To amend title XVIII of the Social Security Act to provide for national testing of a model of Medicare Advantage value-based insurance design to meet the needs of chronically ill Medicare Advantage enrollees.

SECTION 1. SHORT TITLE.

This Act may be cited as the “Value-Based Insurance Design for Better Care Act of 2017” or the “V-BID for Better Care Act of 2017”.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
SEC. 2. ADAPTING BENEFITS TO MEET THE NEEDS OF CHRONICALLY ILL MEDICARE ADVANTAGE ENROLLEES.

Section 1859 of the Social Security Act (42 U.S.C. 1395w–28) is amended by adding at the end the following new subsection:

“(h) NATIONAL TESTING OF MODEL FOR MEDICARE ADVANTAGE VALUE-BASED INSURANCE DESIGN.—

“(1) IN GENERAL.—In implementing the model described in paragraph (2) proposed to be tested under section 1115A(b), the Secretary shall revise the testing of the model under such section to cover, effective not later than January 1, 2019, all States.

“(2) MODEL DESCRIBED.—The model described in this paragraph is the testing of a model of Medicare Advantage value-based insurance design that would allow Medicare Advantage plans the option to propose and design benefit structures that vary benefits, cost-sharing, and supplemental benefits offered to enrollees with specific chronic diseases proposed to be carried out in Oregon, Arizona, Texas, Iowa, Michigan, Indiana, Tennessee, Alabama, Pennsylvania, and Massachusetts.

“(3) TERMINATION AND MODIFICATION PROVISION NOT APPLICABLE UNTIL JANUARY 1, 2022.—

The provisions of section 1115A(b)(3)(B) shall apply
to the model described in paragraph (2), including such model as expanded under paragraph (1), beginning January 1, 2022, but shall not apply to such model, as so expanded, prior to such date.

“(4) FUNDING.—The Secretary shall allocate funds made available under section 1115A(f)(1) to design, implement, and evaluate the model described in paragraph (2), as expanded under paragraph (1).”