

## HR 4984

To amend title XVIII of the Social Security Act to provide for a Medicare prescription drug benefit.

**Congress:** 107 (2001–2003, Ended)

**Chamber:** House

**Policy Area:** Health

**Introduced:** Jun 21, 2002

**Current Status:** Committee on Ways and Means discharged.

**Latest Action:** Committee on Ways and Means discharged. (Jun 28, 2002)

**Official Text:** <https://www.congress.gov/bill/107th-congress/house-bill/4984>

### Sponsor

**Name:** Rep. Tauzin, W. J. (Billy) [R-LA-3]

**Party:** Republican • **State:** LA • **Chamber:** House

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

| Committee                     | Chamber | Activity        | Date         |
|-------------------------------|---------|-----------------|--------------|
| Energy and Commerce Committee | House   | Reported By     | Jun 27, 2002 |
| Ways and Means Committee      | House   | Discharged From | Jun 28, 2002 |

### Subjects & Policy Tags

**Policy Area:**

Health

### Related Bills

*No related bills are listed.*

**Title I: Medicare Prescription Drug Benefit** - Amends title XVIII (Medicare) of the Social Security Act (SSA) to add a new part D (Voluntary Prescription Drug Benefit Program) under which each individual entitled to benefits under Medicare part A (Hospital Insurance) or enrolled under Medicare part B (Supplemental Medical Insurance) is also entitled to obtain qualified prescription drug coverage by electing to enroll: (1) in a plan that provides qualified prescription drug coverage under SSA title XVIII part C (Medicare+Choice) (M+C); or (2) in a prescription drug plan (PDP) under part D if the individual is not enrolled in a M+C plan providing qualified prescription drug coverage.

(Sec. 101) Outlines standard coverage benefit packages for FY 2005. Includes for the standard package an annual deductible of \$250, and requires insurers to cover 80 percent of enrollees drug costs from \$251 to \$1,000, then 50 percent of such costs between \$1,001 and the initial coverage limit of \$2,000. Requires enrollees to cover all costs between \$2,001 and \$4,500, and Medicare to cover the entire cost once the beneficiary has reached the \$4,500 catastrophic limit. Prescribes a formula for adjustment of the deductible and thresholds for years after 2005.

Prescribes certain beneficiary protections with respect to guaranteed issue, community-rated premiums, access to negotiated prices, medication therapy management, electronic prescription drugs, nondiscrimination, and grievance mechanisms.

Directs the Medicare Benefits Administrator to establish a process for beneficiary selection of the PDP or M+C plan offering prescription drug coverage.

Establishes a competitive bidding process for negotiating the terms and conditions of PDP sponsors.

Provides for full premium subsidy and reduction of cost-sharing for individuals with incomes below 150 percent of the Federal poverty level. Specifies both direct subsidies and subsidies through reinsurance for all Medicare beneficiaries for qualified prescription drug coverage.

Establishes the Medicare Prescription Drug Trust Fund in the Treasury for use in such new program.

(Sec. 102) Amends SSA title XVIII part C to: (1) provide for the offering of qualified prescription drug coverage under M+C; and (2) create a competitive bidding program for M+C organizations.

(Sec. 103) Amends SSA title XIX (Medicaid) with respect to low-income subsidies for Medicare prescription drug coverage.

(Sec. 104) Provides for transition of supplemental Medicare (Medigap) prescription drug coverage to the new part D program.

(Sec. 105) Directs the Secretary of Health and Human Resources to establish a program to: (1) endorse prescription drug discount care programs that meet the requirements of this Act; and (2) make available to Medicare beneficiaries information regarding such endorsed programs.

(Sec. 106) Directs the Comptroller General to study and report to Congress on the effectiveness of the part D prescription drug program.

## Actions Timeline

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- **Jun 28, 2002:** Committee on Ways and Means discharged.
- **Jun 28, 2002:** Placed on the Union Calendar, Calendar No. 330.
- **Jun 28, 2002:** Committee on Ways and Means discharged.
- **Jun 26, 2002:** Reported by the Committee on Energy and Commerce. H. Rept. 107-551, Part I.
- **Jun 26, 2002:** Reported by the Committee on Energy and Commerce. H. Rept. 107-551, Part I.
- **Jun 26, 2002:** House Committee on Ways and Means Granted an extension for further consideration ending not later than June 28, 2002.
- **Jun 21, 2002:** Introduced in House
- **Jun 21, 2002:** Introduced in House
- **Jun 21, 2002:** Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
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