

103D CONGRESS  
1ST SESSION

# S. 619

To amend the Social Security Act to provide improved services to beneficiaries under such Act, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

MARCH 18 (legislative day, MARCH 3), 1993

Mr. RIEGLE introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To amend the Social Security Act to provide improved services to beneficiaries under such Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Social Security Bill of Rights”.

6 (b) TABLE OF CONTENTS.—The table of contents of  
7 this Act is as follows:

### TITLE I—SERVICE IMPROVEMENTS

Sec. 101. One-stop shopping for certain benefits.

Sec. 102. Explicit requirements for maintenance of telephone access to local offices of the Social Security Administration.

- Sec. 103. Restitution of funds misappropriated by representative payees.
- Sec. 104. Use of bilingual personnel and printed material in administration of programs.
- Sec. 105. Outreach program for seniors.
- Sec. 106. Provision of certain information on the OASI trust fund.
- Sec. 107. Improvement and clarification of provisions prohibiting misuse of symbols, emblems, or names in reference to social security programs and agencies.

## TITLE II—WORK INCENTIVES FOR INDIVIDUALS WITH DISABILITIES

### Subtitle A—Amendments Relating to Benefits Under Title XVI of the Social Security Act

- Sec. 201. Benefits for persons who lose social security disability benefits.
- Sec. 202. Inapplicability of spousal deeming under section 1619(b).
- Sec. 203. Exclusion from income under section 1619 of all costs of attendant care.
- Sec. 204. Disregard of cost-of-living adjustments under title II in determining medicaid eligibility under section 1619 if such adjustments would be the sole basis for ineligibility.
- Sec. 205. Elimination of the one-third reduction rule.
- Sec. 206. Increase in resource limits.
- Sec. 207. Reduction in the income and resources of a parent of a disabled child.
- Sec. 208. Effective date.

### Subtitle B—Advisory Committee on Criteria for Determining Disability

- Sec. 211. Advisory committee on criteria for determining disability.

## TITLE III—DEMONSTRATION PROJECTS TO PROVIDE FOR IMPROVED PROCEDURES WITH RESPECT TO DISABILITY DETERMINATIONS, CONTINUING DISABILITY REVIEWS, AND REHABILITATION SERVICES

- Sec. 301. Demonstration projects under titles II and XVI of the Social Security Act to provide rehabilitation services to individuals within certain categories of disability.
- Sec. 302. Demonstration projects to improve review of disability determinations under titles II and XVI of the Social Security Act.

- 1                                   **TITLE I—SERVICE**
- 2                                   **IMPROVEMENTS**
- 3   **SEC. 101. ONE-STOP SHOPPING FOR CERTAIN BENEFITS.**
- 4           (a) IN GENERAL.—Title XI of the Social Security Act
- 5 (42 U.S.C. 1301 et seq.) is amended by inserting after
- 6 section 1122 the following new section:

1 “USE OF SOCIAL SECURITY ADMINISTRATION OFFICES TO  
2 APPLY FOR CERTAIN BENEFITS

3 “SEC. 1123. (a) ESTABLISHMENT OF PROCE-  
4 DURES.—

5 “(1) IN GENERAL.—Except as provided in para-  
6 graph (2), not later than 1 year after the date of en-  
7 actment of this section, the Secretary shall establish  
8 procedures permitting individuals to apply for medi-  
9 cal assistance under title XIX and for benefits under  
10 the Low-Income Home Energy Assistance Act of  
11 1981 in each office established by the Secretary to  
12 receive applications to determine eligibility for bene-  
13 fits under title XVIII.

14 “(2) EXCEPTION.—Paragraph (1) shall not  
15 apply to any office which is located in the same  
16 building as a State or local office established to ac-  
17 cept applications for medical assistance under title  
18 XIX and benefits under the Low-Income Home En-  
19 ergy Assistance Act of 1981.

20 “(b) RESPONSIBILITIES OF OFFICES.—The offices  
21 described in subsection (a) shall—

22 “(1) accept applications from individuals apply-  
23 ing for medical assistance under title XIX and bene-  
24 fits under the Low-Income Home Energy Assistance  
25 Act of 1981;

1           “(2) assist such individuals in completing such  
2 applications; and

3           “(3) forward completed applications to the ap-  
4 propriate State or local agency.

5           “(c) TRAINING.—

6           “(1) IN GENERAL.—Not later than 180 days  
7 after the date of enactment of this section, the Sec-  
8 retary, in consultation with State and local agencies,  
9 shall establish a training program for the individuals  
10 responsible for accepting, and assisting in the com-  
11 pletion of, applications for medical assistance under  
12 title XIX and benefits under the Low-Income Home  
13 Energy Assistance Act of 1981.

14           “(2) EXCEPTION.—Federal employees who  
15 work in the offices described in subsection (a) shall  
16 not be required to complete the training program es-  
17 tablished under paragraph (1) if State or local em-  
18 ployees with training in accepting, and assisting in  
19 the completion of, such applications are placed in  
20 such offices.”.

21 **SEC. 102. EXPLICIT REQUIREMENTS FOR MAINTENANCE OF**  
22 **TELEPHONE ACCESS TO LOCAL OFFICES OF**  
23 **THE SOCIAL SECURITY ADMINISTRATION.**

24           (a) MAINTENANCE OF SERVICE TO LOCAL OF-  
25 FICES.—



1 any claimant or prospective claimant or beneficiary  
 2 under this title, or who shall knowingly”; and

3 (2) by inserting “and shall pay to such claimant  
 4 or prospective claimant or beneficiary an amount  
 5 equal to the amount of funds misappropriated or the  
 6 amount of any fee paid in excess of the maximum  
 7 fee” after “or both”.

8 (b) EFFECTIVE DATE.—The amendment made by  
 9 subsection (a) shall be effective on the date of the enact-  
 10 ment of this Act.

11 **SEC. 104. USE OF BILINGUAL PERSONNEL AND PRINTED**  
 12 **MATERIAL IN ADMINISTRATION OF PRO-**  
 13 **GRAMS.**

14 (a) PROGRAMS ADMINISTERED BY THE SEC-  
 15 RETARY.—Part A of title XI of the Social Security Act  
 16 (42 U.S.C. 1301 et seq.) is amended by adding at the end  
 17 the following new section:

18 “USE OF BILINGUAL PERSONNEL AND PRINTED  
 19 MATERIAL

20 “SEC. 1144. The Secretary shall use appropriate bi-  
 21 lingual personnel and printed material in the administra-  
 22 tion of programs under this Act in those portions of politi-  
 23 cal subdivisions in any State in which a substantial num-  
 24 ber of members of households speak a language other than  
 25 English.”.

1 (b) PROGRAMS ADMINISTERED BY STATE AGEN-  
2 CIES.—

3 (1) AFDC.—Section 402(a) of such Act (42  
4 U.S.C. 602(a)) is amended by inserting after para-  
5 graph (28) the following new paragraph:

6 “(29) provide that appropriate bilingual person-  
7 nel and printed material will be used in the adminis-  
8 tration of the program under this part in those por-  
9 tions of political subdivisions in the State in which  
10 a substantial number of members of households  
11 speak a language other than English;”.

12 (2) CHILD WELFARE SERVICES.—Section  
13 422(b) of such Act (42 U.S.C. 622(b)) is amended—

14 (A) by striking “and” at the end of para-  
15 graph (7);

16 (B) by striking the period at the end of  
17 paragraph (8) and inserting “; and”; and

18 (C) by adding at the end the following new  
19 paragraph:

20 “(9) provide that appropriate bilingual person-  
21 nel and printed material will be used in the adminis-  
22 tration of the program under this part in those por-  
23 tions of political subdivisions in the State in which  
24 a substantial number of members of households  
25 speak a language other than English.”.

