

116TH CONGRESS
1ST SESSION

S. _____

To amend title XVIII of the Social Security Act to provide for an option for any citizen or permanent resident of the United States age 50 to 64 to buy into Medicare.

IN THE SENATE OF THE UNITED STATES

Ms. STABENOW (for herself, Mr. BROWN, and Ms. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title XVIII of the Social Security Act to provide for an option for any citizen or permanent resident of the United States age 50 to 64 to buy into Medicare.

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.**

4 This Act may be cited as the “Medicare at 50 Act”.

5 **SEC. 2. MEDICARE BUY-IN OPTION FOR INDIVIDUALS 50 TO**
6 **64 YEARS OF AGE.**

7 (a) IN GENERAL.—Title XVIII of the Social Security
8 Act (42 U.S.C. 1395c et seq.) is amended by adding at
9 the end the following new section:

1 “MEDICARE BUY-IN OPTION FOR INDIVIDUALS 50 TO 64
2 YEARS OF AGE

3 “SEC. 1899C. (a) OPTION.—

4 “(1) IN GENERAL.—Every individual who meets
5 the requirements described in paragraph (3) shall be
6 eligible to enroll under this section.

7 “(2) PART A, B, AND D BENEFITS AND PROTEC-
8 TIONS.—An individual enrolled under this section is
9 entitled to the same benefits (and shall receive the
10 same protections) under this title as an individual
11 who is entitled to benefits under part A and enrolled
12 under parts B and D, including the ability to enroll
13 in a Medicare Advantage plan that provides qualified
14 prescription drug coverage (an MA–PD plan) and
15 including access to the Medicare Beneficiary Om-
16 budsman under section 1808(c).

17 “(3) REQUIREMENTS FOR ELIGIBILITY.—The
18 requirements described in this paragraph are the fol-
19 lowing:

20 “(A) AGE.—The individual has attained 50
21 years of age, but has not attained 65 years of
22 age.

23 “(B) MEDICARE ELIGIBILITY (BUT FOR
24 AGE).—The individual is not otherwise entitled
25 to benefits under part A or eligible to enroll

1 under part A or part B but would be eligible for
2 benefits under part A or part B if the indi-
3 vidual were 65 years of age.

4 “(b) ENROLLMENT AND COVERAGE PERIODS.—

5 “(1) IN GENERAL.—The Secretary shall estab-
6 lish enrollment and coverage periods for individuals
7 who enroll under this section.

8 “(2) COORDINATION.—Such periods shall be es-
9 tablished in coordination with the enrollment and
10 coverage periods for plans offered under an Ex-
11 change established under title I of the Patient Pro-
12 tection and Affordable Care Act and plans under
13 parts C and D. If the Secretary determines appro-
14 priate, the Secretary may expand such enrollment
15 periods beyond the enrollment periods under such an
16 Exchange or under parts C and D.

17 “(3) BEGINNING OF COVERAGE AND SPECIAL
18 ENROLLMENT PERIODS.—The Secretary shall estab-
19 lish such periods so that coverage under this section
20 shall first begin on January 1 of the first year be-
21 ginning at least one year after the date of the enact-
22 ment of this section and shall include special enroll-
23 ment periods, in accordance with section 155.420 of
24 title 45 of the Code of Federal Regulations, that are

1 applicable to qualified health plans offered through
2 an Exchange.

3 “(c) PREMIUM.—

4 “(1) AMOUNT OF MONTHLY PREMIUMS.—The
5 Secretary shall (beginning for the first year that be-
6 gins more than 1 year after the date of the enact-
7 ment of this section), during September of the pre-
8 ceding year, determine a monthly premium for all
9 individuals enrolled under this section. Such monthly
10 premium shall be equal to $\frac{1}{12}$ of the annual pre-
11 mium computed under paragraph (2)(B), which
12 shall apply with respect to coverage provided under
13 this section for any month in the succeeding year.

14 “(2) ANNUAL PREMIUM.—

15 “(A) COMBINED PER CAPITA AVERAGE FOR
16 ALL MEDICARE BENEFITS.—The Secretary shall
17 estimate the average, annual per capita amount
18 for benefits and administrative expenses that
19 will be payable under parts A, B, and D (in-
20 cluding, as applicable, under part C) in the year
21 for all individuals enrolled under this section.

22 “(B) ANNUAL PREMIUM.—The annual pre-
23 mium under this subsection for months in a
24 year is equal to the average, annual per capita

1 amount estimated under subparagraph (A) for
2 the year.

