



Medicare: Today's Issue
July 1, 2004

BETTER BENEFITS – MORE CHOICES

*Good News about the Medicare Prescription Drug, Improvement
and Modernization Act of 2003!*

Demonstration Project for Consumer-Directed Chronic Outpatient Services

- ❖ The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) **establishes a consumer-directed care demonstration project** that will **allow Medicare beneficiaries with chronic conditions, such as diabetes, to direct their own health care services** with respect to personal care services.
- ❖ Prior to implementing the demonstration, **the law requires a one-year evaluation of best practices of methods that permit individuals to self-direct the provision of personal care services.**
- ❖ **Not later than two years after the date of enactment, the Secretary will conduct a demonstration project in at least one area, selected by the Secretary, with a rate of incidence of diabetes that exceeds the national average.**
- ❖ Medicare does not currently pay for personal care services, except in those cases when they are provided in conjunction with other covered services (e.g., in the case of home health or hospice services).
- ❖ **The demonstration project is required to be budget neutral.**