

109TH CONGRESS
2^D SESSION

H. R. 5750

To amend title XVIII of the Social Security Act to limit the penalty for late enrollment under the Medicare Program to 10 percent and twice the period of no enrollment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2006

Mr. FRANK of Massachusetts introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to limit the penalty for late enrollment under the Medicare Program to 10 percent and twice the period of no enrollment, 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. LIMITING MEDICARE LATE ENROLLMENT PEN-**
4 **ALTY TO 10 PERCENT AND TWICE THE PE-**
5 **RIOD OF NO ENROLLMENT.**

6 (a) IN GENERAL.—The first sentence of section
7 1839(b) of the Social Security Act (42 U.S.C. 1395r(b))

1 is amended by striking “10 percent of the monthly pre-
2 mium so determined for each full 10 months” and insert-
3 ing “10 percent of the monthly premium so determined
4 for premiums paid during a period equal to twice the num-
5 ber of months in each of the full periods of 12 months”.

6 (b) CONFORMING AMENDMENTS.—(1) Section
7 1818(c)(6) of such Act (42 U.S.C. 1395i–2(c)(6)) is
8 amended by striking “may not exceed 10 percent and shall
9 only apply to premiums paid during a period equal to twice
10 the number of months in the full 12-month periods de-
11 scribed in that section and”.

12 (2) Section 1818(g)(2)(B) of such Act (42 U.S.C.
13 1395i–2(g)(2)(B)) is amended by striking “by sub-
14 stituting” and all that follows and inserting the following:
15 “by substituting ‘section 1818 (without any increase re-
16 sulting from the application of section 1839(b) to such
17 section)’ for ‘section 1839 (without any increase under
18 subsection (b) thereof)’.”.

19 (c) EFFECTIVE DATE.—(1) The amendments made
20 by this section shall apply to premiums paid for months
21 beginning after the end of the 90-day period beginning
22 on the date of the enactment of this Act.

23 (2) In applying these amendments, months (before,
24 during, or after the month in which this Act is enacted)
25 in which an individual was or is required to pay an in-

1 creased premium shall be taken into account in deter-
2 mining the month in which the premium will no longer
3 be subject to an increase.

4 **SEC. 2. EXCLUSION OF PERIODS OF COBRA AND RETIREE**
5 **COVERAGE FROM MEDICARE LATE ENROLL-**
6 **MENT PENALTY.**

7 (a) IN GENERAL.—The second sentence of section
8 1839(b) of the Social Security Act (42 U.S.C. 1395r(b))
9 is amended in clause (1) by striking “by reason of the
10 individual’s (or the individual’s spouse’s) current employ-
11 ment status”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 subsection (a) shall apply to premiums paid for months
14 beginning after the end of the 90-day period beginning
15 on the date of the enactment of this Act.

16 **SEC. 3. SPECIAL ENROLLMENT PERIOD FOR INDIVIDUALS**
17 **WHOSE COBRA OR RETIREE COVERAGE TER-**
18 **MINATES.**

19 (a) IN GENERAL.—Section 1837(i) of the Social Se-
20 curity Act (42 U.S.C. 1395p(i)) is amended—

21 (1) in the first sentence of paragraph (1), by
22 striking “by reason of the individual’s (or the indi-
23 vidual’s spouse’s) current employment status” in
24 subparagraph (A);

1 (2) in the first sentence of paragraph (2) by
2 striking “by reason of the individual’s (or the indi-
3 vidual’s spouse’s) current employment status” each
4 place it appears in subparagraphs (B) and (C); and

5 (3) in paragraph (3)(A) by striking “by reason
6 of current employment status”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 subsection (a) shall apply to premiums paid for months
9 beginning after the end of the 90-day period beginning
10 on the date of the enactment of this Act.

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