3 “(3) INCREASED PREMIUM FOR CERTAIN PART
4 C AND D PLANS.—Nothing in this section shall pre-
5 clude an individual from choosing a Medicare Advan-
6 tage plan or a prescription drug plan that requires
7 the individual to pay an additional amount (because
8 of supplemental benefits or because it is a more ex-
9 pensive plan). In such case the individual would be
10 responsible for the increased monthly premium.

11 “(d) PAYMENT OF PREMIUMS.—

12 “(1) IN GENERAL.—Premiums for enrollment
13 under this section shall be paid to the Secretary at
14 such times, and in such manner, as the Secretary
15 determines appropriate.

16 “(2) DEPOSIT INTO MEDICARE BUY-IN TRUST
17 FUND.—Amounts collected by the Secretary under
18 this section shall be deposited in the Medicare Buy-
19 In Trust Fund established under paragraph (3).

20 “(3) MEDICARE BUY-IN TRUST FUND.—

21 “(A) IN GENERAL.—There is hereby cre-
22 ated on the books of the Treasury of the United
23 States a trust fund to be known as the ‘Medi-
24 care Buy-In Trust Fund’ (in this paragraph re-
25 ferred to as the ‘Trust Fund’). The Trust Fund

1 shall consist of such gifts and bequests as may
2 be made as provided in section 201(i)(1) and
3 such amounts as may be deposited in, or appro-
4 priated to, such fund as provided in this title.

5 “(B) INCORPORATION OF PROVISIONS.—
6 Subsections (b) through (i) of section 1841
7 shall apply with respect to the Trust Fund and
8 this title in the same manner as they apply with
9 respect to the Federal Supplementary Medical
10 Insurance Trust Fund and part B, respectively,
11 except that in applying such section 1841, any
12 reference in such section to ‘this part’ shall be
13 construed to be a reference to this section and
14 any reference in section 1841(h) to section
15 1840(d) and in section 1841(i) to sections
16 1840(b)(1) and 1842(g) are deemed to be ref-
17 erences to comparable authority exercised under
18 this section.

19 “(e) NOT ELIGIBLE FOR MEDICARE COST-SHARING
20 ASSISTANCE.—An individual enrolled under this section
21 shall not be treated as enrolled under any part of this title
22 for purposes of obtaining medical assistance for Medicare
23 cost-sharing or otherwise under title XIX.

24 “(f) ELIGIBILITY FOR FINANCIAL ASSISTANCE.—

1 “(1) IN GENERAL.—Individuals enrolled in cov-
2 erage under this section shall, from amounts trans-
3 ferred under paragraph (2), receive financial assist-
4 ance for such coverage that is substantially similar
5 to the assistance the individual would have received
6 if the individual were enrolled in a qualified health
7 plan through an Exchange.

8 “(2) TRANSFER OF FUNDS TO MEDICARE BUY-
9 IN TRUST FUND.—

10 “(A) IN GENERAL.—The Secretary shall
11 transfer to the Medicare Buy-In Trust Fund
12 under subsection (d)(3) for each plan year the
13 amount determined under paragraph (C) for
14 such year.

15 “(B) USE OF FUNDS.—The amounts
16 transferred to the Medicare Buy-In Trust Fund
17 under subparagraph (A) shall only be used to
18 reduce the premiums and cost-sharing for cov-
19 erage under this section of individuals enrolled
20 under such coverage who would be eligible for
21 cost-sharing reductions under section 1402 of
22 the Patient Protection and Affordable Care Act
23 and premium assistance under section 36B of
24 the Internal Revenue Code of 1986 if such indi-
25 vidual were enrolled in a qualified health plan.

1 “(C) AMOUNT OF TRANSFER.—

2 “(i) IN GENERAL.—The amount de-
3 termined under this subparagraph for any
4 plan year is the aggregate amount the Sec-
5 retary determines is equal to 100 percent
6 of the premium tax credits under section
7 36B of the Internal Revenue Code of
8 1986, and 100 percent of the cost-sharing
9 reductions under section 1402 of the Pa-
10 tient Protection and Affordable Care Act,
11 that would have been provided for the plan
12 year to eligible individuals who meet speci-
13 fied income criteria and are enrolled for
14 such plan year in coverage provided
15 through enrollment under this section if
16 such individuals were enrolled for such
17 year in a qualified health plan through an
18 Exchange.

