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[H.R. 3831, Securing Fairness in Regulatory Timing Act of 2015, as amended](#)

FLOOR SITUATION

On Thursday, December 10, 2015, the House will consider [H.R. 3831](#), the Securing Fairness in Regulatory Timing Act of 2015, as amended, under suspension of the rules. The bill was introduced on October 26, 2015, by Rep. Kevin Brady (R-TX) and was referred to the Committee on Ways and Means, and in addition, to the Committee on Energy and Commerce.

SUMMARY

H.R. 3831 extends the annual regulatory notice period for scheduled payment rate changes for Medicare Advantage (MA) payments from 45 days to at least 60 days, and stipulates that MA organizations should have at least 30 days to comment on such changes.

BACKGROUND

“Medicare Advantage (MA) is an alternative way for Medicare beneficiaries to receive covered benefits. Under MA, private health plans are paid a per-person monthly amount to provide all Medicare-covered benefits (except hospice) to beneficiaries who enroll in their plan. Unlike under original Medicare, where providers are paid for each item or service provided to a beneficiary, the same capitated monthly payment is made to an MA plan regardless of how many or few services a beneficiary actually uses.

“The plan is at-risk if costs for all of its enrollees exceed program payments and beneficiary cost sharing; conversely, in general, the plan can retain savings if aggregate enrollee costs are less than program payments and cost sharing. Capitated payments to plans are determined, in part, on a benchmark, or maximum payment. Benchmarks are updated each year by one or two measures of Medicare spending growth and by other adjustments.”¹

¹ See CRS Report, [“Medicare Advantage—Proposed Benchmark Update and Other Adjustments for CY2016: In Brief.”](#) February 25, 2015.

Under current law, the Secretary of Health and Human Services is required to provide at least 45 days' notice to MA organizations of proposed rate payment changes and to provide such organizations an opportunity to comment on the changes. H.R. 3831 increases this minimum notice period to at least 60 days, and requires that such organizations have at least 30 days to comment on changes.² Extending the comment period to match the comment periods of other annual regulations will allow for fairness across Medicare and relevant stakeholders and will allow Congress to comment on the proposed changes.

COST

A Congressional Budget Office (CBO) cost estimate is currently unavailable.

STAFF CONTACT

For questions or further information please contact [John Huston](#) with the House Republican Policy Committee by email or at 6-5539.

² See [42 USC 1395w-23](#)