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(Original Signature of Member)

111TH CONGRESS
1ST SESSION

H. R.

To amend title XVIII of the Social Security Act to provide certain high cost Medicare beneficiaries suffering from multiple chronic conditions with access to coordinated, primary care medical services in lower cost treatment settings, such as their residences, under a plan of care developed by a team of qualified and experienced health care professionals.

IN THE HOUSE OF REPRESENTATIVES

Mr. MARKEY of Massachusetts (for himself and Mr. SMITH of New Jersey) introduced the following bill; which was referred to the Committee on

A BILL

To amend title XVIII of the Social Security Act to provide certain high cost Medicare beneficiaries suffering from multiple chronic conditions with access to coordinated, primary care medical services in lower cost treatment settings, such as their residences, under a plan of care developed by a team of qualified and experienced health care professionals.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Independence at Home
3 Act of 2009”.

4 **SEC. 2. FINDINGS.**

5 Congress makes the following findings:

6 (1) According to the November 2007 Congres-
7 sional Budget Office Long Term Outlook for Health
8 Care Spending, unless changes are made to the way
9 health care is delivered, growing demand for re-
10 sources caused by rising health care costs and to a
11 lesser extent the nation’s expanding elderly popu-
12 lation will confront Americans with increasingly dif-
13 ficult choices between health care and other prior-
14 ities. However, opportunities exist to constrain
15 health care costs without adverse health care con-
16 sequences.

17 (2) Medicare beneficiaries with multiple chronic
18 conditions account for a disproportionate share of
19 Medicare spending compared to their representation
20 in the overall Medicare population, and evidence sug-
21 gests that such patients often receive poorly coordi-
22 nated care, including conflicting information from
23 health providers and different diagnoses of the same
24 symptoms.

25 (3) People with chronic conditions account for
26 76 percent of all hospital admissions, 88 percent of

1 all prescriptions filled, and 72 percent of physician
2 visits.

3 (4) Studies show that hospital utilization and
4 emergency room visits for patients with multiple
5 chronic conditions can be reduced and significant
6 savings can be achieved through the use of inter-
7 disciplinary teams of health care professionals caring
8 for patients in their places of residence.

9 (5) The Independence at Home Act creates a
10 chronic care coordination pilot project to bring pri-
11 mary care medical services to the highest cost Medi-
12 care beneficiaries with multiple chronic conditions in
13 their home or place of residence so that they may be
14 as independent as possible for as long as possible in
15 a comfortable setting.

16 (6) The Independence at Home Act generates
17 savings by providing better, more coordinated care
18 across all treatment settings to the highest cost
19 Medicare beneficiaries with multiple chronic condi-
20 tions, reducing duplicative and unnecessary services,
21 and avoiding unnecessary hospitalizations, nursing
22 home admissions, and emergency room visits.

23 (7) The Independence at Home Act holds pro-
24 viders accountable for improving beneficiary out-
25 comes, ensuring patient and caregiver satisfaction,

1 and achieving cost savings to Medicare on an annual
2 basis.

3 (8) The Independence at Home Act creates in-
4 centives for practitioners and providers to develop
5 methods and technologies for providing better and
6 lower cost health care to the highest cost Medicare
7 beneficiaries with the greatest incentives provided in
8 the case of highest cost beneficiaries.

9 (9) The Independence at Home Act contains
10 the central elements of proven home-based primary
11 care delivery models that have been utilized for years
12 by the Department of Veterans Affairs and “house
13 calls” programs across the country to deliver coordi-
14 nated care for chronic conditions in the comfort of
15 a patient’s home or place of residence.

16 **SEC. 3. ESTABLISHMENT OF VOLUNTARY INDEPENDENCE**
17 **AT HOME CHRONIC CARE COORDINATION**
18 **PILOT PROJECT UNDER TRADITIONAL MEDI-**
19 **CARE FEE-FOR-SERVICE PROGRAM.**

20 (a) IN GENERAL.—Title XVIII of the Social Security
21 Act is amended—

22 (1) by amending subsection (c) of section 1807
23 (42 U.S.C. 1395b–8) to read as follows:

24 “(c) INDEPENDENCE AT HOME CHRONIC CARE CO-
25 ORDINATION PILOT PROJECT.—A pilot project for Inde-

1 pence at Home chronic care coordination programs for
2 high cost Medicare beneficiaries with multiple chronic con-
3 ditions is set forth in section 1807A.”; and

4 (2) by inserting after section 1807 the following
5 new section:

6 “INDEPENDENCE AT HOME CHRONIC CARE
7 COORDINATION PILOT PROJECT

8 “SEC. 1807A. (a) IMPLEMENTATION.—

9 “(1) IN GENERAL.—The Secretary shall provide
10 for the phased in development, implementation, and
11 evaluation of Independence at Home programs de-
12 scribed in this section to meet the following objec-
13 tives:

14 “(A) To improve patient outcomes, com-
15 pared to comparable beneficiaries who do not
16 participate in such a program, through reduced
17 hospitalizations, nursing home admissions, or
18 emergency room visits, increased symptom self-
19 management, and similar results.

20 “(B) To improve satisfaction of patients
21 and caregivers, as demonstrated through a
22 quantitative pre-test and post-test survey devel-
23 oped by the Secretary that measures patient
24 and caregiver satisfaction of care coordination,
25 educational information, timeliness of response,
26 and similar care features.

1 “(C) To achieve a minimum of 5 percent
2 cost savings in the care of beneficiaries under
3 this title suffering from multiple high cost
4 chronic diseases.

