Brief Summaries:

Demonstrations/Pilot Programs in the Patient Protection and Affordable Care Act (H.R. 3590): New and Amended Demonstration Programs

All summaries from: http://dpc.senate.gov/healthreformbill/healthbill49.pdf

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New Demonstration Programs

Sec. 2704. Demonstration project to evaluate integrated care around a hospitalization.

Summary:
Establishes a demonstration project, in up to eight States, to study the use of bundled payments for hospital and physicians services under Medicaid.

Participating Providers:
Secretary of HHS (Health and Human Services) will select up to 8 states based upon their potential to lower Medicaid costs and improve care. While states will be responsible for choosing participants, Secretary will ensure that overall composition of participants across all states represents average demographics of the national Medicaid population.

Payment Methodology: N/A

Regulatory Relief:
The Secretary may waive such provisions of titles XIX, XVIII, and XI of the Social Security Act.

Original Text Reference: pp. 532-536

Sec. 2705 (Title I). Prohibiting discrimination against individual participants and beneficiaries based on health status.

Summary:
No group health plan or insurer offering group or individual coverage may set eligibility rules based on health status, medical condition, claims experience, receipt of health care, medical history, genetic information, evidence of insurability – including acts of domestic violence or disability. Permits employers to vary insurance premiums by as much as 30 percent for employee participation in certain health promotion and disease prevention programs. Authorizes a 10-State demonstration to apply such a program in the individual market.

Participating Providers:
Secretary will work with Secretary of Labor and Secretary of Treasury to establish Health Promotion/Disease Prevention demonstrations programs in 10 states.

Payment Methodology: N/A

Regulatory Relief: N/A

Original Text Reference: pp. 86-97
Sec. 2705 (Title II). Medicaid global payment system demonstration project.

Summary:
Establishes a demonstration project, in coordination with the CMS Innovation Center, in up to five States that would allow participating States to adjust their current payment structure for safety net hospitals from a fee-for-service model to a global capitated payment structure.

Participating Providers:
Eligible safety net hospitals include large safety net hospital in up to five participating states that the Secretary will choose.

Payment Methodology:
Budget neutrality requirements from the Social Security Act’s section 1115A(b)(3) are not applicable. Secretary hold authority to appropriate necessary funds to oversee/run program.

Regulatory Relief: N/A

Original Text Reference: pp. 536-538

Sec. 2706. Pediatric Accountable Care Organization demonstration project.

Summary:
Establishes a demonstration project that allows qualified pediatric providers to be recognized and receive payments as Accountable Care Organizations (ACO) under Medicaid. The pediatric ACO would be required to meet certain performance guidelines. Pediatric ACOs that met these guidelines and provided services at a lower cost would share in those savings.

Participating Providers:
ACO must agree to participate for a minimum of three years. States that want to participate must apply to Secretary directly.

Payment Methodology:
To receive an incentive payment, ACO’s must have a minimum level of savings on expenditures. Incentive payments will be based off the amount of savings an ACO achieves, with a predetermined cap set by the Secretary. Enough appropriations to run the program are authorized.

Regulatory Relief: N/A

Original Text Reference: pp. 538-540
Sec. 2707. Medicaid emergency psychiatric demonstration project.

Summary:
Requires the Secretary of HHS to establish a three-year Medicaid demonstration project in up to eight States. Participating States would be required to reimburse certain institutions for mental disease (IMDs) for services provided to Medicaid beneficiaries between the ages of 21 and 65 who are in need of medical assistance to stabilize an emergency psychiatric condition.

Participating Providers:
States apply to Secretary, who will look to preserve geographic balance.

Payment Methodology:
An eligible state shall provide payment under the State Medicaid plan under title XIX of the Social Security Act to an institution for mental diseases that is not publicly owned or operated. $75,000,000 appropriated for FY 2011 outside of any other eligible funding. Funds will remain available for 5 years. Secretary will determine appropriations and give selected states small sums quarterly conditional on the State's data reporting.

Regulatory Relief: N/A

Original Text Reference: pp. 540-547

Sec. 3023. National pilot program on payment bundling.
Sec. 10308. Revisions to national pilot program on payment bundling.

Summary:
Direct the Secretary to develop a national, voluntary pilot program encouraging hospitals, doctors, and post-acute care providers to improve patient care and achieve savings for the Medicare program through bundled payment models. Requires the Secretary to establish this program by January 1, 2013 for a period of five years. Provides the Secretary of HHS authority to expand the payment bundling pilot after January 1, 2016, if it is found to reduce costs without reducing the quality of care or is found to improve the quality of care and reduce costs. Also, directs the Secretary to test bundled payment arrangements involving continuing care hospitals within the bundling pilot program.

Participating Providers:
Providers hoping to participate will apply directly to Secretary.