1           (3) CHILD SUPPORT.—Section 454 of such Act  
2 (42 U.S.C. 654) is amended—

3           (A) by striking “and” at the end of para-  
4 graph (23);

5           (B) by striking the period at the end of  
6 paragraph (24) and inserting “; and”; and

7           (C) by inserting after paragraph (24) the  
8 following new paragraph:

9           “(25) provide that appropriate bilingual person-  
10 nel and printed material will be used in the adminis-  
11 tration of the program under this part in those por-  
12 tions of political subdivisions in the State in which  
13 a substantial number of members of households  
14 speak a language other than English.”.

15           (4) MEDICAID PROGRAM.—Section 1902(a) of  
16 such Act (42 U.S.C. 1396a(a)) is amended by in-  
17 serting after paragraph (28) the following new para-  
18 graph:

19           “(29) provide that appropriate bilingual person-  
20 nel and printed material will be used in the adminis-  
21 tration of the program under this title in those por-  
22 tions of political subdivisions in the State in which  
23 a substantial number of members of households  
24 speak a language other than English;”.

25           (c) EFFECTIVE DATES.—

1           (1) IN GENERAL.—Except as provided in para-  
2 graph (2), the amendments made by subsections (a)  
3 and (b) shall be effective 180 days after the date of  
4 the enactment of this Act.

5           (2) SPECIAL RULE.—In the case of a State plan  
6 that the Secretary determines requires State legisla-  
7 tion (other than legislation appropriating funds) in  
8 order for the plan to meet the additional require-  
9 ments imposed by the amendments made by this sec-  
10 tion, the State plan shall not be regarded as failing  
11 to comply with such requirements before the first  
12 day of the first calendar quarter beginning after the  
13 close of the first regular session of the State legisla-  
14 ture that begins after the date of enactment of this  
15 section. For purposes of this paragraph, in the case  
16 of a State that has a 2-year legislative session, each  
17 year of the session shall be treated as a separate  
18 regular session of the State legislature.

19 **SEC. 105. OUTREACH PROGRAM FOR SENIORS.**

20           (a) IN GENERAL.—Title XVI of the Social Security  
21 Act (42 U.S.C. 1381 et seq.) is amended by adding at  
22 the end the following new section:

23                   “OUTREACH PROGRAM FOR SENIORS

24           “SEC. 1636. (a) IN GENERAL.—The Secretary shall  
25 establish and conduct an ongoing program of outreach to  
26 individuals who have attained age 65 and who are poten-

1 tially eligible for benefits under this title by reason of dis-  
2 ability or blindness.

3 “(b) REQUIREMENTS.—Under the program con-  
4 ducted under subsection (a) the Secretary shall—

5 “(1) coordinate with area agencies on aging  
6 designated under section 305(a)(2)(A) of the Older  
7 Americans Act of 1965, State and local govern-  
8 ments, mental health systems, charity groups, and  
9 cultural groups to identify individuals who are un-  
10 able to get to Social Security Administration offices  
11 to apply for benefits under this title; and

12 “(2) provide information on benefits under this  
13 title and on other programs under which individuals  
14 may be eligible for benefits including the food stamp  
15 program under the Food Stamp Act of 1977, the  
16 low-income home energy assistance program under  
17 the Low-Income Home Energy Assistance Act of  
18 1981, the medicaid program under title XIX, and  
19 housing assistance programs.”.

20 (b) EFFECTIVE DATE.—Not later than 180 days  
21 after the date of the enactment of this Act, the Secretary  
22 of Health and Human Services shall establish the outreach  
23 program required by the amendment under subsection (a).

1 **SEC. 106. PROVISION OF CERTAIN INFORMATION ON THE**  
2 **OASI TRUST FUND.**

3 (a) IN GENERAL.—Section 201 of the Social Security  
4 Act (42 U.S.C. 401) is amended by adding at the end the  
5 following new subsection:

6 “(n) The Secretary shall prepare a summary of the  
7 financial status of the Federal Old-Age and Survivors In-  
8 surance Trust Fund (hereafter referred to in this sub-  
9 section as the “Trust Fund”) on an annual basis. Such  
10 summary shall—

11 “(1) be based on the annual report of the  
12 Board of Trustees submitted to the Congress under  
13 subsection (c)(2);

14 “(2) be provided to each individual who receives  
15 a cost of living adjustment under section 215(i)(1);  
16 and

17 “(3) contain at least the following information:

18 “(A) an explanation of how the Trust  
19 Fund is financed;

20 “(B) a description of the long-range finan-  
21 cial status of the trust fund; and

22 “(C) a description of all of the services  
23 provided free of charge by the Social Security  
24 Administration to individuals who are eligible  
25 for an old-age or disability insurance benefit.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply to cost of living adjustments  
3 under section 215(i)(1) made after January 1, 1993.

4 **SEC. 107. IMPROVEMENT AND CLARIFICATION OF PROVI-**  
5 **SIONS PROHIBITING MISUSE OF SYMBOLS,**  
6 **EMBLEMS, OR NAMES IN REFERENCE TO SO-**  
7 **CIAL SECURITY PROGRAMS AND AGENCIES.**

8 (a) PROHIBITION OF UNAUTHORIZED REPRODUC-  
9 TION, REPRINTING, OR DISTRIBUTION FOR FEE OF CER-  
10 TAIN OFFICIAL PUBLICATIONS.—Section 1140(a) of the  
11 Social Security Act (42 U.S.C. 1320b–10(a)) is amend-  
12 ed—

13 (1) by redesignating paragraphs (1) and (2) as  
14 subparagraphs (A) and (B), respectively;

15 (2) by inserting “(1)” after “(a)”; and

16 (3) by adding at the end the following new  
17 paragraph:

18 “(2) No person may, for a fee, reproduce, reprint,  
19 or distribute any item consisting of a form, application,  
20 or other publication of the Social Security Administration  
21 unless such person has obtained specific, written author-  
22 ization for such activity in accordance with regulations  
23 which the Secretary shall prescribe.”.

24 (b) ADDITION TO PROHIBITED WORDS, LETTERS,  
25 SYMBOLS, AND EMBLEMS.—Paragraph (1) of section

1 1140(a) of such Act (as redesignated by subsection (a))  
2 is further amended—

3 (1) in subparagraph (A) (as redesignated), by  
4 striking “Administration’, the letters ‘SSA’ or  
5 ‘HCFA’,” and inserting “Administration’, ‘Depart-  
6 ment of Health and Human Services’, ‘Health and  
7 Human Services’, ‘Supplemental Security Income  
8 Program’, or ‘Medicaid’, the letters ‘SSA’, ‘HCFA’,  
9 ‘DHHS’, ‘HHS’, or ‘SSI’,”; and

10 (2) in subparagraph (B) (as redesignated), by  
11 striking “Social Security Administration” each place  
12 it appears and inserting “Social Security Adminis-  
13 tration, Health Care Financing Administration, or  
14 Department of Health and Human Services”, and  
15 by striking “or of the Health Care Financing Ad-  
16 ministration”.

17 (c) EXEMPTION FOR USE OF WORDS, LETTERS,  
18 SYMBOLS, AND EMBLEMS OF STATE AND LOCAL GOV-  
19 ERNMENT AGENCIES BY SUCH AGENCIES.—Paragraph  
20 (1) of section 1140(a) of such Act (as redesignated by sub-  
21 section (a)) is further amended by adding at the end the  
22 following new sentence: “The preceding provisions of this  
23 subsection shall not apply with respect to the use by any  
24 agency or instrumentality of a State or political subdivi-  
25 sion of a State of any words or letters which identify an

1 agency or instrumentality of such State or of a political  
2 subdivision of such State or the use by any such agency  
3 or instrumentality of any symbol or emblem of an agency  
4 or instrumentality of such State or a political subdivision  
5 of such State.”.

6 (d) INCLUSION OF REASONABLENESS STANDARD.—  
7 Section 1140(a)(1) of such Act (as amended by the pre-  
8 ceding provisions of this section) is further amended, in  
9 the matter following subparagraph (B) (as redesignated),  
10 by striking “convey” and inserting “convey, or in a man-  
11 ner which reasonably could be interpreted or construed as  
12 conveying.”.