5 “(2) INITIAL IMPLEMENTATION (PHASE I).—

6 “(A) IN GENERAL.—In carrying out this
7 section and to the extent possible, the Secretary
8 shall enter into agreements with at least two
9 unaffiliated Independence at Home organiza-
10 tions in each of the 13 highest cost States
11 (based on average per capita expenditures per
12 State under this title), in the District of Colum-
13 bia, and in 13 additional States that are rep-
14 resentative of other regions of the United
15 States and include medically underserved rural
16 and urban areas, to provide chronic care coordi-
17 nation services for a period of three years or
18 until those agreements are terminated by the
19 Secretary. Such agreements under this para-
20 graph shall continue in effect until the Sec-
21 retary makes the determination described in
22 paragraph (3) or until those agreements are
23 supplanted by new agreements under such
24 paragraph. The phase of implementation under

1 this paragraph is referred to in this section as
2 the ‘initial implementation’ phase or ‘phase I’.

3 “(B) PREFERENCE.—In selecting Inde-
4 pendence at Home organizations under this
5 paragraph, the Secretary shall give a pref-
6 erence, to the extent practicable, to organiza-
7 tions that—

8 “(i) have documented experience in
9 furnishing the types of services covered by
10 this section to eligible beneficiaries in the
11 home or place of residence using qualified
12 teams of health care professionals that are
13 directed by individuals who have the quali-
14 fications of Independence at Home physi-
15 cians, or in cases when such direction is
16 provided by an Independence at Home
17 physician to a physician assistant who has
18 at least one year of experience providing
19 gerontological medical and related services
20 for chronically ill individuals in their
21 homes, or other similar qualification as de-
22 termined by the Secretary to be appro-
23 priate for the Independence at Home pro-
24 gram, by the physician assistant acting
25 under the supervision of an Independence

1 at Home physician and as permitted under
2 State law, or Independence at Home nurse
3 practitioners;

4 “(ii) have the capacity to provide serv-
5 ices covered by this section to at least 150
6 eligible beneficiaries; and

7 “(iii) use electronic medical records,
8 health information technology, and individ-
9 ualized plans of care.

10 “(3) EXPANDED IMPLEMENTATION PHASE
11 (PHASE II).—

12 “(A) IN GENERAL.—For periods beginning
13 after the end of the 3-year initial implementa-
14 tion period under paragraph (2), subject to sub-
15 paragraph (B), the Secretary shall renew agree-
16 ments described in paragraph (2) with Inde-
17 pendence at Home organization that have met
18 all 3 objectives specified in paragraph (1) and
19 enter into agreements described in paragraph
20 (2) with any other organization that is located
21 in any State or the District of Columbia, that
22 was not an Independence at Home organization
23 during the initial implementation period, and
24 that meets the qualifications of an Independ-
25 ence at Home organization under this section.

1 The Secretary may terminate and not renew
2 such an agreement with an organization that
3 has not met such objectives during the initial
4 implementation period. The phase of implemen-
5 tation under this paragraph is referred to in
6 this section as the ‘expanded implementation’
7 phase or ‘phase II’.

8 “(B) CONTINGENCY.—The expanded im-
9 plementation under subparagraph (A) shall not
10 occur if the Secretary finds, not later than 60
11 days after the date of issuance of the inde-
12 pendent evaluation under paragraph (5), that
13 continuation of the Independence at Home
14 project is not in the best interest of bene-
15 ficiaries under this title or in the best interest
16 of Federal health care programs.

17 “(4) ELIGIBILITY.—No organization shall be
18 prohibited from participating under this section dur-
19 ing expanded implementation phase under para-
20 graph (3) (and, to the extent practicable, during ini-
21 tial implementation phase under paragraph (2)) be-
22 cause of its small size as long as it meets the eligi-
23 bility requirements of this section.

24 “(5) INDEPENDENT EVALUATIONS.—

1 “(A) IN GENERAL.—The Secretary shall
2 contract for an independent evaluation of the
3 initial implementation phase under paragraph
4 (2) with an interim report to Congress to be
5 provided on such evaluation as soon as prac-
6 ticable after the first year of such phase and a
7 final report to be provided to Congress as soon
8 as practicable following the conclusion of the
9 initial implementation phase, but not later than
10 6 months following the end of such phase. Such
11 an evaluation shall be conducted by individuals
12 with knowledge of chronic care coordination
13 programs for the targeted patient population
14 and demonstrated experience in the evaluation
15 of such programs.

16 “(B) INFORMATION TO BE INCLUDED.—
17 Each such report shall include an assessment of
18 the following factors and shall identify the char-
19 acteristics of individual Independence at Home
20 programs that are the most effective in pro-
21 ducing improvements in—

22 “(i) beneficiary, caregiver, and pro-
23 vider satisfaction;

1 “(ii) health outcomes appropriate for
2 patients with multiple chronic diseases;
3 and

4 “(iii) cost savings to the program
5 under this title, such as in reducing—

6 “(I) hospital and skilled nursing
7 facility admission rates and lengths of
8 stay;

9 “(II) hospital readmission rates;
10 and

11 “(III) emergency department vis-
12 its

13 “(C) BREAKDOWN BY CONDITION.—Each
14 such report shall include data on performance
15 of Independence at Home organizations in re-
16 sponding to the needs of eligible beneficiaries
17 with specific chronic conditions and combina-
18 tions of conditions, as well as the overall eligible
19 beneficiary population.

20 “(6) AGREEMENTS.—

21 “(A) IN GENERAL.—The Secretary shall
22 enter into agreements, beginning not later than
23 one year after the date of the enactment of this
24 section, with Independence at Home organiza-
25 tions that meet the participation requirements

1 of this section, including minimum performance
2 standards developed under subsection (e)(3), in
3 order to provide access by eligible beneficiaries
4 to Independence at Home programs under this
5 section.

6 “(B) AUTHORITY.—If the Secretary deems
7 it necessary to serve the best interest of the
8 beneficiaries under this title or the best interest
9 of Federal health care programs, the Secretary
10 may—

11 “(i) require screening of all potential
12 Independence at Home organizations, in-
13 cluding owners, (such as through
14 fingerprinting, licensure checks, site-visits,
15 and other database checks) before entering
16 into an agreement;

17 “(ii) require a provisional period dur-
18 ing which a new Independence at Home or-
19 ganization would be subject to enhanced
20 oversight (such as prepayment review, un-
21 announced site visits, and payment caps);
22 and

23 “(iii) require applicants to disclose
24 previous affiliation with entities that have
25 uncollected Medicare or Medicaid debt, and

1 authorize the denial of enrollment if the
2 Secretary determines that these affiliations
3 pose undue risk to the program.