Payment Methodology:
Secretary will reimburse participating entities for covered services. Secretary will determine methodology for reimbursing for patients in need of post-acute care.

Regulatory Relief:
Secretary can waive provision of title XI of the SSA (Social Security Act).

Original Text Reference: pp. 739-752 – Sec. 3023; pp. 2188 – 2191 – Sec. 10308
Sec. 3024. Independence at home demonstration program.

Summary:
Amends Title XVIII of the Social Security Act. Creates a new demonstration program for chronically ill Medicare beneficiaries to test a payment incentive and service delivery system that utilizes physician and nurse practitioner directed home-based primary care teams aimed at reducing expenditures and improving health outcomes.

Participating Providers:
Independence at home medical groups practicing in high cost areas, have experience in home health care, or use EMR (Electronic Medical Records)/HIT (Health Information Technology). Number of applicable beneficiaries should not exceed 10,000 so Secretary will choose participating provider entities accordingly.

Payment Methodology:
Incentive payments based on quality performance. $5,000,000 from Federal Hospital Insurance Trust Fund under section 1817 and the Federal Supplementary Medical Insurance Trust Fund under section 1841 to CMS Secretary in addition to any other eligible government funding.

Regulatory Relief:
Secretary can waive provision in title XI of the SSA.

Original Text Reference: pp. 752-763

Sec. 3113. Treatment of certain complex diagnostic laboratory tests.

Summary:
Creates a demonstration program to test the impact of direct payments for certain complex laboratory tests on Medicare quality and costs.

Participating Providers: N/A

Payment Methodology:
Payments will be made from the Federal Supplemental Medical Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395t) and can't exceed $100,000,000 and will be made to CMS in amounts of $5,000,000 from the same fund for implementation.

Regulatory Relief: N/A

Original Text Reference: pp. 800-803
Sec. 3140. Medicare hospice concurrent care demonstration program.

Summary:
Directs the Secretary to establish a three-year demonstration program that would allow patients who are eligible for hospice care to also receive all other Medicare covered services during the same period of time. The demonstration would be conducted in up to 15 hospice programs in both rural and urban areas and would evaluate the impacts of the demonstration on patient care, quality of life and spending in the Medicare program.

Participating Providers:
Secretary will choose up to 15 hospice programs in urban and rural areas.

Payment Methodology:
Uses same funds that would be allocated to hospice programs, just in the structure of the demonstration program.

Regulatory Relief: N/A

Original Text Reference: pp. 850-851

Sec. 3508. Demonstration program to integrate quality improvement and patient safety training into clinical education of health professionals.

Summary:
Under this program the Secretary may award grants to eligible entities or consortia to develop and implement academic curricula that integrates quality improvement and patient safety in the clinical education of health professionals.

Participating Providers:
Any of the following entities is eligible to apply: (a) a health professions school; (b) a school of public health; (c) a school of social work; (d) a school of nursing; (e) a school of pharmacy; (f) an institution with a graduate medical education program; and (g) a school of health care administration.

Payment Methodology:
Awardee must make a matching grant of not less than $1 for each $5 of Federal funds provided under the grant. Non-federal contributions may be cash or in kind, including equipment or services.

Regulatory Relief: N/A

Original Text Reference: pp. 1095-1097
Sec. 4202. Healthy aging, living well; evaluation of community-based prevention and wellness programs for Medicare beneficiaries.

Summary:
The goal of this program is to improve the health status of the pre-Medicare-eligible population to help control chronic disease and reduce Medicare costs. The CDC would provide grants to States or large local health departments to conduct pilot programs in the 55-to-64 year old population. Pilot programs would evaluate chronic disease risk factors, conduct evidence-based public health interventions, and ensure that individuals identified with chronic disease or at-risk for chronic disease receive clinical treatment to reduce risk. Pilot programs would be evaluated for success in controlling Medicare costs in the community. Additionally, the Centers for Medicare & Medicaid Services (CMS) would conduct a comprehensive assessment of community-based disease self-management programs that help control chronic diseases. The Secretary would then develop a plan for improving access to such services for Medicare beneficiaries.

Participating Providers: N/A

Payment Methodology:
Secretary can allocate funds from Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplemental Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in such proportion as the Secretary determines appropriate, of $50,000,000 to the Centers for Medicare & Medicaid Services Program Management Account.

Regulatory Relief: N/A

Original Text Reference: pp. 1188-1198

Sec. 4206. Demonstration project concerning individualized wellness plan.

Summary:
Section 330 of the Public Health Service Act (42 U.S.C. 245b) is amended - This pilot program provides at-risk populations who utilize community health centers with a comprehensive risk-factor assessment and an individualized wellness plan designed to reduce risk factors for preventable conditions.

