



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 12, 2015

H.R. 2579
Securing Care for Seniors Act of 2015

As ordered reported by the House Committee on Ways and Means on June 2, 2015

H.R. 2579 would require the Secretary of Health and Human Services to revise the risk adjustment system used in the Medicare Advantage program to account for the number of chronic conditions with which a beneficiary has been diagnosed. The legislation would also require the Secretary to evaluate the effects of other changes to the risk adjustment system including using two years of diagnosis data and removing certain information related to chronic kidney disease, and report on the results of the evaluation.

Under current law, the Secretary has broad flexibility in deciding how to administer the risk adjustment system, and recently has modified the system in ways that have increased and decreased spending under the MA program. Under the legislation, the Secretary would continue to have that flexibility and the bill's requirements would likely not result in any significant additional costs. Pay-as-you-go procedures do not apply because the bill would not affect direct spending or revenues.

H.R. 2579 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Paul Masi. The estimate was approved by Holly Harvey, Deputy Assistant Director for Budget Analysis.