13 (e) INEFFECTIVENESS OF DISCLAIMERS.—Sub-  
14 section (a) of section 1140 of such Act (as amended by  
15 the preceding provisions of this section) is further amend-  
16 ed by adding at the end the following new paragraph:

17 “(3) Any determination of whether the use of one or  
18 more words, letters, symbols, or emblems (or any combina-  
19 tion or variation thereof) in connection with an item de-  
20 scribed in paragraph (1) or the reproduction, reprinting,  
21 or distribution of an item described in paragraph (2) is  
22 a violation of this subsection shall be made without regard  
23 to any inclusion in such item (or any so reproduced, re-  
24 printed, or distributed copy thereof) of a disclaimer of af-

1 filiation with the United States Government or any par-  
2 ticular agency or instrumentality thereof.”.

3 (f) VIOLATIONS WITH RESPECT TO INDIVIDUAL  
4 ITEMS.—Section 1140(b)(1) of such Act (42 U.S.C.  
5 1320b–10(b)(1)) is amended by adding at the end the fol-  
6 lowing new sentence: “In the case of any items referred  
7 to in subsection (a)(1) consisting of pieces of mail, each  
8 such piece of mail which contains one or more words, let-  
9 ters, symbols, or emblems in violation of subsection (a)  
10 shall represent a separate violation. In the case of any  
11 item referred to in subsection (a)(2), the reproduction, re-  
12 printing, or distribution of such item shall be treated as  
13 a separate violation with respect to each copy thereof so  
14 reproduced, reprinted, or distributed.”.

15 (g) ELIMINATION OF CAP ON AGGREGATE LIABILITY  
16 AMOUNT.—

17 (1) REPEAL.—Paragraph (2) of section 1140(b)  
18 of such Act (42 U.S.C. 1320b–10(b)(2)) is repealed.

19 (2) CONFORMING AMENDMENTS.—Section  
20 1140(b) of such Act is further amended—

21 (A) by striking “(1) Subject to paragraph  
22 (2), the” and inserting “The”;

23 (B) by redesignating subparagraphs (A)  
24 and (B) as paragraphs (1) and (2), respectively;  
25 and

1 (C) in paragraph (1) (as redesignated), by  
2 striking “subparagraph (B)” and inserting  
3 “paragraph (2)”.

4 (h) REMOVAL OF FORMAL DECLINATION REQUIRE-  
5 MENT.—Section 1140(c)(1) of such Act (42 U.S.C.  
6 1320b–10(c)(1)) is amended by inserting “and the first  
7 sentence of subsection (c)” after “and (i)”.

8 (i) PENALTIES RELATING TO SOCIAL SECURITY AD-  
9 MINISTRATION DEPOSITED IN OASI TRUST FUND.—Sec-  
10 tion 1140(c)(2) of such Act (42 U.S.C. 1320b–10(c)(2))  
11 is amended in the second sentence by striking “United  
12 States.” and inserting “United States, except that, to the  
13 extent that such amounts are recovered under this section  
14 as penalties imposed for misuse of words, letters, symbols,  
15 or emblems relating to the Social Security Administration,  
16 such amounts shall be deposited into the Federal Old-Age  
17 and Survivor’s Insurance Trust Fund.”.

18 (j) ANNUAL REPORTS.—Section 1140 of such Act  
19 (42 U.S.C. 1320b–10) is amended by adding at the end  
20 the following new subsection:

21 “(d) The Secretary shall include in the annual report  
22 submitted pursuant to section 704 a report on the oper-  
23 ation of this section during the year covered by such an-  
24 nual report. Such report shall specify—

1           “(1) the number of complaints of violations of  
2 this section received by the Social Security Adminis-  
3 tration during the year,

4           “(2) the number of cases in which a notice of  
5 violation of this section was sent by the Social Secu-  
6 rity Administration during the year requesting that  
7 an individual cease activities in violation of this sec-  
8 tion,

9           “(3) the number of complaints of violations of  
10 this section referred by the Social Security Adminis-  
11 tration to the Inspector General in the Department  
12 of Health and Human Services during the year,

13           “(4) the number of investigations of violations  
14 of this section undertaken by the Inspector General  
15 during the year,

16           “(5) the number of cases in which a demand  
17 letter was sent during the year assessing a civil  
18 money penalty under this section,

19           “(6) the total amount of civil money penalties  
20 assessed under this section during the year,

21           “(7) the number of requests for hearings filed  
22 during the year pursuant to sections 1140(c)(1) and  
23 1128A(c)(2),



1           “(1) who received benefits under subsection (d),  
2           (e), or (f) of section 202 based on disability, or dis-  
3           ability insurance benefits under section 223;

4           “(2) whose benefits under such provision are  
5           not payable in a month after the close of the individ-  
6           ual’s trial work period determined by application of  
7           section 222(c)(4)(A) by reason of the rendering of  
8           services; and

9           “(3) who files an application for benefits under  
10          this title during the 33-month period beginning with  
11          the first month, after the end of such individual’s  
12          trial work period, for which a benefit described in  
13          paragraph (1) is not payable,

14 shall, for purposes of the requirement in section 1619 of  
15 a prior month of eligibility for benefits under section 1611,  
16 be deemed to have been eligible for benefits under section  
17 1611 in the month immediately preceding such 33-month  
18 period, and such application shall be deemed to have been  
19 filed in such immediately preceding month.”.

20          (b) EFFECTIVE DATE.—The amendment made by  
21 subsection (a) shall apply to individuals whose trial work  
22 period ends after the first day of the 13th calendar month  
23 following the month in which the date of enactment of this  
24 Act occurs.

1 **SEC. 202. INAPPLICABILITY OF SPOUSAL DEEMING UNDER**  
2 **SECTION 1619(b).**

3 Section 1619(b) of the Social Security Act (42 U.S.C.  
4 1382h(b)) is amended by adding at the end the following  
5 new paragraph:

6 “(4) In determining whether an individual meets the  
7 requirements of paragraph (1)(B), beginning with the first  
8 month in a period of disability or blindness that an indi-  
9 vidual would have income deemed to be available to them  
10 under the provisions of section 1614(f)(1) which (but for  
11 the provisions of this paragraph) would have made them  
12 ineligible under this subsection because of the require-  
13 ments of paragraph (1)(B) and continuing for each subse-  
14 quent month during such period of disability or blindness,  
15 the income of such individual’s spouse shall not be consid-  
16 ered in determining whether such individual meets the re-  
17 quirements of paragraph (1)(B).”.

18 **SEC. 203. EXCLUSION FROM INCOME UNDER SECTION 1619**  
19 **OF ALL COSTS OF ATTENDANT CARE.**

20 Section 1619(b)(1)(D) of the Social Security Act (42  
21 U.S.C. 1382h(b)(1)(D)) is amended by inserting “whether  
22 or not such services or assistance is also needed to enable  
23 him to carry out his normal daily functions,” before  
24 “which would be available to him in the absence of such  
25 earnings.”.

1 **SEC. 204. DISREGARD OF COST-OF-LIVING ADJUSTMENTS**  
2 **UNDER TITLE II IN DETERMINING MEDICAID**  
3 **ELIGIBILITY UNDER SECTION 1619 IF SUCH**  
4 **ADJUSTMENTS WOULD BE THE SOLE BASIS**  
5 **FOR INELIGIBILITY.**

6 Section 1619(b) of the Social Security Act (42 U.S.C.  
7 1382h(b)), as amended by section 202, is further amended  
8 by adding at the end the following new paragraph:

9 “(5) Benefits shall be provided under title XIX  
10 to any individual (and such individual’s spouse (if  
11 any)) for any month for which such individual is en-  
12 titled to a monthly insurance benefit under title II  
13 but is not eligible for benefits under subsection (a),  
14 in like manner and subject to the same terms and  
15 conditions as are applicable under this section in the  
16 case of individuals who are eligible for and receiving  
17 benefits under subsection (a) for such month, if for  
18 such month such individual would be (or could be-  
19 come) eligible for benefits under subsection (a) ex-  
20 cept for amounts of income received by such individ-  
21 ual which are attributable to increases in the level  
22 of monthly insurance benefits payable under title II  
23 which have taken effect pursuant to section 215(i),  
24 in the case of such individual, since the later of No-  
25 vember 1989 or the last month for which such indi-  
26 vidual was both eligible for (and received) benefits

1 under subsection (a) and was entitled to a monthly  
2 insurance benefit under title II, and, in the case of  
3 such individual's spouse (if any), since the later of  
4 November 1989 and the last month for which such  
5 spouse was both eligible for (and received) benefits  
6 under subsection (a) and was entitled to a monthly  
7 insurance benefit under title II.”.