Participating Providers:
No more than 10 community health centers chosen by Secretary.

Payment Methodology:
Secretary authorized necessary funds to conduct this pilot.

Regulatory Relief: N/A

Original Text Reference: pp. 1215-1216
Sec. 4306. Funding for childhood obesity demonstration project.

Summary: Section 1139A(e)(8) of the Social Security Act (42 U.S.C. 1320b–9a(e)(8)) is amended - The Children’s Health Insurance Program Reauthorization Act of 2009 included several provisions designed to improve the quality of care under Medicaid and CHIP. This law directed the Secretary to initiate a demonstration project to develop a comprehensive and systematic model for reducing childhood obesity. This section appropriates $25 million for the childhood obesity demonstration project and adjusts the demonstration time period to fiscal years 2010 through 2014.

Participating Providers: N/A

Payment Methodology: $25,000,000 appropriated outside of any additional funding for this program to run from FY2010-FY2014.

Regulatory Relief: N/A

Original Text Reference: p. 1242

Sec. 5507. Demonstration project to address health professions workforce needs; extension of family-to-family health information centers.

Summary: Title XX of the Social Security Act (42 U.S.C. 1397 et seq.) is amended (adding Sec. 2208) - Establishes a demonstration grant program through competitive grants to provide aid and supportive services to low-income individuals with the opportunity to obtain education and training for occupations in the health care field that pay well and are expected to experience labor shortages or be in high demand. The demonstration grant is to serve low-income persons including recipients of assistance under State Temporary Assistance for Needy Families (TANF) programs.

Also establishes a demonstration program to competitively award grants for up to six States for three years to develop core training competencies and certification programs for personal and home care aides. Extends funding for family-to-family health information centers at $5 million for FY2010 through FY2012.

Participating Providers: Secretary will award a minimum of three grants to an organization affiliated with Indian tribes. Other entities eligible to apply include States, institutes of higher education, and other local organizations who meet Secretary’s specifications.

For personal or home care aides: Secretary will enter contracts with 6 states at maximum.

Payment Methodology: For persona/home care portion: $85,000,000 allocated for each year FY2010-FY2014.
Sec. 5509. Graduate nurse education demonstration program.

Summary:
Under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) - This provision directs the Secretary to establish a demonstration program to increase graduate nurse education training under Medicare and authorizes $50 million to be appropriated from the Medicare Hospital Insurance Trust Fund for each of the fiscal years 2012 through 2015 for such purpose.

Participating Providers:
Demonstration will include up to 5 eligible hospitals.

Payment Methodology:
$50,000,000 allocated each year for FY2012-FY2015. If due hospital payments exceed this figure in a given fiscal year, Secretary can prorate to control costs.

Regulatory Relief:
Secretary can waive requirements in title XI and XVII of the Social Security Act.

Sec. 6112. National independent monitor demonstration project.

Summary:
Directs the Secretary to establish a demonstration project within one year of enactment for developing, testing and implementing a national independent monitor program to conduct oversight of interstate and large intrastate chains. The HHS OIG would evaluate the demonstration project after two years.

Participating Providers:
Secretary will select chains of SNF’s (Skilled Nursing Facilities) and NF’s (Nursing Facilities) from applicants.

Payment Methodology:
Chains will be responsible for supplementing fees of hiring an independent monitor, as agreed with Secretary.

Regulatory Relief:
Secretary may waive any clauses of titles XVIII and XIX of the Social Security act.
Sec. 6114. National demonstration projects on culture change and use of information technology in nursing homes.

Summary:
Requires the Secretary to conduct two facility-based demonstration projects that would develop best practice models in two areas. The first would be designed to identify best practices in facilities that are involved in the “culture change” movement, including the development of resources where facilities may be able to access information in order to implement culture change. The second demonstration would focus on development of best practices in information technology that facilities are using to improve resident care.

Participating Providers:
Facility-based settings.

Payment Methodology:
One lump sum grant payment made to selected facilities. Secretary has authority to allocated funds as necessary to run demonstration.

Regulatory Relief: N/A

Original Text Reference: pp. 1597–1599

Sec. 10326. Pilot testing pay-for-performance programs for certain Medicare providers.

Summary:
Provides the Secretary of HHS the authority to test value-based purchasing programs for inpatient rehabilitation facilities, inpatient psychiatric hospitals, long-term care hospitals, certain cancer hospitals and hospice providers by no later than January 1, 2016.

Participating Providers:
Psychiatric hospitals and units.

Payment Methodology:

Regulatory Relief: N/A

Original Text Reference: pp. 2242-2244

Sec. 10504. Demonstration project to provide access to affordable care.

Summary:
Directs the Secretary of HHS to establish a 3-year demonstration project in States to provide comprehensive health care services to the uninsured at reduced fees.
Sec. 10607. State demonstration programs to evaluate alternatives to current medical tort litigation.

