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## MARKUP ON:

H.R. 1148, FURTHERING ACCESS TO STROKE TELEMEDICINE (FAST) ACT OF 2017;

H.R. 2465, STEVE GLEASON ENDURING VOICES ACT OF 2017;

H.R. 2557, PROSTATE CANCER MISDIAGNOSIS ELIMINATION ACT OF 2017;

H.R. 3120, TO REDUCE THE VOLUME OF FUTURE ELECTRONIC HEALTH RECORD-RELATED SIGNIFICANT HARDSHIP REQUESTS;

H.R. 3245, MEDICARE CIVIL AND CRIMINAL PENALTIES ACT;

H.R. 3263, TO EXTEND THE MEDICARE INDEPENDENCE AT HOME MEDICAL PRACTICE DEMONSTRATION PROGRAMS;

**AND** 

H.R. 3271, PROTECTING ACCESS TO DIABETES SUPPLIES ACT OF 2017 WEDNESDAY, SEPTEMBER 13, 2017

House of Representatives,

Subcommittee on Health,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to call, at 2:15 p.m., in Room

2123, Rayburn House Office Building, Hon. Michael Burgess, M.D. [chairman of the subcommittee] presiding.

Present: Representatives Burgess, Barton, Shimkus, Murphy,
Blackburn, McMorris Rodgers, Lance, Griffith, Bilirakis, Long,
Bucshon, Hudson, Collins, Carter, Walden (ex officio), Green, Matsui,
Sarbanes, Kennedy, Eshoo, and Pallone (ex officio).

Staff Present: Ray Baum, Staff Director; Mike Bloomquist, Deputy Staff Director; Elena Brennan, Legislative Clerk, Energy/Environment; Karen Christian, General Counsel; Paul Edattel, Chief Counsel, Health; Adam Fromm, Director of Outreach and Coalitions; Ali Fulling, Legislative Clerk, Oversight and Investigations, DCCP; Jay Gulshen, Legislative Clerk, Health; Peter Kielty, Deputy General Counsel; Edward Kim, Senior Health Policy Advisor; Alex Miller, Video Production Aide and Press Assistant; James Paluskiewicz, Professional Staff, Health; Kristen Shatynski, Professional Staff Member, Health; Jennifer Sherman, Press Secretary; Evan Viau, Legislative Clerk, Communications and Technology; Hamlin Wade, Special Advisor, External Affairs; Michael Budros, Minority Health Fellow; Jeff Carroll, Minority Staff Director; Elizabeth Ertel, Minority Office Manager; Una Lee, Minority Senior Health Counsel; Dan Miller, Minority Policy Analyst; Tim Robinson, Minority Chief Counsel; Samantha Satchell, Minority Policy Analyst; Andrew Souvall, Minority Director of Communications, Outreach and Member Services; and C.J. Young, Minority Press Secretary.

Mr. <u>Burgess</u>. The subcommittee will come to order. The chair recognizes himself for an opening statement.

Today the Health Subcommittee will mark up seven bipartisan bills led by members of this subcommittee. The policies within each of these bills exemplify our shared commitment to strengthening the Medicare program for current beneficiaries and improving it for future generations.

First, the committee will consider an amendment in the nature of a substitute to H.R. 1148, Furthering Access to Stroke Telemedicine Act, introduced by Representative Griffith.

Stroke is the fifth-leading cause of death in the United States, and cost associated is projected to skyrocket in the next decade. This bill will provide stroke patients with expanded access to trained neurologists for timely care through the Medicare telemedicine program.

Next, we revisited the important policy that has provided people with severe degenerative diseases, like ALS and Parkinson's, with continued coverage for speech-generating devices under Medicare. I commend Representative McMorris Rodgers and Representative Scalise for their leadership on this policy. H.R. 2465, Steve Gleason Enduring Voices Act, would remove the 2018 sunset and make coverage of these medical devices permanent.

Misdiagnosis of prostate cancer is frightening for patients who are actually cancer-free, but it can also be costly. H.R. 2557,

Prostate Cancer Misdiagnosis Elimination Act, introduced by

Representatives Bucshon and Rush, would provide coverage for DNA

Specimen Provenance Assay testing as a diagnostic tool so that the patients get the correct diagnosis the first time around.