8 **SEC. 205. ELIMINATION OF THE ONE-THIRD REDUCTION**  
9 **RULE.**

10 (a) **IN GENERAL.**—Section 1612(a) of the Social Se-  
11 curity Act (42 U.S.C. 1382a(a)) is amended by striking  
12 clause (i) of paragraph (2)(A).

13 (b) **CONFORMING AMENDMENTS.**—Section  
14 1612(a)(2)(A) of such Act (42 U.S.C. 1382a(a)(2)(A)) is  
15 amended—

16 (1) by redesignating clauses (ii) and (iii) as  
17 clauses (i) and (ii), respectively; and

18 (2) in clause (ii), as redesignated, by striking  
19 “and the provisions of clause (i) shall not be applica-  
20 ble”.

21 (c) **EFFECTIVE DATE.**—The amendments made by  
22 subsection (a) shall be effective on the date of the enact-  
23 ment of this Act.

1 **SEC. 206. INCREASE IN RESOURCE LIMITS.**

2 (a) IN GENERAL.—Section 1611(a) of the Social Se-  
3 curity Act (42 U.S.C. 1382(a)) is amended—

4 (1) in paragraph (3)(A), by striking “and to  
5 \$3,000 on January 1, 1989” and inserting “to  
6 \$3,000 on January 1, 1989, and to \$10,500 on Jan-  
7 uary 1, 1994”; and

8 (2) in paragraph (3)(B), by striking “and to  
9 \$2,000 on January 1, 1989” and inserting “to  
10 \$2,000 on January 1, 1989, and to \$7,000 on Janu-  
11 ary 1, 1994”.

12 (b) EFFECTIVE DATE.—The amendments made by  
13 subsection (a) shall be effective on the date of the enact-  
14 ment of this Act.

15 **SEC. 207. REDUCTION IN THE INCOME AND RESOURCES OF**  
16 **A PARENT OF A DISABLED CHILD.**

17 (a) IN GENERAL.—Section 1614(f)(2) of the Social  
18 Security Act (42 U.S.C. 1382c(f)(2)) is amended—

19 (1) in subparagraph (A), by striking “For pur-  
20 poses of determining” and inserting, “Except as pro-  
21 vided in subparagraph (C), for purposes of determin-  
22 ing”; and

23 (2) by adding at the end the following new sub-  
24 paragraph:

25 “(C) For purposes of subparagraph (A), the in-  
26 come and resources of a parent of an individual who

1 is a child under age 18 shall be reduced by any ex-  
2 penses incurred by such parent in connection with  
3 such child's disability.'".

4 (b) EFFECTIVE DATE.—The amendments made by  
5 subsection (a) shall be effective on the date of the enact-  
6 ment of this Act.

7 **SEC. 208. EFFECTIVE DATE.**

8 Except as otherwise provided, the amendments made  
9 by this subtitle shall apply with respect to benefits for  
10 months beginning on or after the first day of the 13th  
11 calendar month following the month in which the date of  
12 enactment of this Act occurs.

13 **Subtitle B—Advisory Committee on**  
14 **Criteria for Determining Disability**

15 **SEC. 211. ADVISORY COMMITTEE ON CRITERIA FOR DETER-**  
16 **MINING DISABILITY.**

17 (a) IN GENERAL.—The Secretary of Health and  
18 Human Services (hereafter referred to in this section as  
19 the "Secretary") shall establish an advisory committee  
20 (hereafter referred to in this section as the "Committee")  
21 for the purpose of issuing a report concerning the appro-  
22 priate criteria for determining disability under titles II  
23 and XVI of the Social Security Act.

1 (b) COMPOSITION.—The Committee shall be com-  
2 posed of individuals appointed by the Secretary represent-  
3 ing—

4 (1) disability advocacy groups;

5 (2) academics with expertise in disability issues;

6 and

7 (3) executive branch officials from agencies with  
8 expertise related to disability issues.

9 (c) ISSUE TO BE ADDRESSED.—The Committee shall  
10 study the appropriateness and feasibility of eliminating  
11 the references to “substantial gainful activity” in connec-  
12 tion with determinations of disability under titles II and  
13 XVI of the Social Security Act and reformulating the cri-  
14 teria for determining disability in terms of disadvantage  
15 in performing or participating in major life activities such  
16 as work.

17 (d) REPORT.—Within 1 year of the date of the enact-  
18 ment of this section, the Committee shall submit a report  
19 to the Secretary and the Congress containing the Commit-  
20 tee’s findings and conclusions with respect to the matters  
21 described in subsection (c).

22 (e) COMPENSATION.—

23 (1) IN GENERAL.—Members of the Committee  
24 shall serve without compensation.

1           (2) EXPENSES REIMBURSED.—While away from  
2 their homes or regular places of business on the  
3 business of the Committee, the members of the Com-  
4 mittee may be allowed travel expenses, including per  
5 diem in lieu of subsistence, as authorized by section  
6 5703 of title 5, United States Code, for persons em-  
7 ployed intermittently in Government service.

8           (3) SUPPORT.—The Secretary shall supply such  
9 necessary office facilities, office supplies, support  
10 services, and related expenses as necessary to carry  
11 out the functions of the Committee.

12           (4) APPLICATION OF THE ACT.—The provisions  
13 of the Federal Advisory Committee Act (5 U.S.C.  
14 App.) shall not apply with respect to the Committee.

1 **TITLE III—DEMONSTRATION**  
2 **PROJECTS TO PROVIDE FOR**  
3 **IMPROVED PROCEDURES**  
4 **WITH RESPECT TO DISABIL-**  
5 **ITY DETERMINATIONS, CON-**  
6 **TINUING DISABILITY RE-**  
7 **VIEWS, AND REHABILITATION**  
8 **SERVICES**

9 **SEC. 301. DEMONSTRATION PROJECTS UNDER TITLES II**  
10 **AND XVI OF THE SOCIAL SECURITY ACT TO**  
11 **PROVIDE REHABILITATION SERVICES TO IN-**  
12 **DIVIDUALS WITHIN CERTAIN CATEGORIES OF**  
13 **DISABILITY.**

14 (a) IN GENERAL.—The Secretary of Health and  
15 Human Services (hereafter referred to in this section as  
16 the “Secretary”) shall provide for the establishment of  
17 demonstration projects in 10 States under which such  
18 States will provide improved procedures with respect to  
19 disability determinations and continuing disability reviews  
20 under titles II and XVI of the Social Security Act and  
21 modify the program for providing rehabilitation services  
22 to individuals determined under such titles to be under  
23 a disability.

24 (b) IMPROVED PROCEDURES UNDER TITLE II DE-  
25 SCRIBED.—

1 (1) DISABILITY DETERMINATIONS.—

2 (A) IN GENERAL.—Each State conducting  
3 a demonstration program under this section  
4 shall provide that in making a determination  
5 under section 221 of the Social Security Act  
6 with respect to whether an individual is under  
7 a disability (as defined in section 223(d) of  
8 such Act), the State agency making such deter-  
9 mination shall at the same time determine  
10 which of the following disability categories best  
11 describes the condition of such individual at the  
12 time such determination is made:

13 (i) The individual is under a disability  
14 that is permanent and cannot benefit from  
15 vocational rehabilitation services (as de-  
16 scribed in section 103 of the Rehabilitation  
17 Act of 1973) or from comprehensive serv-  
18 ices for independent living (as described in  
19 title VII of such Act).