19 “(ii) SPECIFIC REQUIREMENTS.—The
20 Secretary shall make the determination
21 under clause (i) on a per enrollee basis and
22 shall take into account all relevant factors
23 necessary to determine the value of the
24 premium tax credits and cost-sharing re-
25 ductions that would have been provided to

1 eligible individuals described in section
2 1331 of the Patient Protection and Afford-
3 able Care Act, including the age and in-
4 come of the enrollee, geographic differences
5 in average spending for health care across
6 rating areas, the health status of the en-
7 rollee for purposes of determining risk ad-
8 justment payments and reinsurance pay-
9 ments that would have been made if the
10 enrollee had enrolled in a qualified health
11 plan through an Exchange, and whether
12 any reconciliation of the credit or cost-
13 sharing reductions would have occurred if
14 the enrollee had been so enrolled. This de-
15 termination shall take into consideration
16 the experience of other States with respect
17 to participation in an Exchange and such
18 credits and reductions provided to resi-
19 dents of the other States, with a special
20 focus on enrollees with income below 200
21 percent of poverty.

22 “(D) CERTIFICATION.—

23 “(i) IN GENERAL.—The Chief Actuary
24 of the Centers for Medicare & Medicaid
25 Services, in consultation with the Office of

1 Tax Analysis of the Department of the
2 Treasury, shall certify whether the method-
3 ology used to make determinations under
4 subparagraph (C), and such determina-
5 tions, meet the requirements of this para-
6 graph.

7 “(ii) CORRECTIONS.—The Secretary
8 shall adjust the payment to the Trust
9 Fund for any plan year to reflect any error
10 in the determinations under subparagraph
11 (C) for any preceding plan year.

12 “(iii) APPLICATION.—Coverage pro-
13 vided through enrollment under this part
14 and parts B and D pursuant to this sec-
15 tion shall be treated as coverage under a
16 qualified health plan in the silver level of
17 coverage in the individual market offered
18 through an Exchange and the Secretary
19 shall be treated as the issuer of such plan.

20 “(g) TREATMENT IN RELATION TO THE AFFORD-
21 ABLE CARE ACT.—

22 “(1) SATISFACTION OF INDIVIDUAL MAN-
23 DATE.—For purposes of applying section 5000A of
24 the Internal Revenue Code of 1986, the coverage
25 provided under this section constitutes minimum es-

1 sential coverage under subsection (f)(1)(A)(i) of
2 such section 5000A.

3 “(2) ELIGIBILITY FOR PREMIUM ASSISTANCE.—

4 Coverage provided under this section—

5 “(A) shall be treated as coverage under a
6 qualified health plan in the individual market
7 enrolled in through the Exchange where the in-
8 dividual resides for all purposes of section 36B
9 of the Internal Revenue Code of 1986 other
10 than subsection (c)(2)(B) thereof; and

11 “(B) shall not be treated as eligibility for
12 other minimum essential coverage for purposes
13 of subsection (c)(2)(B) of such section 36B.

14 The Secretary shall determine the applicable second
15 lowest cost silver plan which shall apply to coverage
16 under this section for purposes of determining the
17 premium assistance amount under section 36B(b)(2)
18 of such Code. Notwithstanding the preceding sen-
19 tences, in determining the applicable second lowest
20 cost silver plan with respect to any taxpayer under
21 section 36B(b)(3)(B) of such Code, coverage pro-
22 vided under this section shall not be taken into ac-
23 count as a silver plan of the individual market.

24 “(3) ELIGIBILITY FOR COST-SHARING REDUC-
25 TIONS.—For purposes of applying section 1402 of

1 the Patient Protection and Affordable Care Act (42
2 U.S.C. 18071)—

3 “(A) coverage provided under this section
4 shall be treated as coverage under a qualified
5 health plan in the silver level of coverage in the
6 individual market offered through an Exchange;
7 and

8 “(B) the Secretary shall be treated as the
9 issuer of such plan.

10 “(4) MEDICAID MANAGED CARE.—States are
11 prohibited from buying their Medicaid beneficiaries
12 ages 50 to 64 into Medicare under this section, and
13 individuals otherwise eligible for enrollment under a
14 State plan under title XIX are prohibited from cov-
15 erage under this title pursuant to enrollment under
16 this section. The preceding sentence shall not apply
17 to Medicaid beneficiaries whose Medicaid coverage or
18 eligibility does not meet the definition of minimum
19 essential coverage under a government-sponsored
20 program under section 1.5000A–2 of title 26, Code
21 of Federal Regulations (or any successor regulation).

22 “(h) GUARANTEED ISSUE OF MEDIGAP POLICIES
23 UPON FIRST ENROLLMENT AND EACH SUBSEQUENT EN-
24 ROLLMENT.—In the case of an individual who enrolls
25 under this section (including an individual who was pre-

1 viously enrolled under this section), paragraphs (2)(A),
2 (2)(D), (3)(B)(ii), and (3)(B)(vi) of section 1882(s)—

3 “(1) shall be applied by substituting ‘50’ for
4 ‘65’;

5 “(2) if the individual was enrolled under this
6 section and subsequently disenrolls, shall apply each
7 time the individual subsequently reenrolls under this
8 section as if the individual had attained 50 years of
9 age on the date of such reenrollment (and as if the
10 individual had never previously enrolled in a medi-
11 care supplemental policy); and

12 “(3) shall be applied as if this section had not
13 been enacted (and as if the individual had never pre-
14 viously enrolled in a medicare supplemental policy)
15 when the individual attains 65 years of age.