When it comes to the value of electronic health records, progress has been made through policies enacted in the Medicare Access and CHIP Reauthorization Act and the Cures bill. However, the increase of more stringent measures for meaningful use for physicians in hospitals has done little to improve the use of electronic health records or the quality of healthcare for patients while increasing the need for the Department of Health and Human Services to grant more hardship waivers.

Representative Dingell and I introduced H.R. 3120 to move us in the right direction by providing relief for providers and allowing the Department of Health and Human Services to be more deliberative with meaningful use.

H.R. 3245, Medicare Civil and Criminal Penalties Act, introduced by Representatives Bilirakis and Castor, would update both penalties in the Medicare program, which is long overdue.

Over the past 5 years, the Independence at Home Demonstration Program has provided high-need Medicare beneficiaries with home-based primary care. H.R. 3263, introduced by Representative Dingell and myself, will extend this program for an additional 2 years so that the Center for Medicare and Medicaid Services has more time to assess the program's effectiveness and cost savings.

And finally, Representatives DeGette and Brooks introduced
H.R. 3271, Protecting Access to Diabetes Supplies Act, to ensure the

beneficiary protections under the competitive bidding program for diabetes test strips are enforced and beneficiaries are getting the diabetic testing supplies that they need.

I want to thank all of the members of our committee for their contributions to these bills, and we will do our work today, and we will look forward to seeing them at a full committee markup.

I now wish to recognize the gentleman from Texas, Mr. Green, 3 minutes for an opening statement.

Mr. Green. Thank you, Mr. Chairman.

Since 1965, Medicare has provided affordable health insurance coverage and access to care for the Nation's seniors and most vulnerable populations. Few programs have improved the lives of Americans as significantly as Medicare. Fifty years ago, almost half of elderly Americans lacked health insurance, and now Medicare provides lifesaving insurance to nearly 100 percent of the adults over 65 years old.

Today, we are marking up seven bipartisan bills that aim to improve the Medicare program, particularly Medicare part B, which covers physician, outpatient, laboratory, and some home health services, as well as durable medical equipment. They are all worthy of support, but I would like to highlight a few.

H.R. 1148, the Furthering Access to Stroke Telemedicine, or FAST Act, would expand Medicare reimbursement for providers for stroke telemedicine devices beyond those provided in rural sites.

Telemedicine, in general, holds great promise to improve patient care

and lower cost, and telestroke can be a critical service of patients who need access to a specialist as soon as possible after an event. I strongly support this bill, and I am pleased to see it moving forward.

H.R. 3136, the Medicare Part B Home Infusion Services Temporary Transitional Payment Act, is another important bill as we are considering this markup. It would provide a temporary transitional payment for home infusion therapy under Medicare.

The overpayment of home infusion drugs was addressed in the 21st Century Cures Act, but the timing payment changes for the drugs and services associated with their administration did not line up, potentially resulting in a reduction of patient access. This bill fixes that problem by providing a temporary bridge, so that patients who need home infusion therapy don't undergo lost access to the care they need.

I would also like to highlight H.R. 3271, the Protecting Access to Diabetes Supplies Act. This bill will make improvements to Medicare's competitive bidding program for diabetes testing strips by strengthening patient protections and enhancing the beneficiary choice. It requires CMS to enforce the requirement that suppliers provide at least 50 percent of all diabetes test supplies that are commercially available before implementing the competitive bidding program, prevent suppliers from coercing beneficiaries into changing their choice of test strips, and making it easier for patients to switch and receive different testing supplies, if they want to do so. I have cosponsored this legislation in the past and continue to support it.

H.R. 2465, the Steve Gleason Enduring Voices Act, would permanently get rid of the durable medical equipment rental cap for speech-generating devices. SGDs are exempt from the rental cap until October 1 of 2018. This bill would make that policy permanent. We should ensure beneficiaries who rely on SGDs have access to their necessary and personalized communication technology, even if they reside in a nursing home, are hospitalized, or in a hospice.

Mr. Chairman, all seven bills are bipartisan and will strengthen the Medicare program, help providers, and more importantly, improve care and access for beneficiaries. I urge my colleagues to support these bills, and I yield back.

Mr. <u>Burgess.</u> The gentleman yields back. The chair thanks the gentleman.

The chair recognizes the gentleman from Oregon, the chairman of the full committee, Mr. Walden, 3 minutes for an opening statement, please.

Mr. Walden. Thank you very much, Mr. Chairman.

Today, as we have heard, the subcommittee with consider seven bipartisan bills. They all make important reforms to Medicare part B. Each of these have been championed by members of this committee and were reviewed and examined at our July 20 hearing.