20 (ii) The individual is under a disabil-  
21 ity that is permanent, is unlikely to engage  
22 in substantial gainful activity (in the case  
23 of an individual making application for  
24 benefits under section 202(d) or 223 of the  
25 Social Security Act) or any gainful activity

1 (in the case of an individual making appli-  
2 cation for benefits under subsection (e) or  
3 (f) of section 202 of such Act) in the fu-  
4 ture, but can benefit from vocational reha-  
5 bilitation services or comprehensive serv-  
6 ices for independent living.

7 (iii) The individual is under a disabil-  
8 ity that is permanent, can benefit from vo-  
9 cational rehabilitation services, and, if pro-  
10 vided with such services, would possibly en-  
11 gage in substantial gainful activity or any  
12 gainful activity, as the case may be, as the  
13 result of having been provided with such  
14 services.

15 (iv) The individual is under a disabil-  
16 ity that is not permanent and cannot bene-  
17 fit from vocational rehabilitation services.

18 (v) The individual is under a disability  
19 that is not permanent, is unlikely to en-  
20 gage in substantial gainful activity or any  
21 gainful activity, as the case may be, in the  
22 future, but can benefit from vocational re-  
23 habilitation services or comprehensive serv-  
24 ices for independent living.

1           (vi) The individual is under a disabil-  
2           ity that is not permanent, can benefit from  
3           vocational rehabilitation services, and, if  
4           provided with such services, would possibly  
5           engage in substantial gainful activity or  
6           any gainful activity, as the case may be, as  
7           the result of having been provided with  
8           such services.

9           (vii) The individual is under a medi-  
10          cally determinable physical or mental im-  
11          pairment that is not a disability, and could  
12          possibly benefit from vocational rehabilita-  
13          tion services provided under title I of the  
14          Rehabilitation Act of 1973.

15          (viii) The individual is under a medi-  
16          cally determinable physical or mental im-  
17          pairment that is not a disability, and could  
18          not benefit from vocational rehabilitation  
19          services.

20          (ix) The individual is not under a dis-  
21          ability or any other medically determinable  
22          physical or mental impairment.

23          Determinations made by the State agency  
24          under this subparagraph shall be made in ac-  
25          cordance with standards promulgated by the

1 Secretary in consultation with the Commis-  
2 sioner of the Rehabilitation Services Adminis-  
3 tration of the Department of Education.

4 (B) NOTICE.—Each State conducting a  
5 demonstration project under this section shall  
6 ensure that each notice to an individual of a de-  
7 cision by the State agency with respect to  
8 whether an individual is under a disability shall  
9 include, in addition to the matters required to  
10 be included in the notice of such decision under  
11 section 205(b)(1) of the Social Security Act—

12 (i) an explanation, in understandable  
13 language, of the reasons why the State  
14 agency has determined that a particular  
15 disability category set forth in subpara-  
16 graph (A) best describes the condition of  
17 such individual; and

18 (ii) in the case of an individual with  
19 respect to whom it is determined that voca-  
20 tional rehabilitation services or comprehen-  
21 sive services for independent living would  
22 be beneficial—

23 (I) a statement that such individ-  
24 ual is eligible for such services;

1 (II) a brief explanation of the  
2 disability review required under para-  
3 graph (2) and the application of such  
4 provisions to such individual; and

5 (III) information with respect to  
6 how to apply for such services.

7 (C) RESPONSIBILITIES OF THE SEC-  
8 RETARY.—The Secretary shall take such steps  
9 as may be necessary to ensure that—

10 (i) all determinations required by this  
11 paragraph are made in a timely manner;  
12 and

13 (ii) the payment of benefits to dis-  
14 abled individuals under title II of the So-  
15 cial Security Act is not delayed by reason  
16 of such determinations.

17 (2) REVIEW OF DISABILITY DETERMINA-  
18 TIONS.—

19 (A) INITIAL REVIEW.—The Secretary shall  
20 review determinations made by the State agen-  
21 cy under a demonstration project in accordance  
22 with section 221(c) of the Social Security Act  
23 and may modify such agency's determination  
24 and determine that a different disability cat-  
25 egory set forth in paragraph (1)(A) best de-

1 scribes the condition of such individual. The  
2 Secretary shall conduct hearings in accordance  
3 with section 221(d) of such Act with respect to  
4 determinations of which disability category best  
5 describes the condition of an individual.

6 (B) ONGOING REVIEWS.—

7 (i) INDIVIDUALS NOT RECEIVING VO-  
8 CATIONAL REHABILITATION SERVICES.—In  
9 any case under a demonstration project  
10 where an individual is or has been deter-  
11 mined to be under a disability and such in-  
12 dividual is not eligible for or is not (for  
13 any reason) receiving vocational rehabilita-  
14 tion services or comprehensive services for  
15 independent living provided in accordance  
16 with section 222 of the Social Security  
17 Act, the case shall be reviewed by the ap-  
18 plicable State agency or the Secretary (as  
19 may be appropriate), for purposes of con-  
20 tinuing eligibility at least once every 3  
21 years in the case of an individual deter-  
22 mined to be under a disability that is not  
23 permanent, and at least once every 7 years  
24 in the case of an individual determined

1 under such subsection to be under a dis-  
2 ability that is permanent.

3 (ii) INDIVIDUALS RECEIVING VOCA-  
4 TIONAL REHABILITATION SERVICES.—In  
5 any case under a demonstration project in  
6 which an individual is or has been deter-  
7 mined to be under a disability and such in-  
8 dividual is receiving vocational rehabilita-  
9 tion services or comprehensive services for  
10 independent living provided in accordance  
11 with section 222 of the Social Security  
12 Act, the case shall be reviewed by the ap-  
13 plicable State agency or the Secretary (as  
14 may be appropriate), for purposes of con-  
15 tinuing eligibility, whenever such agency or  
16 the Secretary concludes, on the basis of a  
17 report made in accordance with paragraph  
18 (5) that such a review is warranted.

19 (iii) OTHER REVIEWS.—Reviews  
20 under clauses (i) and (ii) shall be in addi-  
21 tion to, and shall not be considered as a  
22 substitute for, any other reviews that are  
23 required or provided for under or in the  
24 administration of title II of the Social Se-  
25 curity Act.

1           (3) REFERRAL FOR REHABILITATION SERV-  
2           ICES.—

3           (A) IN GENERAL.—Each State conducting  
4           a demonstration project shall provide that, ex-  
5           cept in the case of an individual referred to a  
6           facility pursuant to subparagraph (B), the  
7           State agency making determinations of whether  
8           an individual is under a disability shall prompt-  
9           ly refer any individual determined to fall within  
10          a disability category set forth in clause (ii),  
11          (iii), (v), (vi), or (vii) of paragraph (1)(A), to—

12           (i) the State agency or agencies ad-  
13           ministering or supervising the administra-  
14           tion of the State plan approved under title  
15           I of the Rehabilitation Act of 1973 for nec-  
16           essary vocational rehabilitation services, or

17           (ii) the State unit (if any) designated  
18           under section 705 of such Act to admin-  
19           ister a State plan approved under title VII  
20           of such Act for such services, as may be  
21           appropriate.

22          (B) OTHER INDIVIDUALS.—If an individ-  
23          ual is determined to be under a disability and  
24          to fall within a disability category set forth in  
25          clause (iii) or (vi) of paragraph (1)(A), the

1 State agency may refer such individual directly  
2 to a facility that has been certified by the Sec-  
3 retary as qualified to be a provider of vocational  
4 rehabilitation services and shall make payments  
5 directly to such facility for vocational rehabilita-  
6 tion services furnished to such individual.