4 “(7) REGULATIONS.—At least three months be-
5 fore entering into the first agreement under this sec-
6 tion, the Secretary shall publish in the Federal Reg-
7 ister the specifications for implementing this section.
8 Such specifications shall describe the implementation
9 process from initial to final implementation phases,
10 including how the Secretary will identify and notify
11 potential enrollees and how and when beneficiaries
12 may enroll and disenroll from Independence at
13 Home programs and change the programs in which
14 they are enrolled.

15 “(8) PERIODIC PROGRESS REPORTS.—Semi-an-
16 nually during the first year in which this section is
17 implemented and annually thereafter during the pe-
18 riod of implementation of this section, the Secretary
19 shall submit to the Committees on Ways and Means
20 and Energy and Commerce of the House of Rep-
21 resentatives and the Committee on Finance of the
22 Senate a report that describes the progress of imple-
23 mentation of this section and explaining any vari-
24 ation from the Independence at Home program as
25 described in this section.

1 “(9) ANNUAL BEST PRACTICES CONFERENCE.—
2 During the initial implementation phase and to the
3 extent practicable at intervals thereafter, the Sec-
4 retary shall provide for an annual Independence at
5 Home teleconference for Independence at Home or-
6 ganizations to share best practices and review treat-
7 ment interventions and protocols that were success-
8 ful in meeting all 3 objectives specified in paragraph
9 (1).

10 “(b) DEFINITIONS.—For purposes of this section:

11 “(1) ACTIVITIES OF DAILY LIVING.—The term
12 ‘activities of daily living’ means bathing, dressing,
13 grooming, transferring, feeding, or toileting.

14 “(2) CAREGIVER.—The term ‘caregiver’ means,
15 with respect to an individual with a qualifying func-
16 tional impairment, a family member, friend, or
17 neighbor who provides assistance to the individual.

18 “(3) ELIGIBLE BENEFICIARY.—

19 “(A) IN GENERAL.—The term ‘eligible
20 beneficiary’ means, with respect to an Inde-
21 pendence at Home program, an individual
22 who—

23 “(i) is entitled to benefits under part
24 A and enrolled under part B, but not en-
25 rolled in a plan under part C;

1 “(ii) has a qualifying functional im-
2 pairment and has been diagnosed with two
3 or more of the chronic conditions described
4 in subparagraph (C); and

5 “(iii) within the 12 months prior to
6 the individual first enrolling with an Inde-
7 pendence at Home program under this sec-
8 tion, has received benefits under part A for
9 the following services:

10 “(I) Non-elective inpatient hos-
11 pital services.

12 “(II) Services in the emergency
13 department of a hospital.

14 “(III) Any one of the following:

15 “(aa) Skilled nursing or sub-
16 acute rehabilitation services in a
17 Medicare-certified nursing facil-
18 ity.

19 “(bb) Comprehensive acute
20 rehabilitation facility or Com-
21 prehensive outpatient rehabilita-
22 tion facility services.

23 “(cc) Skilled nursing or re-
24 habilitation services through a

1 Medicare-certified home health
2 agency.

3 “(B) DISQUALIFICATIONS.—Such term
4 does not include an individual—

5 “(i) who is receiving benefits under
6 section 1881;

7 “(ii) who is enrolled in a PACE pro-
8 gram under section 1894;

9 “(iii) who is enrolled in (and is not
10 disenrolled from) a chronic care improve-
11 ment program under section 1807;

12 “(iv) who within a 12-month period
13 has been a resident for more than 90 days
14 in a skilled nursing facility, a nursing facil-
15 ity (as defined in section 1919), or any
16 other facility identified by the Secretary;

17 “(v) who resides in a setting that pre-
18 sents a danger to the safety of in-home
19 health care providers and primary care-
20 givers; or

21 “(vi) whose enrollment in an Inde-
22 pendence at Home program the Secretary
23 determines would be inappropriate.

1 “(C) CHRONIC CONDITIONS DESCRIBED.—

2 The chronic conditions described in this sub-
3 paragraph are the following:

4 “(i) Congestive heart failure.

5 “(ii) Diabetes.

6 “(iii) Chronic obstructive pulmonary
7 disease.

8 “(iv) Ischemic heart disease.

9 “(v) Peripheral arterial disease.

10 “(vi) Stroke.

11 “(vii) Alzheimer’s Disease and other
12 dementias designated by the Secretary.

13 “(viii) Pressure ulcers.

14 “(ix) Hypertension.

15 “(x) Neurodegenerative diseases des-
16 ignated by the Secretary which result in
17 high costs under this title, including
18 amyotrophic lateral sclerosis (ALS), mul-
19 tiple sclerosis, and Parkinson’s disease.

20 “(xi) Any other chronic condition that
21 the Secretary identifies as likely to result
22 in high costs to the program under this
23 title when such condition is present in
24 combination with one or more of the

1 chronic conditions specified in the pre-
2 ceding clauses.