I would like to thank Ranking Member Pallone for his great cooperation in identifying these bills and his work to help us get here today. It is my hope this will be an ongoing process of working to find responsible Medicare policies and associated offsets where needed

that can be enacted into law and make targeted improvements to the programs.

While not every bill we examined in July was ready to proceed to markup today, we continue to work on these vital policies and hope we will be able to eventually advance all of them.

I will also note, one of the bills, relating to patients being able to continue to receive home infusion, has passed the House and awaits Senate action, which I hope will happen soon.

Collectively, the seven bills we take up today seek to improve the care delivered to our Nation's seniors who rely on the Medicare program.

We will look at H.R. 3263. This legislation extends the Independence At Home Demonstration, which has returned on investment and allowed beneficiaries to receive doctors visits in the home, improving delivery and continuity of care. This is critical for patients in districts like mine, in rural Oregon, where they may have limited ability to travel and can access continuous care in the comfort of their own homes.

- H.R. 2465 will ensure that Medicare will not take away the ability of a beneficiary to speak when their care setting changes, when communication is most important through speech-generating devices.
- H.R. 1148 has immense potential to avoid, or at least minimize, what can be the debilitating impact of stroke by allowing payment for a neurologist to provide a telestroke consult. Again, there is great potential in rural areas of the country to take advantage of telehealth

to cut down on unnecessary travel and to increase quality of care.

H.R. 2557 will provide coverage for a confirmation test to ensure beneficiaries are not receiving false positive diagnoses of prostate cancer, putting this important confirmatory tool in the hands of physicians.

And H.R. 3120 will ease the ability of providers to deliver care and reduce CMS' workload by allowing flexibility and setting goals for meaningful use.

We also will consider two bills that will improve program integrity. The first, H.R. 3245, will update the criminal and civil monetary penalties associated with Medicare fraud. We need to put in place the right tools to deter and recoup fraud against the Medicare program and its beneficiaries, and this legislation updates penalties that were in some cases set decades ago.

The second bill seeks to ensure that diabetics are receiving the patient protections Congress intended when receiving their needed monitors and strips. Competitive bidding saved Medicare and its beneficiaries billions of dollars, but as proven from our work today, and on the complex rehabilitation accessories earlier this year, the committee is vigilant in monitoring important patient protections.

Again, I think we have made great strides. I look forward to moving these bills forward. And I thank the chairman and all the members of the committee for their diligent work moving these bills to this point.

Mr. <u>Burgess</u>. The chair thanks the gentleman. The gentleman

yields back.

The chair recognizes the gentleman from New Jersey, Mr. Pallone, 3 minutes for an open statement, please.

Mr. Pallone. Thank you, Chairman Burgess.

Today, we are marking up bipartisan bills aimed at improving care in the Medicare program. Medicare plays a critical role in the lives of our Nation's seniors and Americans with disabilities. The committee's efforts to continuously improve this program will ensure the highest quality care to these beneficiaries.

First, I want to say I am pleased we are marking up H.R. 1148, the FAST Act, introduced by Representatives Joyce and Griffith.

Stroke telemedicine, also known as telestroke, breaks down barriers to care and is a valuable tool for combating our Nation's fifth-leading cause of death. The FAST Act would expand coverage of telestroke services so the beneficiaries can get the right treatment at the right time no matter where they live. And when it comes to stroke, obviously, every second counts.

I am also pleased to mark up H.R. 3263, to extend the Independence at Home Demonstration, which allows seniors with complex and expensive chronic conditions to receive team-based primary care in their own home. This model reduces costs and barriers to access for vulnerable seniors, while also ensuring that beneficiaries receive care where they feel most comfortable. Improving both the quality and comfort of care for seniors suffering from complex conditions is critical to the sustainability of Medicare.

I also look forward to more discussion today on H.R. 3271, introduced by Representatives DeGette and Brooks. Medicare beneficiaries with diabetes should have a choice in their testing supplies. They should be able to access testing strips compatible with the blood glucose monitor of their choice. They should also be protected by law from coercive practices from suppliers.

H.R. 3271 would require stronger CMS assurances as suppliers carry a greater variety of testing supplies and make it easier for beneficiaries to switch testing supplies when they want to. This bill will improve the quality of service available through the National Mail-Order Program to the growing number of Medicare beneficiaries living with diabetes.

