantage Organizations for

Medicare Advantage plans under such part 1 С. 2 3 (2) REPORT.—Not later than 5 years after the 4 date of the enactment of this Act, the Comptroller General shall submit to Congress a report containing 5 6 the results of the study conducted under paragraph (1), together with recommendations for such legisla-7 tion and administrative action as the Comptroller 8 9 General determines appropriate.

\times