Summary:
Authorizes grants to States to test alternatives to civil tort litigation. These models would be required to emphasize patient safety, the disclosure of health care errors, and the early resolution of disputes. Patients would be able to opt-out of these alternatives at any time. The Secretary of HHS would be required to conduct an evaluation to determine the effectiveness of the alternatives.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A
Original Text Reference: pp. 2357-2358

Amended and Extended Demonstration Programs

Sec. 2403. Money Follows the Person Rebalancing Demonstration.

Summary:
Section 6071(h) of the Deficit Reduction Act of 2005 (42 U.S.C. 1396a note) is amended—Extends the Money Follows the Person Rebalancing Demonstration through September 30, 2016 and changes the eligibility rules for individuals to participate in the demonstration project by requiring that individuals reside in an inpatient facility for not less than 90 consecutive days.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A
Original Text Reference: pp. 2369-2383
Sec. 3027. Extension of gainsharing demonstration.

Summary:
The Deficit Reduction Act of 2005 authorized a demonstration to evaluate arrangements between hospitals and physicians designed to improve the quality and efficiency of care provided to beneficiaries. This provision would extend the demonstration through September 30, 2011 and extend the date for the final report to Congress on the demonstration to September 30, 2012. It would also authorize an additional $1.6 million in FY2010 for carrying out the demonstration.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A

Sec. 3123. Extension of the Rural Community Hospital Demonstration Program.
Sec. 10313. Revisions to the Extension for the Rural Community Hospital Demonstration Program.

Summary:
Extends the program for five year and expands eligible sites to additional States (20 total) and additional rural hospitals (not more than 30). Also makes adjustments to payment levels provided within the demonstration program (Sec. 10313).

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A

Sec. 3126. Improvements to the demonstration project on community health integration models in certain rural counties.

Summary:
The Medicare Improvements for Patients and Providers Act (MIPPA, P.L. 110-275) authorized a demonstration project that will allow eligible rural entities to test new models for the delivery of
health care services in rural areas. This provision will expand the demonstration to allow additional counties to participate and will also allow physicians to participate in the demonstration project.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A
Original Text Reference: pp. 810-811

Sec. 3504. Design and implementation of regionalized systems for emergency care.

Summary:
Title XII of the Public Health Service Act (42 U.S.C. 300d et seq.) is amended—Provides funding to the Assistant Secretary for Preparedness and Response to support pilot projects that design, implement, and evaluate innovative models of regionalized, comprehensive, and accountable emergency care and trauma systems. Requires the HHS Secretary to support emergency medicine research, including pediatric emergency medical research.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A
Original Text Reference: pp. 1061-1062

Sec. 3510. Patient navigator program.

Summary:
Reauthorizes demonstration programs to provide patient navigator services within communities to assist patients overcome barriers to health services. Program facilitates care by assisting individuals coordinate health services and provider referrals, assist community organizations in helping individuals receive better access to care, information on clinical trials, and conduct outreach to health disparity populations.

Participating Providers: N/A
Payment Methodology: N/A
Regulatory Relief: N/A
Original Text Reference: pp. 1111-1112
Sec. 4102. Oral healthcare prevention activities.

Summary:
Title III of the Public Health Service Act (42 U.S.C. 241 et seq.), as amended by section 3025 is amended - Establishes an oral healthcare prevention education campaign at CDC focusing on preventive measures and targeted towards key populations including children and pregnant women. Creates demonstration programs on oral health delivery and strengthens surveillance capacity.

Participating Providers:
State health department, local health department or Indian tribes can apply directly to the Secretary. Selected bodies can choose patients with or without insurance.

Payment Methodology: N/A

Regulatory Relief: N/A

Original Text Reference: pp. 1146-1153

Sec. 4204. Immunizations.

Summary:
Authorizes a demonstration program to improve immunization coverage. Under this program, CDC will provide grants to States to improve immunization coverage of children, adolescents, and adults through the use of evidence-based interventions. States may use funds to implement interventions that are recommended by the Community Preventive Services Task Force, such as reminders or recalls for patients or providers, or home visits.

Participating Providers: N/A

Payment Methodology:
Authorized funds as necessary to carry out program from FY2010-FY2014.

Regulatory Relief: N/A

Original Text Reference: pp. 1199-1206

Sec. 10501. Amendments to Title V. (e) Demonstration grants for family nurse practitioner training programs.

Establishes a training demonstration program that supports recent Family Nurse Practitioner graduates in primary care for a twelve month period in Federally Qualified Health Centers (FQHCs) and nurse-managed health clinics. The demonstration is authorized from 2011 through 2014.

Original Text Reference: pp. 2328