And finally, we are also marking up four other bills that aim to make meaningful changes to the Medicare program by protecting beneficiaries, reducing provider burden, and improving program integrity, and I look forward to working on a bipartisan basis today to advance these important bills to the full committee.

So thank you, Mr. Chairman.

Mr. <u>Burgess.</u> The chair thanks the gentleman. The gentleman yields back.

The chair recognizes the gentlelady from Tennessee, Mrs. Blackburn, 1 minute for an opening statement, please.

Mrs. <u>Blackburn.</u> Thank you, Mr. Chairman.

I just want to follow on with a couple of things that the chairman mentioned.

Our hearing in July was a good hearing, and we thank you, Mr. Chairman, for calling that. We did look at the bipartisan proposals.

And one of the things that is so important that we have in the bills that we are doing today is to update some of the statutes, so that Medicare enrollees are able to access 21st century medical care.

And that is something that is a cost saver. It is also something that is going to lead to better outcomes and better quality of life, as we can adopt and use these new technologies.

And with that, I yield back my time.

Mr. <u>Burgess</u>. The gentlelady yields back. The chair thanks the gentlelady.

Is there a member on the Democratic side of the dais seeking time for an opening statement? Are there other members on the Republican side seeking time for an opening statement?

The gentlelady from Washington is recognized for 1 minute for an opening statement.

Mrs. McMorris Rodgers. Thank you, Mr. Chairman.

I want to thank the committee for all the hard work on the Steve Gleason Enduring Voices Act, but also recognize the other work on the Medicare bills up for consideration today.

In 2015, Congress passed the original Steve Gleason Act. It temporarily removed speech-generating devices from the Medicare capped-rental category, protecting patient access to medically necessary speech-generating devices for those with severe communication disabilities.

Today, we have an opportunity to make it permanent, and it would return SGDs to the routinely purchased DME payment category, ensuring proper and effective coverage in the future for these patients that so rely on these devices.

You are giving a voice to the voiceless by supporting this legislation. We should be embracing this kind of lifesaving, changing technology. Everyone deserves a voice. Everyone deserves to be heard.

Thank you, Mr. Chairman.

Mr. <u>Burgess</u>. The chair thanks the gentlelady. The gentlelady yields back.

The chair recognizes the gentleman from Florida, Mr. Bilirakis, 1 minute for an opening statement.

Mr. <u>Bilirakis</u>. Thank you, Mr. Chairman. I appreciate it.

Thank for holding this markup and moving these very important bills.

I want to highlight a couple of the bills.

My own bill, the Medicare Civil and Criminal Penalties Act, which updates and increases civil and criminal penalties. Many of these penalties haven't been addressed, they haven't been updated in over 20 years.

The FAST Act, which removes an important barrier to the expansion of telestroke services in the Medicare program.

And I also want to take a second to highlight the Protecting Access to Diabetes Supplies Act.

Back in July this committee heard from Christel Aprigliano from

the Tampa area. She is a former constituent of mine and lives with diabetes. She testified about the dangers of diabetes testing strips under the Medicare competitive bidding program, and this legislation will fix the program.

I want to congratulate Christel on this bill and moving through the committee process, and I hope she and her family survive Hurricane Irma with minimal damage.

I yield back. Thank you.

Mr. <u>Burgess</u>. The chair thanks the gentleman. The gentleman yields back.

Seeing no other members seeking time for an opening statement, the chair will call up H.R. 1148 and ask the clerk to report.

The <u>Clerk.</u> H.R. 1148, to amend title XVIII of the Social Security Act to expand access to telehealth eligible stroke services under the Medicare program.

Mr. <u>Burgess.</u> Without objection, the first reading of bill is dispensed with, and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-1 \*\*\*\*\*\*

Mr. Burgess. Are there any bipartisan amendments to the bill?

Mr. Griffith. Mr. Chairman, I have an amendment at the desk.

Mr. <u>Burgess.</u> For what purpose does the gentleman seek recognition?

Mr. Griffith. I have an amendment at the desk, Mr. Chairman.

Mr. <u>Burgess</u>. The clerk will report the amendment.

The <u>Clerk.</u> Amendment in the nature of a substitute to H.R. 1148, offered by Mr. Griffith of Virginia.

Mr. <u>Burgess</u>. Without objection, the reading of the amendment is dispensed with and Mr. Griffith is recognized for 5 minutes in support of the amendment.