3 “(4) INDEPENDENCE AT HOME ASSESSMENT.—

4 The term ‘Independence at Home assessment’
5 means a determination of eligibility of an individual
6 for an Independence at Home program as an eligible
7 beneficiary (as defined in paragraph (3)), a com-
8 prehensive medical history, physical examination,
9 and assessment of the beneficiary’s clinical and func-
10 tional status that—

11 “(A) is conducted in person by an indi-
12 vidual—

13 “(i) who—

14 “(I) is an Independence at Home
15 physician or an Independence at
16 Home nurse practitioner; or

17 “(II) a physician assistant, nurse
18 practitioner, or clinical nurse spe-
19 cialist, as defined in section
20 1861(aa)(5), who is employed by an
21 Independence at Home organization
22 and is supervised by an Independence
23 at Home physician or Independence at
24 Home nurse practitioner; and

1 “(ii) does not have an ownership in-
2 terest in the Independence at Home orga-
3 nization unless the Secretary determines
4 that it is impracticable to preclude such in-
5 dividual’s involvement; and

6 “(B) includes an assessment of—

7 “(i) activities of daily living and other
8 co-morbidities;

9 “(ii) medications and medication ad-
10 herence;

11 “(iii) affect, cognition, executive func-
12 tion, and presence of mental disorders;

13 “(iv) functional status, including mo-
14 bility, balance, gait, risk of falling, and
15 sensory function;

16 “(v) social functioning and social inte-
17 gration;

18 “(vi) environmental needs and a safe-
19 ty assessment;

20 “(vii) the ability of the beneficiary’s
21 primary caregiver to assist with the bene-
22 ficiary’s care as well as the caregiver’s own
23 physical and emotional capacity, education,
24 and training;

1 “(viii) whether, in the professional
2 judgment of the individual conducting the
3 assessment, the beneficiary is likely to ben-
4 efit from an Independence at Home pro-
5 gram;

6 “(ix) whether the conditions in the
7 beneficiary’s home or place of residence
8 would permit the safe provision of services
9 in the home or residence, respectively,
10 under an Independence at Home program;

11 “(x) whether the beneficiary has a
12 designated primary care physician whom
13 the beneficiary has seen in an office-based
14 setting within the previous 12 months; and

15 “(xi) other factors determined appro-
16 priate by the Secretary.

17 “(5) INDEPENDENCE AT HOME CARE TEAM.—

18 The term ‘Independence at Home care team’—

19 “(A) means, with respect to a participant,
20 a team of qualified individuals that provides
21 services to the participant as part of an Inde-
22 pendence at Home program; and

23 “(B) includes an Independence at Home
24 physician or an Independence at Home nurse
25 practitioner and an Independence at Home co-

1 ordinator (who may also be an Independence at
2 Home physician or an Independence at Home
3 nurse practitioner).

4 “(6) INDEPENDENCE AT HOME COORDI-
5 NATOR.—The term ‘Independence at Home coordi-
6 nator’ means, with respect to a participant, an indi-
7 vidual who—

8 “(A) is employed by an Independence at
9 Home organization and is responsible for co-
10 ordinating all of the services of the participant’s
11 Independence at Home plan;

12 “(B) is a licensed health professional, such
13 as a physician, registered nurse, nurse practi-
14 tioner, clinical nurse specialist, physician assist-
15 ant, or other health care professional as the
16 Secretary determines appropriate, who has at
17 least one year of experience providing and co-
18 ordinating medical and related services for indi-
19 viduals in their homes; and

20 “(C) serves as the primary point of contact
21 responsible for communications with the partici-
22 pant and for facilitating communications with
23 other health care providers under the plan.

24 “(7) INDEPENDENCE AT HOME ORGANIZA-
25 TION.—The term ‘Independence at Home organiza-

1 tion’ means a provider of services, a physician or
2 physician group practice, a nurse practitioner or
3 nurse practitioner group practice which receives pay-
4 ment for services furnished under this title (other
5 than only under this section) and which—

6 “(A) has entered into an agreement under
7 subsection (a)(2) to provide an Independence at
8 Home program under this section;

9 “(B)(i) provides all of the services of the
10 Independence at Home plan in a participant’s
11 home or place of residence, or

12 “(ii) if the organization is not able to pro-
13 vide all such services in such home or residence,
14 has adequate mechanisms for ensuring the pro-
15 vision of such services by one or more qualified
16 entities;

17 “(C) has Independence at Home physi-
18 cians, clinical nurse specialists, nurse practi-
19 tioners, or physician assistants available to re-
20 spond to patient emergencies 24 hours a day,
21 seven days a week;

22 “(D) accepts all eligible beneficiaries from
23 the organization’s service area, as determined
24 under the agreement with the Secretary under

1 this section, except to the extent that qualified
2 staff are not available; and

3 “(E) meets other requirements for such an
4 organization under this section.

5 “(8) INDEPENDENCE AT HOME PHYSICIAN.—

6 The term ‘Independence at Home physician’ means
7 a physician who—

8 “(A) is employed by or affiliated with an
9 Independence at Home organization, as re-
10 quired under paragraph (7)(C), or has another
11 contractual relationship with the Independence
12 at Home organization that requires the physi-
13 cian to make in-home visits and to be respon-
14 sible for the plans of care for the physician’s
15 patients;

16 “(B) is certified—

17 “(i) by the American Board of Family
18 Physicians, the American Board of Inter-
19 nal Medicine, the American Osteopathic
20 Board of Family Physicians, the American
21 Osteopathic Board of Internal Medicine,
22 the American Board of Emergency Medi-
23 cine, or the American Board of Physical
24 Medicine and Rehabilitation; or

1 “(ii) by a Board recognized by the
2 American Board of Medical Specialties and
3 determined by the Secretary to be appro-
4 priate for the Independence at Home pro-
5 gram;

6 “(C) has—

7 “(i) a certification in geriatric medi-
8 cine as provided by American Board of
9 Medical Specialties; or

10 “(ii) passed the clinical competency
11 examination of the American Academy of
12 Home Care Physicians and has substantial
13 experience in the delivery of medical care
14 in the home, including at least two years
15 of experience in the management of Medi-
16 care patients and one year of experience in
17 home-based medical care including at least
18 200 house calls; and

19 “(D) has furnished services during the pre-
20 vious 12 months for which payment is made
21 under this title.