16 “(i) OVERSIGHT.—There is established an advisory
17 committee to be known as the ‘Medicare Buy In Oversight
18 Board’ to monitor and oversee the implementation of this
19 section, including the experience of the individuals enroll-
20 ing under this section. The Medicare Buy In Oversight
21 Board shall make periodic recommendations for the con-
22 tinual improvement of the implementation of this section
23 as well as the relationship of enrollment under this section
24 to other health care programs.

25 “(j) OUTREACH AND ENROLLMENT.—

1 “(1) IN GENERAL.—During the period that be-
2 gins on January 1, 2019, and ends on December 31,
3 2021, the Secretary shall award grants to eligible
4 entities for the following purposes:

5 “(A) OUTREACH AND ENROLLMENT.—To
6 carry out outreach, public education activities,
7 and enrollment activities to raise awareness of
8 the availability of, and encourage, enrollment
9 under this section.

10 “(B) ASSISTING INDIVIDUALS’ TRANSITION
11 UNDER THIS SECTION.—To provide assistance
12 to individuals to enroll under this section.

13 “(C) RAISING AWARENESS OF PREMIUM
14 ASSISTANCE AND COST-SHARING REDUC-
15 TIONS.—To distribute fair and impartial infor-
16 mation concerning enrollment under this section
17 and the availability of premium assistance tax
18 credits under section 36B of the Internal Rev-
19 enue Code of 1986 and cost-sharing reductions
20 under section 1402 of the Patient Protection
21 and Affordable Care Act, and to assist eligible
22 individuals in applying for such tax credits and
23 cost-sharing reductions.

24 “(2) ELIGIBLE ENTITIES.—

1 “(A) IN GENERAL.—In this subsection, the
2 term ‘eligible entity’ means—

3 “(i) a State; or

4 “(ii) a nonprofit community-based or-
5 ganization.

6 “(B) ENROLLMENT AGENTS.—Such term
7 includes a licensed independent insurance agent
8 or broker that has an arrangement with a State
9 or nonprofit community-based organization to
10 enroll eligible individuals under this section.

11 “(C) EXCLUSIONS.—Such term does not
12 include an entity that—

13 “(i) is a health insurance issuer; or

14 “(ii) receives any consideration, either
15 directly or indirectly, from any health in-
16 surance issuer in connection with the en-
17 rollment of any individuals under this sec-
18 tion.

19 “(3) PRIORITY.—In awarding grants under this
20 subsection, the Secretary shall give priority to
21 awarding grants to States or eligible entities in
22 States that have geographic rating areas at risk of
23 having no qualified health plans in the individual
24 market.

1 “(4) FUNDING.—For purposes of carrying out
2 this subsection, there is appropriated to the Sec-
3 retary, out of any moneys in the Treasury not other-
4 wise appropriated, \$500,000,000 for calendar year
5 2019 and for each subsequent calendar year.

6 “(k) NO EFFECT ON BENEFITS FOR INDIVIDUALS
7 OTHERWISE ELIGIBLE OR ON TRUST FUNDS.—The Sec-
8 retary shall implement the provisions of this section in
9 such a manner to ensure that such provisions—

10 “(1) have no effect on the benefits under this
11 title for individuals who are entitled to, or enrolled
12 for, such benefits other than through this section;
13 and

14 “(2) have no negative impact on the Federal
15 Hospital Insurance Trust Fund or the Federal Sup-
16 plementary Medical Insurance Trust Fund (includ-
17 ing the Medicare Prescription Drug Account within
18 such Trust Fund).

19 “(l) CONSULTATION.—In promulgating regulations
20 to implement this section, the Secretary shall consult with
21 interested parties, including groups representing bene-
22 ficiaries, health care providers, employers, and insurance
23 companies.”.

1 **SEC. 3. AUTHORITY TO NEGOTIATE FAIR PRICES FOR MEDI-**
2 **CARE PRESCRIPTION DRUGS.**

3 (a) IN GENERAL.—Section 1860D–11 of the Social
4 Security Act (42 U.S.C. 1395w–111) is amended by strik-
5 ing subsection (i).

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall take effect on the date of the enactment
8 of this Act.