[The amendment of Mr. Griffith follows:]

\*\*\*\*\*\* INSERT 1-2 \*\*\*\*\*\*

Mr. Griffith. Thank you very much, Chairman Burgess.

This amendment simply makes technical changes to ensure the language is consistent with current statute and that the implementation date is feasibly.

I appreciate all the kind comments in the opening statements about this. We have had testimony on it. It is an important bill that Congresswoman Beatty and I introduced.

But I am also reminded of my colleague from my days in the Virginia
House of Delegates, country lawyer, delegate from Abington, Joe
Johnson, who once stood up, and said: This bill takes a few words out,
puts a few words in, makes it better.

I yield back.

Mr. <u>Burgess.</u> The gentleman yields back. The chair thanks the gentleman.

Is there further discussion of the amendment? If there is no further discussion, the vote occurs on the amendment.

All those in favor shall signify by saying aye.

All those opposed, nay.

The ayes have it and the amendment is agreed to.

The question now occurs on forwarding H.R. 1148, as amended, to the full committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 2465 and asks the clerk to report.

The <u>Clerk.</u> H.R. 2465, to amend title XVIII of the Social Security Act to make permanent the removal of the rental cap for durable medical equipment under the Medicare program with respect to speech-generating devices.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with, and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-3 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there bipartisan amendments to the bill? Are there other amendments? Does anyone seek time to speak on the bill? Let me recognize myself for 5 minutes.

I am going to ask unanimous consent to insert into the record the statement from the Honorable Steve Scalise for H.R. 2465, the Steve Gleason Enduring Voices Act of 2017. Mr. Scalise says:

"I thank Chairman Burgess and the subcommittee for holding the markup, and especially for taking up the Steve Gleason Enduring Voices Act.

"Steve Gleason is a true inspiration to the people in Louisiana and around the country. And thanks to the Steve Gleason Act of 2015, thousands of people with disabilities who were once forced to suffer in silence now have a voice.

"However, with parts of this law set to expire next year, Congress must now act permanently to extend this life-changing legislation that ensures patients with ALS and other degenerative diseases will continue to have access to cutting-edge devices which they need to live their lives to the fullest.

"I am proud of the work, alongside Congresswoman McMorris Rodgers, on this piece of critical legislation and look forward to supporting it all the way to President Trump's desk."

Submitted by the Honorable Steve Scalise.

I ask unanimous consent to insert his letter into the record. Without objection, so ordered.

[The information follows:]

\*\*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*\*

Mr. <u>Burgess</u>. Is there anyone else seeking to be heard on the bill? Seeing none, the question now occurs on forwarding H.R. 2465, as amended, to the committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 2557 and asks the clerk to report.

The <u>Clerk.</u> H.R. 2557, to amend title XVIII of the Social Security Act to provide for coverage under the Medicare program of certain DNA Specimen Provenance Assay clinical diagnostic laboratory tests.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with, and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-4 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there any bipartisan amendments to the bill? Are there other amendments? Does anyone seek time to be heard on the bill?

Mr. Bucshon. Mr. Chairman.

Mr. <u>Burgess</u>. For what purpose does the gentleman from Indiana seek recognition?

Mr. <u>Bucshon</u>. I seek to speak on the legislation, so strike the last word.

Mr. Burgess. The gentleman is recognized for 5 minutes.

Mr. <u>Bucshon</u>. Mr. Chairman, prostate cancer affects the lives of one in seven American men. More than 800,000 prostate biopsies are performed on men each year. However, despite the most rigorous protocols for obtaining and handling specimens, about 2.5 percent are subject to complications where a specimen from one patient is transposed with or contaminated by that of another patient.

It is estimated that about 1.3 percent of patients, greater than 10,000 people a year in the United States, are erroneously told they have prostate cancer when they do not. The Prostate Cancer Misdiagnosis Elimination Act would eliminate these medical errors by requiring Medicare coverage for DNA Specimen Provenance Assay testing for positive biopsies for prostate cancer. This will ensure only the right patients receive treatment and protect falsely diagnosed patients from receiving expensive and often very debilitating and unnecessary treatments.

I urge my colleagues to support this commonsense legislation.

Thank you. And I yield back the balance of my time.

Mr. <u>Burgess</u>. The chair thanks the gentleman. The gentleman yields back.

Is any other member seeking to be heard on the bill?

The question now occurs on forwarding H.R. 2557 to the full committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 3120 and asks the clerk to report.