22 “(9) INDEPENDENCE AT HOME NURSE PRACTI-
23 TIONER.—The term ‘Independence at Home nurse
24 practitioner’ means a nurse practitioner who—

1 “(A) is employed by or affiliated with an
2 Independence at Home organization, as re-
3 quired under paragraph (7)(C), or has another
4 contractual relationship with the Independence
5 at Home organization that requires the nurse
6 practitioner to make in-home visits and to be
7 responsible for the plans of care for the nurse
8 practitioner’s patients;

9 “(B) practices in accordance with State
10 law regarding scope of practice for nurse practi-
11 tioners;

12 “(C) is certified—

13 “(i) as a Gerontologic Nurse Practi-
14 tioner by the American Academy of Nurse
15 Practitioners Certification Program or the
16 American Nurses Credentialing Center; or

17 “(ii) as a family nurse practitioner or
18 adult nurse practitioner by the American
19 Academy of Nurse Practitioners Certifi-
20 cation Board or the American Nurses
21 Credentialing Center and holds a certifi-
22 cate of Added Qualification in gerontology,
23 elder care or care of the older adult pro-
24 vided by the American Academy of Nurse
25 Practitioners, the American Nurses

1 Credentialing Center or a national nurse
2 practitioner certification board deemed by
3 the Secretary to be appropriate for an
4 Independence at Home program; and

5 “(D) has furnished services during the pre-
6 vious 12 months for which payment is made
7 under this title.

8 “(10) INDEPENDENCE AT HOME PLAN.—The
9 term ‘Independence at Home plan’ means a plan es-
10 tablished under subsection (d)(2) for a specific par-
11 ticipant in an Independence at Home program.

12 “(11) INDEPENDENCE AT HOME PROGRAM.—
13 The term ‘Independence at Home program’ means a
14 program described in subsection (d) that is operated
15 by an Independence at Home organization.

16 “(12) PARTICIPANT.—The term ‘participant’
17 means an eligible beneficiary who has voluntarily en-
18 rolled in an Independence at Home program.

19 “(13) QUALIFIED ENTITY.—The term ‘qualified
20 entity’ means a person or organization that is li-
21 censed or otherwise legally permitted to provide the
22 specific service (or services) provided under an Inde-
23 pendence at Home plan that the entity has agreed
24 to provide.

1 “(14) QUALIFYING FUNCTIONAL IMPAIR-
2 MENT.—The term ‘qualifying functional impairment’
3 means an inability to perform, without the assist-
4 ance of another person, two or more activities of
5 daily living.

6 “(15) QUALIFIED INDIVIDUAL.—The term
7 ‘qualified individual’ means a individual that is li-
8 censed or otherwise legally permitted to provide the
9 specific service (or services) under an Independence
10 at Home plan that the individual has agreed to pro-
11 vide.

12 “(c) IDENTIFICATION AND ENROLLMENT OF PRO-
13 SPECTIVE PROGRAM PARTICIPANTS.—

14 “(1) NOTICE TO ELIGIBLE INDEPENDENCE AT
15 HOME BENEFICIARIES.—The Secretary shall develop
16 a model notice to be made available to Medicare
17 beneficiaries (and to their caregivers) who are poten-
18 tially eligible for an Independence at Home program
19 by participating providers and by Independence at
20 Home programs. Such notice shall include the fol-
21 lowing information:

22 “(A) A description of the potential advan-
23 tages to the beneficiary participating in an
24 Independence at Home program.

1 “(B) A description of the eligibility re-
2 quirements to participate.

3 “(C) Notice that participation is voluntary.

4 “(D) A statement that all other Medicare
5 benefits remain available to beneficiaries who
6 enroll in an Independence at Home program.

7 “(E) Notice that those who enroll in an
8 Independence at Home program will be respon-
9 sible for copayments for house calls made by
10 Independence at Home physicians, physician as-
11 sistants, or by Independence at Home nurse
12 practitioners, except that such copayments may
13 be reduced or eliminated at the discretion of the
14 Independence at Home physician, physician as-
15 sistant, or Independence at Home nurse practi-
16 tioner involved in accordance with subsection
17 (f).

18 “(F) A description of the services that
19 could be provided.

20 “(G) A description of the method for par-
21 ticipating, or withdrawing from participation, in
22 an Independence at Home program or becoming
23 no longer eligible to so participate.

24 “(2) VOLUNTARY PARTICIPATION AND
25 CHOICE.—An eligible beneficiary may participate in

1 an Independence at Home program through enroll-
2 ment in such program on a voluntary basis and may
3 terminate such participation at any time. Such a
4 beneficiary may also receive Independence at Home
5 services from the Independence at Home organiza-
6 tion of the beneficiary's choice but may not receive
7 Independence at Home services from more than one
8 Independence at Home organization at a time.

9 “(d) INDEPENDENCE AT HOME PROGRAM REQUIRE-
10 MENTS.—

11 “(1) IN GENERAL.—Each Independence at
12 Home program shall, for each participant enrolled in
13 the program—

14 “(A) designate—

15 “(i) an Independence at Home physi-
16 cian or an Independence at Home nurse
17 practitioner; and

18 “(ii) an Independence at Home coor-
19 dinator;

20 “(B) have a process to ensure that the
21 participant received an Independence at Home
22 assessment before enrollment in the program;

23 “(C) with the participation of the partici-
24 pant (or the participant's representative or
25 caregiver), an Independence at Home physician,

1 a physician assistant under the supervision of
2 an Independence at Home physician and as per-
3 mitted under State law, or an Independence at
4 Home nurse practitioner, and the Independence
5 at Home coordinator, develop an Independence
6 at Home plan for the participant in accordance
7 with paragraph (2);

8 “(D) ensure that the participant receives
9 an Independence at Home assessment at least
10 every 6 months after the original assessment to
11 ensure that the Independence at Home plan for
12 the participant remains current and appro-
13 priate;

14 “(E) implement all of the services under
15 the participant’s Independence at Home plan
16 and in instances in which the Independence at
17 Home organization does not provide specific
18 services within the Independence at Home plan,
19 ensure that qualified entities successfully pro-
20 vide those specific services; and

21 “(F) provide for an electronic medical
22 record and electronic health information tech-
23 nology to coordinate the participant’s care and
24 to exchange information with the Medicare pro-
25 gram and electronic monitoring and commu-

1 nication technologies and mobile diagnostic and
2 therapeutic technologies as appropriate and ac-
3 cepted by the participant.

