

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.

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## 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

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## 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:

- 3 Sec. 1. Short title; table of contents.
- 4 Sec. 2. Findings.
- 5 Sec. 3. Medicare coverage of geriatric assessments.
- 6 Sec. 4. Medicare coverage of chronic care coordination services.
- 7 Sec. 5. Outreach activities regarding geriatric assessments and chronic care co-  
8 ordination services under the Medicare program.
- 9 Sec. 6. Study and report on geriatric assessments and chronic care coordination  
10 services under the Medicare program.
- 11 Sec. 7. Study and report on best practices for Medicare chronic care coordina-  
12 tion.
- 13 Sec. 8. Rule of construction.

14 **SEC. 2. FINDINGS.**

15 Congress makes the following findings:

16 (1) The Medicare program must be redesigned  
17 to provide high-quality, cost-effective care to the  
18 growing population of elderly individuals with mul-  
19 tiple chronic conditions.

20 (2) According to the Congressional Budget Of-  
21 fice, approximately 43 percent of Medicare costs can  
22 be attributed to 5 percent of Medicare's most costly  
23 beneficiaries.

24 (3) Currently, 78 percent of the Medicare popu-  
25 lation has at least 1 chronic condition, and  $\frac{2}{3}$  have  
26 more than 1 chronic condition. The 20 percent of  
27 beneficiaries with 5 or more chronic conditions ac-  
28 count for  $\frac{2}{3}$  of all Medicare spending. In addition,  
29 the large baby boomer generation is moving toward  
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) **COVERAGE 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 (ccc)(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 (ccc)(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. 1395nn(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 (eee));”.

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 (eee)”.

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 “(eee)(1) The term ‘chronic care coordina-  
 21 tion services’ 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)”; and

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(e)(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(eee)(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(ecc)(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. 1395nn(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 ceuticals; 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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