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(Original Signature of Member)

113TH CONGRESS
1ST SESSION

H. R. _____

To amend part B of the title XVIII of the Social Security Act to apply deemed enrollment to residents of Puerto Rico and to provide a special enrollment period and a reduction in the late enrollment penalties for certain residents of Puerto Rico.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend part B of the title XVIII of the Social Security Act to apply deemed enrollment to residents of Puerto Rico and to provide a special enrollment period and a reduction in the late enrollment penalties for certain residents of Puerto Rico.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. APPLICATION OF PART B DEEMED ENROLL-**
2 **MENT PROCESS TO RESIDENTS OF PUERTO**
3 **RICO; SPECIAL ENROLLMENT PERIOD AND**
4 **LIMIT ON LATE ENROLLMENT PENALTIES.**

5 (a) APPLICATION OF PART B DEEMED ENROLLMENT
6 PROCESS TO RESIDENTS OF PUERTO RICO.—Section
7 1837(f)(3) of the Social Security Act (42 U.S.C.
8 1395p(f)(3)) is amended by striking “, exclusive of Puerto
9 Rico”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) shall apply to individuals whose initial en-
12 rollment period under section 1837(d) of the Social Secu-
13 rity Act begins on or after the first day of the effective
14 month, specified by the Secretary of Health and Human
15 Services under section 1839(j)(1)(C) of such Act, as added
16 by subsection (c)(2).

17 (c) TRANSITION PROVIDING SPECIAL ENROLLMENT
18 PERIOD AND LIMIT ON LATE ENROLLMENT PENALTIES
19 FOR CERTAIN MEDICARE BENEFICIARIES.—Section 1839
20 of the Social Security Act (42 U.S.C. 1395r) is amend-
21 ed—

22 (1) in the first sentence of subsection (b), by in-
23 serting “subject to section 1839(j)(2),” after “sub-
24 section (i)(4) or (l) of section 1837,”; and

25 (2) by adding at the end the following new sub-
26 section:

1 “(j) SPECIAL RULES FOR CERTAIN RESIDENTS OF
2 PUERTO RICO.—

3 “(1) SPECIAL ENROLLMENT PERIOD, COVERAGE
4 PERIOD FOR RESIDENTS WHO ARE ELIGIBLE BUT
5 NOT ENROLLED.—

6 “(A) IN GENERAL.—In the case of a tran-
7 sition individual (as defined in paragraph (3))
8 who is not enrolled under this part as of the
9 day before the first day of the effective month
10 (as defined in subparagraph (C)), the Secretary
11 shall provide for a special enrollment period
12 under section 1837 of 7 months beginning with
13 such effective month during which the indi-
14 vidual may be enrolled under this part.

15 “(B) COVERAGE PERIOD.—In the case of
16 such an individual who enrolls during such spe-
17 cial enrollment period, the coverage period
18 under section 1838 shall begin on the first day
19 of the second month after the month in which
20 the individual enrolls.

21 “(C) EFFECTIVE MONTH DEFINED.—In
22 this section, the term ‘effective month’ means a
23 month, not earlier than October 2014 and not
24 later than January 2015, specified by the Sec-
25 retary.

1 “(2) REDUCTION IN LATE ENROLLMENT PEN-
2 ALTIES FOR CURRENT ENROLLEES AND INDIVID-
3 UALS ENROLLING DURING TRANSITION.—

4 “(A) IN GENERAL.—In the case of a tran-
5 sition individual who is enrolled under this part
6 as of the day before the first day of the effec-
7 tive month or who enrolls under this part on or
8 after the date of the enactment of this sub-
9 section but before the end of the special enroll-
10 ment period under paragraph (1)(A), the
11 amount of the late enrollment penalty imposed
12 under section 1839(b) shall be recalculated by
13 reducing the penalty to 15 percent of the pen-
14 alty otherwise established.

15 “(B) APPLICATION.—Subparagraph (A)
16 shall be applied in the case of a transition indi-
17 vidual who—

18 “(i) is enrolled under this part as of
19 the month before the effective month, for
20 premiums for months beginning with such
21 effective month; or

22 “(ii) enrolls under this part on or
23 after the date of the enactment of this Act
24 and before the end of the special enroll-
25 ment period under paragraph (1)(A), for

1 premiums for months during the coverage
2 period under this part which occur during
3 or after the effective month.

4 “(C) LOSS OF REDUCTION IF INDIVIDUAL
5 TERMINATES ENROLLMENT.—Subparagraph
6 (A) shall not apply to a transition individual if
7 the individual terminates enrollment under this
8 part after the end of the special enrollment pe-
9 riod under paragraph (1).

10 “(3) TRANSITION INDIVIDUAL DEFINED.—In
11 this section, the term ‘transition individual’ means
12 an individual who resides in Puerto Rico and who
13 would have been deemed enrolled under this part
14 pursuant to section 1837(f) before the first day of
15 the effective month but for the fact that the indi-
16 vidual was a resident of Puerto Rico, regardless of
17 whether the individual is enrolled under this part as
18 of such first day.”.