The <u>Clerk.</u> H.R. 3120, to amend title XVIII of the Social Security Act to reduce the volume of future electronic health record-related significant hardship requests.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-5 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there bipartisan amendments to the bill? Are there other amendments to the bill? Is there anyone wishing to be heard on the bill? You heard my opening statement, I will not add to that.

The question now occurs on forwarding H.R. 3120 to the full committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 3245 and asks the clerk to report.

The <u>Clerk.</u> H.R. 3245, to amend title XI of the Social Security Act to increase civil money penalties and criminal fines for Federal healthcare program fraud and abuse and for other purposes.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-6 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there bipartisan amendments to the bill? Are there other amendments to the bill? Does anyone wish to be heard on the bill?

For what purpose does the gentleman from Florida seek recognition?

Mr. Bilirakis. Strike the last word.

Mr. <u>Burgess</u>. The gentleman is recognized for 5 minutes.

Mr. <u>Bilirakis.</u> Thank you, Mr. Chairman, for calling up H.R. 3245, the Medicare Civil and Criminal Penalties Act.

In July, we had the largest healthcare fraud takedown in history; 412 defendants were charged nationwide, including more than 80 cases in Florida for Medicare fraud, totaling \$1.3 billion in losses.

Medicare is absolutely critical for our seniors in my district and across the country. Not only is Medicare fraud an affront to hardworking taxpayers, it hurts the millions of seniors who rely on the program. That is why I introduced, along with my colleague from Florida, Kathy Castor, much-needed legislation to strengthen penalties against those who commit fraud in the Medicare program.

Unfortunately, Florida, with the largest senior population, has had a continuing problem with Medicare fraud. In fact, the multi-agency Medicare Fraud Strike Force operates out of two cities in Florida. Most States only have one location.

During the August recess I had the opportunity to talk to the Strike Force in Tampa, and it was alarming how brazen some crimes will be with Medicare fraud compared to other criminal enterprises. You

have lower penalties and the threat of violence is nonexistent, unfortunately.

The chief counsel of HHS' inspector general testified in 2011, and he stated, and I quote, "The perpetrators of these healthcare fraud schemes range from street criminals who believe it is safer and more profitable to steal from Medicare than to traffic in illegal drugs, to Fortune 500 companies that pay kickbacks to physicians in return for referrals. We are concerned that providers that engage in healthcare fraud may consider civil penalties and criminal fines a cost of doing business." End quote.

The Medicare Civil and Criminal Penalties Update Act, H.R. 3245, cracks down on Medicare fraud and abuse by increasing civil and criminal penalties. I might add, it also cracks down on Medicaid and CHIP fraud as well.

Some of these penalties have not been updated, as I said before, in over 20 years. These penalties include bribing or providing kickbacks, submitting false information, making false statements in applications or payments.

We must ensure the Medicare program is strong and sustainable for today and tomorrow. The beneficiaries are our great seniors.

I would like to submit these letters of support from the Medicare Rights Center, the Citizens Against Government Waste, and Americans for Tax Reform. Can I submit these for the record?

Mr. Burgess. Without objection, so ordered.

[The information follows:]

\*\*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*\*

Mr. Bilirakis. Thank you very much.

This is a very good bill, and I appreciate your support on this.

Thank you, Mr. Chairman, for bringing it up. I appreciate it. I yield back.

Mr. <u>Burgess</u>. The chair thanks the gentleman. The gentleman yields back.

Does any other member seek to be heard on the bill? If not, the question now occurs on forwarding H.R. 3245 to the full committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 3263 and asks the clerk to report.

The <u>Clerk.</u> H.R. 3263, to amend title XVIII of the Social Security Act to extend the Medicare independence at home medical practice demonstration program.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with and the bill will be open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-7 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there any bipartisan amendments to the bill? Are there other amendments? Does any other member seek to be heard on the bill?

Once again, I would refer you to my comments in my opening statement.

If no other member wishes to be heard, the question now occurs on forwarding H.R. 3263 to the full committee.

All those in favor, say aye.

All those opposed, no.

The ayes have it and the bill is agreed to.

The chair calls up H.R. 3271 and asks the clerk to report.

The <u>Clerk.</u> H.R. 3271, to amend title XVIII of the Social Security Act in order to strengthen rules in case of competition for diabetic testing strips, and for other purposes.