4 “(2) INDEPENDENCE AT HOME PLAN.—

5 “(A) IN GENERAL.—An Independence at
6 Home plan for a participant shall be developed
7 with the participant, an Independence at Home
8 physician, a physician assistant under the su-
9 pervision of an Independence at Home physi-
10 cian and as permitted under State law, an Inde-
11 pendence at Home nurse practitioner, or an
12 Independence at Home coordinator, and, if ap-
13 propriate, one or more of the participant’s care-
14 givers and shall—

15 “(i) document the chronic conditions,
16 co-morbidities, and other health needs
17 identified in the participant’s Independence
18 at Home assessment;

19 “(ii) determine which services under
20 an Independence at Home plan described
21 in subparagraph (C) are appropriate for
22 the participant; and

23 “(iii) identify the qualified entity re-
24 sponsible for providing each service under
25 such plan.

1 “(B) COMMUNICATION OF INDIVIDUALIZED
2 INDEPENDENCE AT HOME PLAN TO THE INDE-
3 PENDENCE AT HOME COORDINATOR.—If the in-
4 dividual responsible for conducting the partici-
5 pant’s Independence at Home assessment and
6 developing the Independence at Home plan is
7 not the participant’s Independence at Home co-
8 ordinator, the Independence at Home physician
9 or Independence at Home nurse practitioner is
10 responsible for ensuring that the participant’s
11 Independence at Home coordinator has such
12 plan and is familiar with the requirements of
13 the plan and has the appropriate contact infor-
14 mation for all of the members of the Independ-
15 ence at Home care team.

16 “(C) SERVICES PROVIDED UNDER AN
17 INDEPENDENCE AT HOME PLAN.—An Inde-
18 pendence at Home organization shall coordinate
19 and make available through referral to a quali-
20 fied entity the services described in the fol-
21 lowing clauses (i) through (iii) to the extent
22 they are needed and covered by under this title
23 and shall provide the care coordination services
24 described in the following clause (iv) to the ex-

1 tent they are appropriate and accepted by a
2 participant:

3 “(i) Primary care services, such as
4 physician visits, diagnosis, treatment, and
5 preventive services.

6 “(ii) Home health services, such as
7 skilled nursing care and physical and occu-
8 pational therapy.

9 “(iii) Phlebotomy and ancillary lab-
10 oratory and imaging services, including
11 point of care laboratory and imaging
12 diagnostics.

13 “(iv) Care coordination services, con-
14 sisting of—

15 “(I) Monitoring and management
16 of medications by a pharmacist who is
17 certified in geriatric pharmacy by the
18 Commission for Certification in Geri-
19 atric Pharmacy or possesses other
20 comparable certification dem-
21 onstrating knowledge and expertise in
22 geriatric pharmacotherapy, as well as
23 assistance to participants and their
24 caregivers with respect to selection of
25 a prescription drug plan under part D

1 that best meets the needs of the par-
2 ticipant's chronic conditions.

3 “(II) Coordination of all medical
4 treatment furnished to the partici-
5 pant, regardless of whether such
6 treatment is covered and available to
7 the participant under this title.

8 “(III) Self-care education and
9 preventive care consistent with the
10 participant's condition.

11 “(IV) Education for primary
12 caregivers and family members.

13 “(V) Caregiver counseling serv-
14 ices and information about, and refer-
15 ral to, other caregiver support and
16 health care services in the community.

17 “(VI) Referral to social services,
18 such as personal care, meals, volun-
19 teers, and individual and family ther-
20 apy.

21 “(VII) Information about, and
22 access to, hospice care.

23 “(VIII) Pain and palliative care
24 and end-of-life care, including infor-
25 mation about developing advanced di-

1 rectives and physicians orders for life
2 sustaining treatment.

3 “(3) PRIMARY TREATMENT ROLE WITHIN AN
4 INDEPENDENCE AT HOME CARE TEAM.—An Inde-
5 pendence at Home physician, a physician assistant
6 under the supervision of an Independence at Home
7 physician and as permitted under State law, or an
8 Independence at Home nurse practitioner may as-
9 sume the primary treatment role as permitted under
10 State law.

11 “(4) ADDITIONAL RESPONSIBILITIES.—

12 “(A) OUTCOMES REPORT.—Each Inde-
13 pendence at Home organization offering an
14 Independence at Home program shall monitor
15 and report to the Secretary, in a manner speci-
16 fied by the Secretary, on—

17 “(i) patient outcomes;

18 “(ii) beneficiary, caregiver, and pro-
19 vider satisfaction with respect to coordina-
20 tion of the participant’s care; and

21 “(iii) the achievement of mandatory
22 minimum savings described in subsection
23 (e)(6).

24 “(B) ADDITIONAL REQUIREMENTS.—Each
25 such organization and program shall provide

1 the Secretary with listings of individuals em-
2 ployed by the organization, including contract
3 employees, and individuals with an ownership
4 interest in the organization and comply with
5 such additional requirements as the Secretary
6 may specify.

7 “(e) TERMS AND CONDITIONS.—

8 “(1) IN GENERAL.—An agreement under this
9 section with an Independence at Home organization
10 shall contain such terms and conditions as the Sec-
11 retary may specify consistent with this section.

