

**AMENDMENT TO THE
SENATE AMENDMENT TO H.R. 1
OFFERED BY MR. SCHWEIKERT OF ARIZONA**

At the end of chapter 2 of subtitle B of title VII,
add the following:

1 SECTION _____. REFORMING MEDICARE ADVANTAGE.

2 (a) REQUIREMENT TO USE CAPITATED PAY-
3 MENTS.—Section 1852 of the Social Security Act (42
4 U.S.C. 1395w–22) is amended by adding at the end the
5 following new subsection:

6 “(o) REQUIREMENT TO USE CAPITATED PAY-
7 MENTS.—

8 “(1) IN GENERAL.—Subject to paragraph (2)
9 and section 1853(p), for plan years beginning on or
10 after January 1, 2028, a Medicare Advantage plan
11 may only pay for benefits furnished under such plan
12 on a capitated basis.

13 “(2) EXCEPTIONS.—Paragraph (1) shall not
14 apply in the case of the following MA plans for a
15 plan year:

16 “(A) An MA plan that was made available
17 in such area during the preceding plan year, ex-
18 cept that the only individuals eligible to enroll

1 in such plan shall be individuals who were en-
2 rolled in such plan during such preceding plan
3 year.

4 “(B) A specialized MA plan for special
5 needs individuals.”.

6 (b) PAYMENT MODIFICATIONS.—

7 (1) REDUCING BLENDED BENCHMARK.—Sec-
8 tion 1853(j)(1)(A) of the Social Security Act (42
9 U.S.C. 1395w–23(j)(1)(A)) is amended by inserting
10 “(or, beginning with 2028, 75 percent of $\frac{1}{12}$ of such
11 blended benchmark amount)” after “for the area for
12 the year)”.

13 (2) RISK ADJUSTMENT MODIFICATIONS.—Sec-
14 tion 1853(a)(3) of the Social Security Act (42
15 U.S.C. 1395w–23(a)(3)) is amended by adding at
16 the end the following new subparagraph:

17 “(E) RISK ADJUSTMENT REQUIREMENTS
18 FOR HEALTH STATUS.—Beginning January 1,
19 2028, risk adjustment for health status shall be
20 determined—

21 “(i) using only diagnoses documented
22 on claims from face-to-face or telehealth
23 visits;

1 “(ii) without using any diagnoses ob-
2 tained for chart reviews or stand-alone
3 health risk assessments; and

4 “(iii) using diagnoses from a 2-year
5 period preceding the year for which such
6 adjustment is made.”.

7 (3) ELIMINATING QUALITY BENCHMARK IN-
8 CREASES.—Section 1853(o) of the Social Security
9 Act (42 U.S.C. 1395w–23(o)) is amended by adding
10 at the end the following new paragraph:

11 “(8) NONAPPLICATION OF INCREASE TO QUALI-
12 FIED MA PLANS.—No increase to the applicable per-
13 centage under subsection (n)(2)(B) shall be made
14 under this subsection for a plan for plan years be-
15 ginning on or after January 1, 2028.”.

16 (4) STOP-LOSS PAYMENTS.—Section 1853 of
17 the Social Security Act (42 U.S.C. 1395w–23) is
18 amended by adding at the end the following new
19 subsection:

20 “(p) STOP-LOSS PAYMENTS.—

21 “(1) IN GENERAL.—For years beginning on or
22 after January 1, 2028, the Secretary may establish
23 stop-loss payment for Medicare Advantage plans
24 that experience significantly higher expenditures

1 compared to the risk-adjusted expected expenditures
2 of such plans.

3 “(2) REQUIREMENTS.—Any payment described
4 in paragraph (1) shall be based on encounter data
5 subject to audit by the Secretary.

6 “(3) ADJUSTMENTS.—The Secretary may make
7 such payment adjustments under this part as the
8 Secretary determines necessary to ensure that this
9 paragraph is implemented in a budget-neutral man-
10 ner.”.

11 (c) AUTOMATIC ENROLLMENT; PLAN CHANGE LIM-
12 ITATIONS.—Part C of title XVIII of the Social Security
13 Act (42 U.S.C. 1395w–21 et seq.) is amended by adding
14 at the end the following new section:

15 **“SEC. 1859A. AUTOMATIC ENROLLMENT; PLAN CHANGE**
16 **LIMITATIONS.**

17 “(a) AUTOMATIC ENROLLMENT.—

18 “(1) IN GENERAL.—Notwithstanding any other
19 provision of this title, for plan years beginning on or
20 after January 1, 2028, the Secretary shall provide
21 for the automatic enrollment of each individual enti-
22 tled to benefits under part A and enrolled under
23 part B into the MA plan with the lowest premium
24 available to such individual.

1 “(2) SPECIAL RULE IF MULTIPLE LOW-COST
2 PLANS AVAILABLE.—In the case that multiple MA
3 plans are available at the lowest premium applicable
4 under this part for a plan year for an individual, the
5 Secretary shall provide for the automatic enrollment
6 of individuals described in paragraph (1) among
7 such plans in a manner determined appropriate by
8 the Secretary.

9 “(3) OPT OUT.—The Secretary shall provide
10 each individual automatically enrolled into a quali-
11 fied MA plan under this subsection with an oppor-
12 tunity to decline such enrollment.

13 “(b) MANDATORY CONTINUOUS ENROLLMENT.—

14 “(1) IN GENERAL.—Notwithstanding any other
15 provision of this title, except as provided in para-
16 graph (2), in the case of an individual who enrolls
17 in an MA plan for a plan year beginning on or after
18 January 1, 2028, such individual may not, for the
19 3-year period beginning on the date such individual
20 so enrolls in such MA plan—

21 “(A) enroll in any other MA plan under
22 this part; or

23 “(B) elect to receive benefits under this
24 title through traditional fee-for-service Medicare
25 under part A or B.

1 “(2) EXCEPTIONS.—Paragraph (1) shall not
2 apply in the case of an individual who experiences a
3 hardship event (such as a serious illness (as speci-
4 fied by the Secretary)).”.

5 (d) REQUIRED INCLUSION OF HOSPICE CARE.—Sec-
6 tion 1852 of the Social Security Act (42 U.S.C. 1395w-
7 22) is amended—

8 (1) in subsection (a)(1)(B)(i), by inserting “(ex-
9 cept in the case of an MA plan offered in a plan
10 year beginning on or after January 1, 2028)” after
11 “hospice care”; and

12 (2) in subsection (m)(6), by inserting “(except
13 in the case of an MA plan offered in a plan year be-
14 ginning on or after January 1, 2028)” after “hos-
15 pice care”.

16 (e) STARK EXCEPTION.—Section 1877(b) of the So-
17 cial Security Act (42 U.S.C. 1395nn(b)) is amended by
18 adding at the end the following new paragraph:

19 “(6) EXCEPTION FOR CERTAIN SERVICES FUR-
20 NISHED UNDER MA PLANS.—In the case of des-
21 ignated health services consisting of durable medical
22 equipment or covered part D drugs, if such services
23 are furnished under an MA plan.”.