Mr. <u>Burgess</u>. Without objection, the first reading of the bill is dispensed with. The bill is open for amendment at any point. So ordered.

[The bill follows:]

\*\*\*\*\*\* INSERT 1-8 \*\*\*\*\*\*

Mr. <u>Burgess</u>. Are there any bipartisan amendments to the bill?

Mr. Green. Mr. Chairman, I have a bipartisan amendment.

Mr. <u>Burgess</u>. For what purpose does the gentleman from Texas seek recognition?

Mr. <u>Green.</u> I have an amendment at the desk. It is actually offered by Congresswoman DeGette and Congresswoman Brooks, but they are not here, so I am subbing in for them for this technical amendment.

Mr. Burgess. Can we let the clerk report the amendment?

Mr. <u>Green.</u> Yes.

The <u>Clerk.</u> Amendment to H.R. 3271, offered by Ms. DeGette from Colorado and Mrs. Brooks of Indiana.

Mr. <u>Burgess</u>. Without objection, the reading of the amendment is dispensed with and the gentleman is recognized for 5 minutes in support of the amendment.

[The amendment of Ms. Degette and Mrs. Brooks follows:]

\*\*\*\*\*\* INSERT 1-9 \*\*\*\*\*\*

Mr. Green. Thank you, Mr. Chairman.

This is a technical amendment. In my opening statement, I talked about this is an important piece of legislation from both Congresswoman DeGette and Congresswoman Brooks on access to diabetes supplies, and I move enactment of the amendment.

I will be glad to yield to my colleague whatever time she may consume.

Ms. Eshoo. I thank the gentleman.

What does the amendment do?

Mr. <u>Green.</u> Well, what it does is -- if you read the technical part of it --

Ms. Eshoo. I did, that is why I am asking.

Mr. <u>Green.</u> It is technical, to make sure it does what we intended to do, to improve Medicare's competitive bidding program for diabetes testing strips, strengthening the patient protections, and enhancing beneficiary choice. We are trying to give the patient more choices. It requires CMS to enforce the requirement that suppliers provide at least 50 percent of all diabetes testing --

Ms. <u>Eshoo</u>. Can I just ask this question? So the underlying bill does not include testing strips that are exclusively sold, but this allows it, or vice versa? In other words, does this amendment open it up to competition for testing strip products? I think that is what the amendment is about.

Mr. <u>Green.</u> I am being told that there are certain suppliers that don't provide the alternatives in the strips. And so it should be

more -- the whole role is to make sure the patients can make the decisions, but the suppliers will have those certain diabetes testing strips that the patient wants.

Ms. Eshoo. I yield back.

Mr. <u>Green.</u> Some of them actually do their own brand instead of doing alternative brands. So it opens it up that they have to provide it.

I yield back my time, Mr. Chairman.

Would counsel like to explain?

Mr. <u>Paluskiewicz</u>. The ranking member is correct. The amendment seeks to clarify that after feedback from OIG, that we are getting survey data from all markets to ensure the beneficiary protections are being followed under the underlying statute. We had heard testimony in July that that may not be the case among all markets.

Ms. <u>Eshoo</u>. So it is competitive, is that what you are saying?

Mr. <u>Paluskiewicz</u>. It is for a more complete survey data from the Office of the Inspector General, her statute.

Ms. Eshoo. Thank you.

Mr. Green. I yield back.

Mr. <u>Burgess</u>. The chair thanks the gentleman. The gentleman yields back.

Is there further discussion of the amendment?

If there is no further discussion, the vote occurs on the amendment.

All those in favor shall signify by saying aye.

All those opposed, nay.

The ayes have it and the amendment is agreed to.

The question now occurs on forwarding H.R. 3271, as amended, to the full committee.

All those in favor, say aye.

All opposed, say no.

The ayes have it and the bill is agreed to.

Before adjournment, we have received outside feedback from a number of organizations on these bills. So, without objection, I would like to submit statements for the record. The American Heart Association. The American College of Gastroenterology. The Alzheimer's Impact Movement. And the Health Leadership Council. Without objection, so ordered.

[The information follows:]

\*\*\*\*\*\* COMMITTEE INSERT \*\*\*\*\*\*

Mr. <u>Burgess</u>. Without objection, the staff is authorized to make technical and conforming changes to the legislation approved by the subcommittee today. So ordered.

Without objection, the subcommittee stands adjourned. See you in full committee.

[Whereupon, at 2:48 p.m., the subcommittee was adjourned.]