12 “(2) CLINICAL, QUALITY IMPROVEMENT, AND
13 FINANCIAL REQUIREMENTS.—The Secretary may
14 not enter into an agreement with such an organiza-
15 tion under this section for the operation of an Inde-
16 pendence at Home program unless—

17 “(A) the program and organization meet
18 the requirements of subsection (d), minimum
19 quality and performance standards developed
20 under paragraph (3), and such clinical, quality
21 improvement, financial, program integrity, and
22 other requirements as the Secretary deems to
23 be appropriate for participants to be served;
24 and

1 “(B) the organization demonstrates to the
2 satisfaction of the Secretary that the organiza-
3 tion is able to assume financial risk for per-
4 formance under the agreement with respect to
5 payments made to the organization under such
6 agreement through available reserves, reinsur-
7 ance, or withholding of funding provided under
8 this title, or such other means as the Secretary
9 determines appropriate.

10 “(3) MINIMUM QUALITY AND PERFORMANCE
11 STANDARDS.—

12 “(A) IN GENERAL.—The Secretary shall
13 develop mandatory minimum quality and per-
14 formance standards for Independence at Home
15 organizations and programs.

16 “(B) STANDARDS TO BE INCLUDED.—
17 Such standards shall include measures of—

18 “(i) improvement in participant out-
19 comes;

20 “(ii) improvement in satisfaction of
21 the beneficiary, caregiver, and provider in-
22 volved; and

23 “(iii) cost savings consistent with
24 paragraph (6).

1 “(C) MINIMUM PARTICIPATION STAND-
2 ARD.—Such standards shall include a require-
3 ment that, for any year after the first year and
4 except as the Secretary may provide for a pro-
5 gram serving a rural area, an Independence at
6 Home program had an average number of par-
7 ticipants during the previous year of at least
8 100 participants.

9 “(4) TERM OF AGREEMENT AND MODIFICA-
10 TION.—The agreement under this subsection shall
11 be, subject to paragraphs (3)(C) and (5), for a pe-
12 riod of three years, and the terms and conditions
13 may be modified during the contract period by the
14 Secretary as necessary to serve the best interest of
15 the beneficiaries under this title or the best interest
16 of Federal health care programs or upon the request
17 of the Independence at Home organization.

18 “(5) TERMINATION AND NON-RENEWAL OF
19 AGREEMENT.—

20 “(A) IN GENERAL.—If the Secretary deter-
21 mines that an Independence at Home organiza-
22 tion has failed to meet the minimum perform-
23 ance standards under paragraph (3) or other
24 requirements under this section, or if the Sec-
25 retary deems it necessary to serve the best in-

1 terest of the beneficiaries under this title or the
2 best interest of Federal health care programs,
3 the Secretary may terminate the agreement of
4 the organization at the end of the contract year.

5 “(B) REQUIRED TERMINATION WHERE
6 RISK TO HEALTH OR SAFETY OF A PARTICI-
7 PANT.—The Secretary shall terminate an agree-
8 ment with an Independence at Home organiza-
9 tion at any time the Secretary determines that
10 the care being provided by such organization
11 poses a threat to the health and safety of a par-
12 ticipant.

13 “(C) TERMINATION BY INDEPENDENCE AT
14 HOME ORGANIZATIONS.—Notwithstanding any
15 other provision of this subsection, an Independ-
16 ence at Home organization may terminate an
17 agreement with the Secretary under this section
18 to provide an Independence at Home program
19 at the end of a contract year if the organization
20 provides to the Secretary and to the bene-
21 ficiaries participating in the program notifica-
22 tion of such termination more than 90 days be-
23 fore the end of such year. Paragraphs (6), (8),
24 and (9)(B) shall apply to the organization until
25 the date of termination.

1 “(D) NOTICE OF INVOLUNTARY TERMI-
2 NATION.—The Secretary shall notify the par-
3 ticipants in an Independence at Home program
4 as soon as practicable if a determination is
5 made to terminate an agreement with the Inde-
6 pendence at Home organization involuntarily as
7 provided in subparagraphs (A) and (B). Such
8 notice shall inform the beneficiary of any other
9 Independence at Home organizations that
10 might be available to the beneficiary.

11 “(6) MANDATORY MINIMUM SAVINGS.—

12 “(A) REQUIRED.—

13 “(i) IN GENERAL.—Under an agree-
14 ment under this subsection, each Inde-
15 pendence at Home organization shall en-
16 sure that during any year of the agreement
17 for its Independence at Home program,
18 there is an aggregate savings in the cost to
19 the program under this title for partici-
20 pating beneficiaries, as calculated under
21 subparagraph (B), that is not less than 5
22 percent of the product described in clause
23 (ii) for such participating beneficiaries and
24 year.

1 “(ii) PRODUCT DESCRIBED.—The
2 product described in this clause for partici-
3 pating beneficiaries in an Independence at
4 Home program for a year is the product
5 of—

6 “(I) the estimated average
7 monthly costs that would have been
8 incurred under parts A and B (and,
9 to the extent cost information is avail-
10 able, part D) if those beneficiaries had
11 not participated in the Independence
12 at Home program; and

13 “(II) the number of participant-
14 months for that year.

15 “(B) COMPUTATION OF AGGREGATE SAV-
16 INGS.—

17 “(i) MODEL FOR CALCULATING SAV-
18 INGS.—The Secretary shall contract with a
19 nongovernmental organization or academic
20 institution to independently develop an an-
21 alytical model for determining whether an
22 Independence at Home program achieves
23 at least savings required under subpara-
24 graph (A) relative to costs that would have
25 been incurred by Medicare in the absence

1 of Independence at Home programs. The
2 analytical model developed by the inde-
3 pendent research organization for making
4 these determinations shall utilize state-of-
5 the-art econometric techniques, such as
6 Heckman’s selection correction methodolo-
7 gies, to account for sample selection bias,
8 omitted variable bias, or problems with
9 endogeneity.

10 “(ii) APPLICATION OF THE MODEL.—
11 Using the model developed under clause
12 (i), the Secretary shall compare the actual
13 costs to Medicare of beneficiaries partici-
14 pating in an Independence at Home pro-
15 gram to the predicted costs to Medicare of
16 such beneficiaries to determine whether an
17 Independence at Home program achieves
18 the savings required under subparagraph
19 (A).

