

AMENDMENT TO THE
SENATE AMENDMENT TO H.R. 1
OFFERED BY MR. RUIZ

At the end of Title IV, add the following new section:

**SEC. __. IMPROVING RISK ADJUSTMENT
UNDER MEDICARE ADVANTAGE.**

(a) **USE OF 2 YEARS OF DIAGNOSTIC DATA.**—
Section 1853(a)(3)(C)(iii) of the Social Security Act (42 U.S.C. 1395w–23(a)(3)(C)(iii)) is amended—

(1) by striking “METHODOLOGY.—Such risk” and inserting “METHODOLOGY.—

“(I) IN GENERAL.—Subject to subclause (II), such risk”;

(2) by adding at the end the following new sub clauses:

“(II) **USE OF HEALTH STATUS DATA.**—For 2026 and each subsequent year, the Secretary shall use 2 years of diagnostic data (when available) under such risk adjustment methodology.”.

(b) **EXCLUSION OF DIAGNOSES COLLECTED FROM CHART REVIEWS AND HEALTH RISK ASSESSMENTS.**—

(1) IN GENERAL.—Section 1853(a)(1)(C) of such Act (42 U.S.C. 1395w–23(a)(1)(C)) is amended by adding at the end the following new clause:

“(iv) EXCLUSION OF
DIAGNOSES COLLECTED FROM
CHART REVIEWS AND HEALTH
RISK ASSESSMENTS.—

“(I) IN GENERAL.—
For 2026 and each subsequent
year, for purposes of
establishing the payment
adjustment factors and
adjusting payment based on
health status under clause (i),
the Secretary shall not take
into account a diagnosis
collected from a chart review
or a health risk assessment.

“(II) IDENTIFICATION
OF DIAGNOSES
COLLECTED FROM
CHART RE VIEWS AND
HEALTH RISK ASSESS
MENTS.—The Secretary
shall establish procedures to
provide for the identification
and verification of diagnoses
collected from chart reviews
and health risk assessments.’’.

(c) APPLICATION OF CODING ADJUSTMENT.—
Section 1853(a)(1)(C)(ii) of such Act (42 U.S.C.
1395w–23(a)(1)(C)(ii)) is amended—

(1) in subclause (III), by striking “In calculating” and inserting “Subject to subclause (V), in calculating”; and

(2) by adding at the end the following new subclause:

“(V) In calculating such adjustment for 2026 and each subsequent year, the Secretary shall evaluate the impact on risk scores for Medicare Advantage enrollees of differences in coding patterns between Medicare Advantage plans and providers under parts A and B and publicly report the results of such evaluation. The Secretary shall ensure that such adjustment, which may include adjustment on a plan or contract level, fully accounts for the impact of coding pattern differences not otherwise accounted for to the extent that the Secretary identifies such differences through annual evaluation.”.

**SEC. __. TRANSITION TO AN UPDATE TO A
SINGLE CONVERSION FACTOR UNDER
THE MEDICARE PHYSICIAN FEE
SCHEDULE BASED ON THE MEDICARE
ECONOMIC INDEX.**

(a) IN GENERAL.—Section 1848(d)(20) of the Social Security Act (42 U.S.C. 1395w–4(d)(20)) is amended to read as follows:

“(20) UPDATE FOR 2026 AND SUBSEQUENT YEARS.—The update to the single conversion factor established in paragraph (1)(C) for 2026 and each subsequent year shall be equal to the Secretary’s estimate of the percentage increase in the MEI (as defined in section 1842(i)(3)) for the year.”

(b) CONFORMING AMENDMENT TO PROVIDE FOR A SINGLE CONVERSION FACTOR AFTER 2025.—Section 1848(d)(1) of the Social Security Act (42 U.S.C. 1395w– 4(d)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking “and ending with 2025”; and

(B) by striking “There shall be two separate conversion factors” and all that follows through the end of the subparagraph; and

(2) in subparagraph (D), by striking “(or, beginning with 2026, applicable conversion factor)