

CHARTER
MEDICAID COMMISSION

Purpose

The Secretary of the Department of Health and Human Services is establishing a Medicaid Commission under Public Law 92-463, Federal Advisory Committee Act, to advise the Secretary on ways to modernize the Medicaid program so that it can provide high-quality health care to its beneficiaries in a financially sustainable way.

Authority

42 U.S.C. 217a, section 222 of the Public Health Service Act, as amended. The Medicaid Commission is governed by the provisions of Public Law (P.L) 92-463, as amended (5 U.S.C. Appendix 2), which sets forth standards for the formation and use of advisory committees.

Function

The Commission shall submit two reports to the Secretary for his consideration and submission to Congress. By September 1, 2005, the Commission will provide recommendations on options to achieve \$10 billion in scorable Medicaid savings over five years while at the same time make progress toward meaningful longer-term program changes to better serve beneficiaries. The Commission will also consider, to the extent feasible, specific performance goals for the Medicaid program, as a basis for longer-term recommendations. By December 31, 2006, the Commission is tasked with making longer-term recommendations on the future of the Medicaid program that ensure the long-term sustainability of the program.

The Commission shall develop proposals that address the following long-term issues:

- Eligibility, benefits design, and delivery
- Expanding the number of people covered with quality care while recognizing budget constraints;
- Long term care;
- Quality of care, choice, and beneficiary satisfaction;
- Program administration; and
- Other topics that the Secretary may submit to the Commission.

The Secretary will request the representatives of the three public policy organizations (as referenced below) to consider these issues and provide relevant information to the Commission within specified timeframes. The Commission shall consider how to address these issues under a budget scenario that assumes federal and state spending under the current baseline; a scenario that assumes Congress will choose to lower the rate of growth in the program, and a scenario that may increase spending for coverage. The Commission shall assume that the basic matching relationship between the federal government and the states will be continued.

Structure

The Commission shall consist of three types of member groups, of which only one will have the authority to vote on the recommendations to be provided to the Secretary. The first group will consist of up to 15 voting members.

Voting Members:

- Former or current Governors
- Three representatives of public policy organizations involved in major health care policy issues for families, individuals with disabilities, low-income individuals, or the elderly.
- Former or current State Medicaid Directors
- Individuals with expertise in health, finance, or administration
- Federal officials who administer programs that serve the Medicaid population
- The Secretary (or the Secretary's designee) and such other members as the Secretary may specify.
- Ex Officio Members

Non-Voting Advisor Members:

A group of up to 15 non-voting advisors will support the Commission's deliberations with their special expertise. These will include state and local government officials, consumer and provider representatives who have an inherent interest in the Medicaid program.

Non-voting Congressional Advisor Members:

The Congressional Members will consist of eight non-voting members who are current members of the Senate and House of Representatives. The Secretary will request the following legislative leaders to make one Congressional selection each:

- Senate Majority Leader
- Senate Minority Leader
- Chairman, Senate Finance Committee
- Ranking Member, Senate Finance Committee
- Speaker, House of Representatives
- Minority Leader, House of Representatives
- Chairman, House Committee on Energy and Commerce
- Ranking Member, House Committee on Energy and Commerce

The Secretary shall designate a voting member to serve as the Chairperson. Members shall be invited to serve for the duration of the Commission.

A quorum for the conduct of business shall consist of a majority of currently appointed voting members.

As necessary, subcommittees composed of members of the parent committee, may be established to perform functions within the commission's jurisdiction. The Department Committee Management Officer shall be notified upon the establishment of each standing subcommittee and shall be given information on its name, membership, function, and estimated frequency of meetings.

Management and support services shall be provided by the Department of Health and Human Services.

Meetings

Meetings shall be held up to 6 times per year at the call of the Chair, with the advance approval of a Government official who shall also approve the agenda. A Government official shall be present at all meetings.

Meetings shall be open to the public except as determined otherwise by the Secretary or other official to whom the authority has been delegated; notice of all meetings shall be given to the public.

Meetings shall be conducted and records of the proceedings kept, as required by applicable laws and Departmental regulations.

Compensation

Members who are not full-time Federal employees shall be paid at the rate of \$250 per day. Members of the Commission shall be entitled to receive reimbursement of travel expenses and per diem in lieu of subsistence, in accordance with Standard Government Travel Regulations.

Annual Cost Estimate

Estimated cost for operation of the Commission, including travel and per diem for members, and logistical support, but excluding staff support is \$1,449,800 for FY 2005 and \$2,025,800 for FY 2006 and 744,600 for FY 2007. The estimated annual costs of staff support required are estimated at \$358,438 for FY 2005 and \$862,189 for FY 2006 and \$429,955 for FY 2007.

Reports

By not later than September 1, 2005, the Commission shall submit to the Secretary a report that contains a detailed proposal (including specific legislative or administrative recommendations) to achieve \$10 billion in reductions in the rate of Federal Medicaid spending over a period of 5 years.

By not later than December 31, 2006, the Commission shall submit to the Secretary a report that contains a detailed proposal (including specific legislative or administrative recommendations) and such other recommendations as the Commission deems appropriate on longer-term methods of modernizing the Medicaid program.

In the event a portion of a meeting is closed to the public, a report shall be prepared which shall contain, at a minimum, a list of members and their business addresses, the Commission's function, dates and places of meetings, and a summary of Commission activities and recommendations made during the fiscal year. A copy of the report shall be provided to the Department Committee Management Officer.

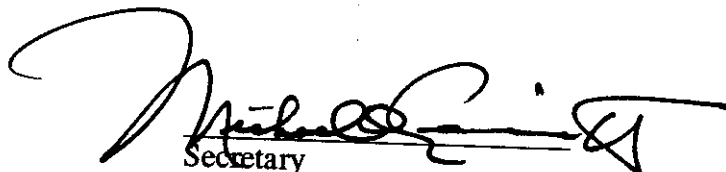
Termination Date

The Medicaid Commission shall terminate 30 days after the date of the submission of the final report to the Secretary, but no later than January 31, 2007.

APPROVED:

MAY 19 2005

Date


Secretary