

[DISCUSSION DRAFT]

118TH CONGRESS
1ST SESSION

H. R. _____

To require the Secretary of Health and Human Services to consider, within the annual rulemaking processes, the effect of regulatory changes to certain Medicare payment systems on provider and payer consolidation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To require the Secretary of Health and Human Services to consider, within the annual rulemaking processes, the effect of regulatory changes to certain Medicare payment systems on provider and payer consolidation, and for other purposes.

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 “Providers and Payers
5 COMPETE Act”.

1 **SEC. 2. RULEMAKING THAT IMPLEMENTS CERTAIN MEDI-**
2 **CARE PAYMENT CHANGES TO CONSIDER EF-**
3 **FECTS ON PROVIDER CONSOLIDATION.**

4 (a) IN GENERAL.—Beginning for 2024, as part of
5 any annual notice and comment rulemaking process to im-
6 plement a change to any payment system, rate schedule,
7 or other reimbursement under title XVIII of the Social
8 Security Act (42 U.S.C. 1395 et seq.), including those for
9 inpatient and outpatient hospital services, physicians’
10 services, services furnished by other providers of services
11 and suppliers, and payment rates under parts C and D
12 of such title, the Secretary of Health and Human Services
13 shall seek public comment on and evaluate the extent to
14 which, and how, such change is projected to affect pro-
15 vider and payer consolidation.

16 (b) INTERNAL COORDINATION.—For purposes of
17 conducting the evaluations under subsection (a), the Sec-
18 retary of Health and Human Services shall ensure appro-
19 priate coordination within the Centers for Medicare &
20 Medicaid Services such that experts with respect to the
21 applicable payment system, rate schedule, or other reim-
22 bursement under title XVIII of the Social Security Act
23 work collaboratively for purposes of such evaluations.

24 (c) PROVIDER AND PAYER CONSOLIDATION DE-
25 FINED.—For purposes of this section, the term “provider
26 and payer consolidation” includes the vertical or hori-

1 zontal integration among providers of services (as defined
2 in subsection (u) of section 1861 of the Social Security
3 Act (42 U.S.C. 1395x)), suppliers (as defined in sub-
4 section (d) of such section), accountable care organizations
5 under section 1899 of the Social Security Act (42 U.S.C.
6 1395jjj), and integrated delivery systems.

7 **SEC. 3. CENTERS FOR MEDICARE AND MEDICAID INNOVA-**
8 **TION MODEL EVALUATIONS TO CONSIDER**
9 **EFFECTS OF MODEL ON PROVIDER AND**
10 **PAYER CONSOLIDATION.**

11 (a) IN GENERAL.—Section 1115A(b)(4)(A) of the
12 Social Security Act (42 U.S.C. 1315a(b)(4)(A)) is amend-
13 ed—

14 (1) in clause (i), by striking at the end “and”;

15 (2) in clause (ii), by striking the period at the
16 end and inserting “; and”; and

17 (3) by adding at the end the following new
18 clause:

19 “(iii) the extent to which, and how,
20 the model has affected and will affect pro-
21 vider and payer consolidation, which in-
22 cludes the vertical or horizontal integration
23 among providers of services (as defined in
24 subsection (u) of section 1861), suppliers
25 (as defined in subsection (d) of such sec-

1 tion), accountable care organizations under
2 section 1899, and integrated delivery sys-
3 tems.”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 subsection (a) shall apply with respect to models tested
6 on or after January 1, 2024.