20 “(iii) REVISIONS OF THE MODEL.—
21 The Secretary shall require that the model
22 developed under clause (i) for determining
23 savings shall be designed according to in-
24 structions that will control, or adjust for,
25 inflation as well as risk factors including,

1 age, race, gender, disability status, socio-
2 economic status, region of country (such as
3 State, county, metropolitan statistical area,
4 or zip code), and such other factors as the
5 Secretary determines to be appropriate, in-
6 cluding adjustment for prior health care
7 utilization. The Secretary may add to,
8 modify, or substitute for such adjustment
9 factors if such changes will improve the
10 sensitivity or specificity of the calculation
11 of costs savings.

12 “(iv) PARTICIPANT-MONTH.—In mak-
13 ing the calculation described in subpara-
14 graph (A), each month or part of a month
15 in a program year that a beneficiary par-
16 ticipates in an Independence at Home pro-
17 gram shall be counted as a ‘participant-
18 month’.

19 “(C) NOTICE OF SAVINGS CALCULATION.—
20 No later than 30 days before the beginning of
21 the first year of the pilot project under this sec-
22 tion and 120 days before the beginning of any
23 Independence at Home program year after the
24 first such year, the Secretary shall publish in
25 the Federal Register a description of the model

1 developed under subparagraph (B)(i) and infor-
2 mation for calculating savings required under
3 subparagraph (A), including any revisions, suf-
4 ficient to permit Independence at Home organi-
5 zations to determine the savings they will be re-
6 quired to achieve during the program year to
7 meet the savings requirement under subpara-
8 graph (A). In order to facilitate this notice, the
9 Secretary may designate a single annual date
10 for the beginning of all Independence at Home
11 program years that shall not be later than one
12 year from the date of enactment of this section.

13 “(7) MANNER OF PAYMENT.—Subject to para-
14 graph (8), payments shall be made by the Secretary
15 to an Independence at Home organization at a rate
16 negotiated between the Secretary and the organiza-
17 tion under the agreement for—

18 “(A) Independence at Home assessments;

19 and

20 “(B) on a per-participant, per-month basis
21 for the items and services required to be pro-
22 vided or made available under subsection
23 (d)(2)(C)(iv).

24 “(8) ENSURING MANDATORY MINIMUM SAV-
25 INGS.—The Secretary shall require any Independ-

1 ence at Home organization that fails in any year to
2 achieve the mandatory minimum savings described
3 in paragraph (6) to provide those savings by refund-
4 ing payments made to the organization under para-
5 graph (7) during such year.

6 “(9) BUDGET NEUTRAL PAYMENT CONDI-
7 TION.—

8 “(A) IN GENERAL.—Under this section,
9 the Secretary shall ensure that the cumulative,
10 aggregate sum of Medicare program benefit ex-
11 penditures under parts A, B, and D for partici-
12 pants in Independence at Home programs and
13 funds paid to Independence at Home organiza-
14 tions under this section, shall not exceed the
15 Medicare program benefit expenditures under
16 such parts that the Secretary estimates would
17 have been made for such participants in the ab-
18 sence of such programs.

19 “(B) TREATMENT OF SAVINGS.—

20 “(i) INITIAL IMPLEMENTATION
21 PHASE.—If an Independence at Home or-
22 ganization achieves aggregate savings in a
23 year in the initial implementation phase in
24 excess of the mandatory minimum savings
25 described in paragraph (6)(A)(ii), 80 per-

1 cent of such aggregate savings shall be
2 paid to the organization and the remainder
3 shall be retained by the programs under
4 this title during the initial implementation
5 phase.

6 “(ii) EXPANDED IMPLEMENTATION
7 PHASE.— If an Independence at Home or-
8 ganization achieves aggregate savings in a
9 year in the expanded implementation phase
10 in excess of 5 percent of the product de-
11 scribed in paragraph (6)(A)(ii)—

12 “(I) insofar as such savings do
13 not exceed 25 percent of such prod-
14 uct, 80 percent of such aggregate sav-
15 ings shall be paid to the organization
16 and the remainder shall be retained
17 by the programs under this title; and.

18 “(II) insofar as such savings ex-
19 ceed 25 percent of such product, in
20 the Secretary’s discretion, 50 percent
21 of such excess aggregate savings shall
22 be paid to the organization and the
23 remainder shall be retained by the
24 programs under this title.

1 “(f) WAIVER OF COINSURANCE FOR HOUSE
2 CALLS.—A physician, physician assistant, or nurse practi-
3 tioner furnishing services related to the Independence at
4 Home program in the home or residence of a participant
5 in an Independence at Home program may waive collec-
6 tion of any coinsurance that might otherwise be payable
7 under section 1833(a) with respect to such services but
8 only if the conditions described in section 1128A(i)(6)(A)
9 are met.

10 “(g) REPORT.—Not later than three months after the
11 date of receipt of the independent evaluation provided
12 under subsection (a)(5) and each year thereafter during
13 which this section is being implemented, the Secretary
14 shall submit to the Committees of jurisdiction in Congress
15 a report that shall include—

16 “(1) whether the Independence at Home pro-
17 grams under this section are meeting the minimum
18 quality and performance standards in (e)(3);

19 “(2) a comparative evaluation of Independence
20 at Home organizations in order to identify which
21 programs, and characteristics of those programs,
22 were the most effective in producing the best partici-
23 pant outcomes, patient and caregiver satisfaction,
24 and cost savings; and

1 “(3) an evaluation of whether the participant
2 eligibility criteria identified beneficiaries who were in
3 the top ten percent of the highest cost Medicare
4 beneficiaries.”.

5 (b) CONFORMING AMENDMENT.—Section 1833(a) of
6 such Act (42 U.S.C. 1395l(a)) is amended, in the matter
7 before paragraph (1), by inserting “and section 1807A(f)”
8 after “section 1876”.