7 (C) INDIVIDUALS DISSATISFIED WITH  
8 SERVICES.—

9 (i) IN GENERAL.—Any individual  
10 who—

11 (I) is referred under subpara-  
12 graph (B) to a provider of vocational  
13 rehabilitation services, and

14 (II) is dissatisfied for any reason  
15 with the services of the provider,  
16 may request that the State agency refer  
17 such individual to another provider of such  
18 services.

19 (ii) ACTION ON REQUEST.—The State  
20 agency shall promptly make a determina-  
21 tion with respect to such request and no-  
22 tify the individual of the determination. If  
23 the request is denied, the notice required  
24 by this clause shall contain a statement, in

1           understandable language, of the reason or  
2           reasons for the denial of the request.

3           (iii) HEARING.—Any individual mak-  
4           ing a request under this subparagraph  
5           shall be entitled to a hearing on the deter-  
6           mination made under clause (ii) with re-  
7           spect to the request to the same extent as  
8           provided in section 205(b) of the Social Se-  
9           curity Act for decisions of the Secretary,  
10          and to judicial review of the final decision  
11          made after the hearing, as is provided in  
12          section 205(g) of such Act.

13          (4) ELIGIBILITY FOR REHABILITATION SERV-  
14          ICES.—

15           (A) IN GENERAL.—Each State conducting  
16           a demonstration project shall provide that an  
17           individual determined to be under a disability  
18           or other medically determinable physical or  
19           mental impairment and to fall within a disabil-  
20           ity category set forth in clause (iii), (vi), or (vii)  
21           of paragraph (1)(A) (other than an individual  
22           referred to and receiving vocational rehabilita-  
23           tion services from a provider) shall be eligible  
24           for vocational rehabilitation services provided  
25           under title I of the Rehabilitation Act of 1973.

1           (B) OTHER INDIVIDUALS ELIGIBLE FOR  
2           COMPREHENSIVE SERVICES FOR INDEPENDENT  
3           LIVING.—Each State conducting a demonstra-  
4           tion project shall provide that an individual de-  
5           termined to be under a disability and to fall  
6           within a disability category described in clause  
7           (ii) or (v) of paragraph (1)(A) shall be eligible  
8           for vocational rehabilitation services provided  
9           under title I of the Rehabilitation Act of 1973  
10          or comprehensive services for independent living  
11          provided under title VII of such Act.

12          (5) REPORTING BY REHABILITATION FACILI-  
13          TIES, INDEPENDENT LIVING FACILITIES, AND CER-  
14          TIFIED PROVIDERS.—

15               (A) IN GENERAL.—Each State conducting  
16               a demonstration project shall provide that a fa-  
17               cility which—

18                       (i) is a rehabilitation facility and pro-  
19                       vides vocational rehabilitation services to  
20                       an individual described in paragraph (4)  
21                       (other than an individual determined to  
22                       fall within the disability category set forth  
23                       in paragraph (1)(A)(vii)) under a State  
24                       plan approved under title I of the Rehabili-  
25                       tation Act of 1973, or

1           (ii) provides comprehensive services  
2           for independent living to an individual de-  
3           scribed in paragraph (4)(B) under a State  
4           plan approved under title VII of such Act,  
5           shall report promptly to the agency of such  
6           State that determines whether an individual is  
7           under a disability the termination of the provi-  
8           sion of such services to such individual (and the  
9           reason or reasons for such termination), any  
10          significant change in the impairment of such in-  
11          dividual, and any change in the employment  
12          status of such individual that might warrant a  
13          review with respect to the disability of such in-  
14          dividual in accordance with section 221(i) of the  
15          Social Security Act.

16          (B) OTHER FACILITIES.—Each State con-  
17          ducting a demonstration project shall provide  
18          that a rehabilitation facility that provides voca-  
19          tional rehabilitation services under a plan ap-  
20          proved under title I of the Rehabilitation Act of  
21          1973 to an individual determined to be under a  
22          disability and to fall within the disability cat-  
23          egory set forth in clause (v) or (vi) of para-  
24          graph (1)(A) shall, in addition to submitting  
25          any reports required under subparagraph (A)

1 with respect to such individual, submit a report  
2 once every 3 years that evaluates—

3 (i) the progress of such individual to-  
4 ward the achievement of the goals estab-  
5 lished with respect to such individual and  
6 included in the individualized written plan  
7 of vocational rehabilitation developed for  
8 such individual pursuant to subparagraph  
9 (A) of paragraph (6);

10 (ii) the likelihood that such individual  
11 will engage in substantial gainful activity  
12 or any gainful activity, as the case may be,  
13 in the future as the result of such services;  
14 and

15 (iii) any other matters that are rel-  
16 evant to determination or redetermination  
17 of the disability status of such individual.

18 (C) REPORT ON CHANGE IN CONDITION OF  
19 CERTAIN INDIVIDUALS.—Failure by a facility  
20 described in subparagraph (A) to report a  
21 change in the condition of an individual de-  
22 scribed in subparagraph (A) or (B) of para-  
23 graph (4) (other than an individual determined  
24 to fall within the disability category set forth in  
25 clause (vii) of paragraph (1)(A)), that such fa-

1 cility knows or has reason to know would result  
2 in a determination that such individual is no  
3 longer under a disability, shall be a mis-  
4 demeanor and, upon conviction thereof, shall be  
5 punishable by a fine of up to \$10,000.

6 (D) APPLICABILITY TO REFERRED INDI-  
7 VIDUALS.—Any provision of this paragraph that  
8 is applicable to a rehabilitation facility shall  
9 also apply to a provider of vocational rehabilita-  
10 tion services to which individuals are referred in  
11 accordance with paragraph (3)(B).

12 (c) IMPROVED PROCEDURES UNDER TITLE XVI DE-  
13 SCRIBED.—

14 (1) DISABILITY DETERMINATIONS.—

15 (A) IN GENERAL.—Each State conducting  
16 a demonstration project shall provide that in  
17 making a determination under paragraph (2) or  
18 (3) of section 1614(a) of the Social Security  
19 Act with respect to whether an individual is a  
20 blind or disabled individual, the State agency  
21 making such determination shall at the same  
22 time determine which of the following disability  
23 categories best describes the condition of such  
24 individual at the time such determination is  
25 made:

1           (i) The individual is a blind or dis-  
2           abled individual whose impairment is per-  
3           manent and who can not benefit from vo-  
4           cational rehabilitation services (as de-  
5           scribed in section 103 of the Rehabilitation  
6           Act of 1973) or from comprehensive serv-  
7           ices for independent living (as described in  
8           title VII of such Act).

9           (ii) The individual is a blind or dis-  
10          abled individual whose impairment is per-  
11          manent, who is unlikely to engage in sub-  
12          stantial gainful activity in the future, but  
13          who can benefit from vocational rehabilita-  
14          tion services or comprehensive services for  
15          independent living.

16          (iii) The individual is a blind or dis-  
17          abled individual whose impairment is per-  
18          manent, who can benefit from vocational  
19          rehabilitation services, and who, if provided  
20          with such services, would possibly engage  
21          in substantial gainful activity as the result  
22          of having been provided with such services.

23          (iv) The individual is a blind or dis-  
24          abled individual whose impairment is not

1 permanent and who can not benefit from  
2 vocational rehabilitation services.

3 (v) The individual is a blind or dis-  
4 abled individual whose impairment is not  
5 permanent, who is unlikely to engage in  
6 substantial gainful activity in the future as  
7 the result of such services, but who can  
8 benefit from vocational rehabilitation serv-  
9 ices or comprehensive services for inde-  
10 pendent living.

11 (vi) The individual is a blind or dis-  
12 abled individual whose impairment is not  
13 permanent, who can benefit from voca-  
14 tional rehabilitation services, and who, if  
15 provided with such services, would possibly  
16 engage in substantial gainful activity as  
17 the result of having been provided with  
18 such services.

19 (vii) The individual is not a blind or  
20 disabled individual but is under a medically  
21 determinable physical or mental impair-  
22 ment, and could possibly benefit from voca-  
23 tional rehabilitation services provided  
24 under title I of the Rehabilitation Act of  
25 1973.

