

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3284
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 “Providers and Payers
3 COMPETE Act”.

**4 SEC. 2. ANNUAL REPORT ON THE IMPACT OF CERTAIN
5 MEDICARE REGULATIONS ON PROVIDER AND
6 PAYER CONSOLIDATION; PUBLIC COMMENT
7 ON PROVIDER AND PAYER CONSOLIDATION
8 FOR CERTAIN PROPOSED RULES.**

9 (a) ANNUAL REPORT.—Not later than December 31,
10 2026, and annually thereafter, the Secretary of Health
11 and Human Services (in this section referred to as the
12 “Secretary”) shall submit to Congress a report on the im-
13 pact in the aggregate on provider and payer consolidation
14 with respect to regulations and rules for parts B, C, and
15 D of title XVIII of the Social Security Act (42 U.S.C.
16 1395j et seq.) implemented in the calendar year imme-
17 diately prior to such report. Such report shall include reg-
18 ulations and rules that—

1 (1) implement a change to an applicable pay-
2 ment system, a rate schedule, or another payment
3 system under parts B, C, or D of such title; or

4 (2) result in a significant rule effecting provider
5 or payer consolidation.

6 (b) PUBLIC COMMENT ON IMPACT TO PROVIDER AND
7 PAYER CONSOLIDATION.—Beginning for 2025, as part of
8 any notice and comment rulemaking process that will re-
9 sult in a significant rule effecting provider or payer con-
10 solidation with respect to a proposed rule for parts B, C,
11 and D of title XVIII of the Social Security Act (42 U.S.C.
12 1395j et seq.), the Secretary shall seek public comment
13 on the projected impact of such proposed rule on provider
14 and payer consolidation in the aggregate.

15 (c) DEFINITIONS.—In this section:

16 (1) PROVIDER AND PAYER CONSOLIDATION.—
17 The term “provider and payer consolidation” in-
18 cludes the vertical or horizontal integration among
19 providers of services (as defined in subsection (u) of
20 section 1861 of the Social Security Act (42 U.S.C.
21 1395x)), suppliers (as defined in subsection (d) of
22 such section), accountable care organizations under
23 section 1899 of the Social Security Act (42 U.S.C.
24 1395jjj), Medicare Advantage organizations, PDP

1 sponsors, pharmacy benefit managers, pharmacies,
2 and integrated delivery systems.

3 (2) APPLICABLE PAYMENT SYSTEM.—The term
4 “applicable payment system” includes—

5 (A) with respect to outpatient hospital
6 services, the prospective payment system for
7 covered OPD services established under section
8 1833(t) of such Act (42 U.S.C. 1395(l)); and

9 (B) with respect to physicians’ services,
10 the physician fee schedules established under
11 section 1848 of such Act (42 U.S.C. 1395w–4).

12 **SEC. 3. CONSIDERATION OF EFFECTS ON PROVIDER AND**
13 **PAYER CONSOLIDATION WITH RESPECT TO**
14 **CMI MODELS.**

15 (a) IN GENERAL.—Section 1115A(b)(4)(A) of the
16 Social Security Act (42 U.S.C. 1315a(b)(4)(A)) is amend-
17 ed—

18 (1) in clause (i), by striking at the end “and”;

19 (2) in clause (ii), by striking the period at the
20 end and inserting “; and”; and

21 (3) by adding at the end the following new
22 clause:

23 “(iii) the extent to which, and how,
24 the model has affected and could affect
25 provider and payer consolidation, which in-

1 cludes the vertical or horizontal integration
2 among providers of services (as defined in
3 subsection (u) of section 1861), suppliers
4 (as defined in subsection (d) of such sec-
5 tion), and accountable care organizations
6 under section 1899.”.

7 (b) EFFECTIVE DATE.—The amendments made by
8 subsection (a) shall apply with respect to models tested
9 on or after January 1, 2025.

