

# ***H.R. 7217. “Improving Medicaid Programs and Opportunities for Eligible Beneficiaries Act” or the “IMPROVE Act”***

## ***Section by Section***

### **Title I—ACE KIDS**

#### **Section 101. State Option to Provide Coordinated Care Through a Health Home for Children with Medically Complex Conditions.**

Section 101 seeks to improve the delivery of care for children with complex medical conditions under Medicaid. To do so, this section creates a new option for state Medicaid programs by allowing states to utilize a Health Home model to coordinate care for children with medically complex conditions. The Health Home model has been successful in care coordination for adults. This bill allows states to utilize this successful model to coordinate care for these children.

### **Title II-Other Medicaid**

#### **Section 201. Extension of Money Follows the Person Rebalancing Demonstration.**

Section 201 provides temporary funding to states for the Money Follows the Person Demonstration (MFP). The MFP demonstration provides resources to state Medicaid programs to help transition individuals with chronic conditions and disabilities from institutions back into local communities.

#### **Section 202. Extension of Protection for Medicaid Recipients of Home and Community-Based Services Against Spousal Impoverishment.**

Section 202 extends until April 30, 2019, the spousal impoverishment rules that treat Medicaid home and community-based services (HCBS) and institutional care equally. The rules are currently scheduled to expire on December 31, 2018.

#### **Section 203. Reduction in FMAP After 2020 for States Without Asset Verification Programs.**

Section 203 requires States to come into compliance with the *Supplemental Appropriations Act of 2008*, which required states to have a program in place to verify assets for purposes of determining or redetermining eligibility, and *The Affordable Care Act*, which required Asset Verification Programs (AVP) systems to be electronic (e-AVP). To date, only 33 States have an operational program in place. This provision levies a penalty on States who go beyond 2020 without a program in place.

#### **Section 204. Denial of FFP for Certain Expenditures Relating to Vacuum Erection Systems and Penile Prosthetic Implants.**

Section 204 denies Medicaid coverage for any of these systems unless they are deemed medically necessary.

**Section 205. Medicaid Improvement Fund.**

Section 205 rescinds \$22,000,000 from the Medicaid Improvement Fund (MIF).

**Section 206. Preventing the Misclassification of Drugs under the Medicaid Drug Rebate Program.**

Section 206 levels a civil monetary penalty against any manufacturer that knowingly misclassifies a covered Medicaid outpatient drug. Section 206 also increases oversight and enforcement of this provision.

## **Title III-Medicare**

**Section 301. Exclusion of Complex Rehabilitative Manual Wheelchairs from the Competitive Acquisition Program and non-application of Medicare fee schedule adjustments for manual wheelchair accessories and seating systems when used in conjunction with complex rehabilitation technology (CRT) wheelchairs.**

Section 301 prohibits the inclusion of manual Complex Rehabilitative wheelchairs as well as certain other Manual Wheelchairs from the Competitive Acquisition Program. These chairs are currently not included and this prohibition mirrors current statute for CRT power wheelchairs. The provision also delays the application of competitive bid pricing used with CRT accessories used with certain complex rehab and manual wheelchairs for eighteen months, which mirrors similar actions taken by Congress in the 21<sup>st</sup> Century Cures Act for accessories used in conjunction with Group 3 and above power wheelchairs.