1 (viii) The individual is under a medi-  
2 cally determinable physical or mental im-  
3 pairment, but is not a blind or disabled in-  
4 dividual and could not benefit from voca-  
5 tional rehabilitation services.

6 (ix) The individual is not a blind or  
7 disabled individual and is not under any  
8 other medically determinable physical or  
9 mental impairment.

10 Determinations made by the State agency  
11 under this subparagraph shall be made in ac-  
12 cordance with standards promulgated by the  
13 Secretary in consultation with the Commis-  
14 sioner of the Rehabilitation Services Adminis-  
15 tration of the Department of Education.

16 (B) NOTICE.—Each State conducting a  
17 demonstration project under this section shall  
18 ensure that each notice to an individual of a de-  
19 cision under paragraph (2) or (3) of section  
20 1614(a) of the Social Security Act with respect  
21 to whether such individual is a blind or disabled  
22 individual shall include, in addition to the mat-  
23 ters required to be included in the notice of  
24 such decision under section 1631(c)(1)—

1 (i) an explanation, in understandable  
2 language, of the reasons why the State  
3 agency has determined that a particular  
4 disability category set forth in subpara-  
5 graph (A) best describes the condition of  
6 such individual; and

7 (ii) in the case of an individual with  
8 respect to whom it is determined that voca-  
9 tional rehabilitation services or comprehen-  
10 sive services for independent living would  
11 be beneficial—

12 (I) a statement that such individ-  
13 ual is eligible for such services; and

14 (II) information with respect to  
15 how to apply for such services.

16 (C) RESPONSIBILITIES OF THE SEC-  
17 RETARY.—The Secretary shall take such steps  
18 as may be necessary to ensure that—

19 (i) all determinations under subpara-  
20 graph (A) and paragraphs (2) and (3) of  
21 subsection 1614(a) are made in a timely  
22 manner, and

23 (ii) the payment of benefits to blind  
24 and disabled individuals under title XVI of

1           the Social Security Act is not delayed by  
2           reason of such determinations.

3           (2) REVIEW OF DISABILITY DETERMINA-  
4           TIONS.—The Secretary shall review determinations  
5           made by the State agency under a demonstration  
6           project in accordance with section 1631(c) of the So-  
7           cial Security Act and may modify such agency’s de-  
8           termination and determine that a different disability  
9           category set forth in paragraph (1)(A) best describes  
10          the condition of such individual. Each decision by  
11          the Secretary shall also contain a statement, in un-  
12          derstandable language, of the reasons the individual  
13          has been determined to fall within a particular dis-  
14          ability category set forth in paragraph (1)(A). The  
15          Secretary shall conduct hearings in accordance with  
16          section 1631(c) of such Act with respect to deter-  
17          minations of which disability category best describes  
18          the condition of an individual.

19          (3) REFERRAL FOR REHABILITATION SERV-  
20          ICES.—

21                 (A) IN GENERAL.—Each State conducting  
22                 a demonstration project shall provide that, ex-  
23                 cept in the case of an individual referred to a  
24                 facility pursuant to subparagraph (B), the  
25                 State agency making determinations under

1 paragraphs (2) and (3) of section 1614(a) of  
2 the Social Security Act with respect to whether  
3 an individual is a blind or disabled individual  
4 shall promptly refer any individual determined  
5 to fall within a disability category set forth in  
6 clause (ii), (iii), (v), (vi), or (vii) of paragraph  
7 (1)(A) to—

8 (i) the State agency or agencies ad-  
9 ministering or supervising the administra-  
10 tion of the State plan approved under title  
11 I of the Rehabilitation Act of 1973 for nec-  
12 essary vocational rehabilitation services, or

13 (ii) the State unit (if any) designated  
14 under section 705 of such Act to admin-  
15 ister a State plan approved under title VII  
16 of such Act for such services, as may be  
17 appropriate.

18 (B) OTHER INDIVIDUALS.—If an individ-  
19 ual is determined in accordance with paragraph  
20 (2) or (3) of subsection (a) of section 1614 of  
21 the Social Security Act to be a blind or disabled  
22 individual and to fall within a disability cat-  
23 egory described in clause (iii) or (vi) of para-  
24 graph (1)(A), the State agency may refer such  
25 individual directly to a facility that has been

1 certified by the Secretary as qualified to be a  
2 provider of vocational rehabilitation services  
3 and shall make payments directly to such facil-  
4 ity for vocational rehabilitation services fur-  
5 nished to such individual.

6 (C) INDIVIDUALS DISSATISFIED WITH  
7 SERVICES.—

8 (i) IN GENERAL.—Any individual  
9 who—

10 (I) is referred under subpara-  
11 graph (B) to a provider of vocational  
12 rehabilitation services, and

13 (II) is dissatisfied for any reason  
14 with the services of the provider,  
15 may request that the State agency refer  
16 such individuals to another provider of  
17 such services.

18 (ii) ACTION ON REQUEST.—The State  
19 agency shall promptly make a determina-  
20 tion with respect to such request and no-  
21 tify the individual of the determination. If  
22 the request is denied, the notice required  
23 by this clause shall contain a statement, in  
24 understandable language, of the reason or  
25 reasons for the denial of the request.

1                   (iii) HEARING.—Any individual mak-  
2                   ing a request under this subparagraph  
3                   shall be entitled to a hearing on the deter-  
4                   mination made under clause (ii) with re-  
5                   spect to the request to the same extent as  
6                   provided in section 205(b) of the Social Se-  
7                   curity Act for decisions of the Secretary,  
8                   and to judicial review of the final decision  
9                   made after the hearing, as is provided in  
10                  section 205(g) of such Act.

11                  (4) ELIGIBILITY FOR REHABILITATION SERV-  
12                  ICES.—

13                   (A) IN GENERAL.—Each State conducting  
14                   a demonstration project shall provide that an  
15                   individual determined in accordance with para-  
16                   graph (2) or (3) of subsection (a) of section  
17                   1614 of the Social Security Act to be a blind  
18                   or disabled individual or to have some other  
19                   medically determinable physical or mental im-  
20                   pairment, and to fall within a disability cat-  
21                   egory described in clause (iii), (vi), or (viii) of  
22                   paragraph (1)(A) (other than an individual re-  
23                   ceiving vocational rehabilitation services in ac-  
24                   cordance with the provisions of paragraph  
25                   (3)(B)) shall be eligible for vocational rehabili-

1           tation services provided under title I of the Re-  
2           habilitation Act of 1973.

3           (B) OTHER INDIVIDUALS ELIGIBLE FOR  
4           COMPREHENSIVE SERVICES FOR INDEPENDENT  
5           LIVING.—Each State conducting a demonstra-  
6           tion project shall provide that an individual de-  
7           termined in accordance with paragraph (2) or  
8           (3) of subsection (a) of section 1614 of the So-  
9           cial Security Act to be a blind or disabled indi-  
10          vidual and to fall within a disability category  
11          set forth in clause (ii) or (v) of paragraph  
12          (1)(A) shall be eligible for vocational rehabilita-  
13          tion services provided under title I of the Reha-  
14          bilitation Act of 1973 or comprehensive services  
15          for independent living provided under title VII  
16          of such Act.

17          (5) REPORTING BY REHABILITATION FACILI-  
18          TIES, INDEPENDENT LIVING FACILITIES, AND CER-  
19          TIFIED PROVIDERS.—

20                 (A) IN GENERAL.—Each State conducting  
21                 a demonstration project shall provide that a fa-  
22                 cility which—

23                         (i) is a rehabilitation facility and pro-  
24                         vides vocational rehabilitation services to  
25                         an individual described in paragraph (4)

1 (other than an individual determined to  
2 fall within the disability category set forth  
3 in paragraph (1)(A)(vii)), under a State  
4 plan approved under title I of the Rehabili-  
5 tation Act of 1973, or

6 (ii) provides comprehensive services  
7 for independent living to an individual de-  
8 scribed in paragraph (4)(B) under a State  
9 plan approved under title VII of such Act,  
10 shall report promptly to the agency of such  
11 State that determines whether an individual is  
12 a blind or disabled individual the termination of  
13 the provision of such services to such individual  
14 (and the reason or reasons for such termi-  
15 nation) and the return to work of such individ-  
16 ual.

17 (B) APPLICABILITY TO REFERRED INDI-  
18 VIDUALS.—Any provision of this paragraph that  
19 is applicable to a rehabilitation facility shall  
20 also apply to a provider of vocational rehabilita-  
21 tion services to which individuals are referred in  
22 accordance with paragraph (3)(B).

23 (d) INDIVIDUALIZED WRITTEN PLANS OF VOCA-  
24 TIONAL REHABILITATION; STANDARDS FOR PROVID-  
25 ERS.—

1 (1) INDIVIDUALIZED WRITTEN PLANS.—

2 (A) IN GENERAL.—Each State conducting  
3 a demonstration project shall provide that a fa-  
4 cility providing vocational rehabilitation services  
5 or comprehensive services for independent living  
6 to an individual eligible for such services under  
7 such project shall do so in accordance with an  
8 individualized written plan of vocational reha-  
9 bilitation for such individual.

10 (B) DEVELOPMENT, IMPLEMENTATION,  
11 AND REVIEW OF PLAN.—Notwithstanding sec-  
12 tion 102 of the Rehabilitation Act of 1973, the  
13 individualized written plan of vocational reha-  
14 bilitation required by subparagraph (A) shall be  
15 developed, implemented, and reviewed in a man-  
16 ner that is, to the greatest extent practicable  
17 and consistent with the provisions of titles II  
18 and XVI of the Social Security Act, the same  
19 as the manner in which plans required by sec-  
20 tion 3107 of title 38, United States Code, are  
21 developed, implemented, and reviewed.

22 (2) STANDARDS FOR PROVIDERS.—

23 (A) IN GENERAL.—Each State conducting  
24 a demonstration project shall provide that a fa-  
25 cility providing vocational rehabilitation services

1 or comprehensive services for independent living  
2 to an individual eligible for such services shall  
3 meet such standards as the Secretary may by  
4 regulation prescribe.

5 (B) REGULATIONS.—In promulgating reg-  
6 ulations under subparagraph (A), the Secretary  
7 shall consult with the Commissioner of the Re-  
8 habilitation Services Administration of the De-  
9 partment of Education and, to the greatest ex-  
10 tent practicable and consistent with the pur-  
11 poses of this section, shall incorporate the  
12 standards applicable to facilities and providers  
13 of such services under titles I and VII of the  
14 Rehabilitation Act of 1973 on the day before  
15 the date of the enactment of this section.

16 (e) DEFINITIONS.—For purposes of this section—

17 (1) the term “rehabilitation facility” shall have  
18 the meaning given to such term in section 7(13) of  
19 the Rehabilitation Act of 1973;

20 (2) the term “vocational rehabilitation services”  
21 shall have the meaning given to such term in section  
22 103 of such Act; and

23 (3) the term “comprehensive services for inde-  
24 pendent living” shall have the meaning given to such  
25 term in title VII of such Act.

1 (f) APPLICATIONS.—

2 (1) IN GENERAL.—Each State desiring to con-  
3 duct a demonstration project under this section shall  
4 prepare and submit to the Secretary an application,  
5 at such time, in such manner, and containing such  
6 information as the Secretary may require.

7 (2) CONSIDERATION OF APPLICATIONS.—The  
8 Secretary shall consider all applications received  
9 from States desiring to conduct demonstration  
10 projects under this section and shall approve 10 ap-  
11 plications.

12 (g) REPORTS.—

13 (1) BY THE STATES.—A State that conducts a  
14 demonstration project under this section shall annu-  
15 ally prepare and submit to the Secretary a report  
16 with respect to the activities conducted by such  
17 State under this section.

18 (2) BY THE SECRETARY.—The Secretary shall,  
19 within 180 days of the termination of the last of the  
20 demonstration projects under this section, conduct  
21 an evaluation of such demonstration projects and  
22 submit a report to the Congress concerning the ef-  
23 fectiveness of such demonstration projects. Such re-  
24 port shall analyze the reports received by the Sec-  
25 retary under paragraph (1).

1 (h) DURATION.—A demonstration project provided  
2 under this section shall be conducted for a period not to  
3 exceed 5 years after the date of the enactment of this sec-  
4 tion. The Secretary may terminate a project if the Sec-  
5 retary determines that the State conducting the project  
6 is not in substantial compliance with the terms of the ap-  
7 plication approved by the Secretary under this section.

8 (i) AUTHORIZATION OF APPROPRIATIONS.—There  
9 are authorized to be appropriated such sums as may be  
10 necessary to carry out the purposes of this section.

11 **SEC. 302. DEMONSTRATION PROJECTS TO IMPROVE RE-**  
12 **VIEW OF DISABILITY DETERMINATIONS**  
13 **UNDER TITLES II AND XVI OF THE SOCIAL SE-**  
14 **CURITY ACT.**

15 (a) IN GENERAL.—Pursuant to section 1115 of the  
16 Social Security Act, the Secretary of Health and Human  
17 Services (hereafter in this section referred to as the “Sec-  
18 retary”) shall provide for the establishment of demonstra-  
19 tion projects in 10 States to improve review of disability  
20 determinations made under titles II and XVI of such Act.

21 (b) DEMONSTRATION PROJECTS DESCRIBED.—  
22 Under the demonstration projects conducted under this  
23 section, if a State agency under title II or XVI of the So-  
24 cial Security Act determines based upon a written applica-  
25 tion for benefits that an individual is ineligible for benefits

1 under such titles due to a finding that such individual does  
2 not have a disability, such individual shall be granted an  
3 opportunity for a face-to-face interview with such agency.  
4 If an individual is determined ineligible for benefits under  
5 such titles after such face-to-face interview, such individ-  
6 ual shall be granted a hearing by the Secretary within 60  
7 days of such determination without any intervening recon-  
8 sideration of the initial determination of ineligibility.

9 (c) APPLICATIONS.—

10 (1) IN GENERAL.—Each State desiring to con-  
11 duct a demonstration project under this section shall  
12 prepare and submit to the Secretary an application,  
13 at such time, in such manner, and containing such  
14 information as the Secretary may require.

15 (2) CONSIDERATION OF APPLICATIONS.—The  
16 Secretary shall consider all applications received  
17 from States desiring to conduct demonstration  
18 projects under this section and shall approve 10 ap-  
19 plications.

20 (d) REPORTS.—

21 (1) BY THE STATES.—A State that conducts a  
22 demonstration project under this section shall annu-  
23 ally prepare and submit to the Secretary a report  
24 with respect to the activities conducted by such  
25 State under this section.

1           (2) BY THE SECRETARY.—The Secretary shall,  
 2           within 180 days of the termination of the last of the  
 3           demonstration projects under this section, conduct  
 4           an evaluation of such demonstration projects and  
 5           submit a report to the Congress concerning the ef-  
 6           fectiveness of such demonstration projects in reduc-  
 7           ing the burden on State agencies which make dis-  
 8           ability determinations. Such report shall analyze the  
 9           reports received by the Secretary under paragraph  
 10          (1).

11          (e) DURATION.—A demonstration project provided  
 12          under this section shall be conducted for a period not to  
 13          exceed 5 years after the date of the enactment of this sec-  
 14          tion. The Secretary may terminate a project if the Sec-  
 15          retary determines that the State conducting the project  
 16          is not in substantial compliance with the terms of the ap-  
 17          plication approved by the Secretary under this section.

18          (f) AUTHORIZATION OF APPROPRIATIONS.—There  
 19          are authorized to be appropriated such sums as may be  
 20          necessary to carry out the purposes of this section.

○

S 619 IS—2

S 619 IS—3

S 619 IS—4

S 619 IS—5

S 619 IS—6