



Legislative Bulletin.....March 27, 2014

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H.R. 4302 - Protecting Access to Medicare Act of 2014 — (Pitts, R-PA)

Order of Business: [H.R. 4302](#) is scheduled to be considered on March 27, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: Title I: Medicare Extenders

Physician Payment Update

- There will be a twelve month physician payment update which will last through April 1, 2015. From April 1, 2014, through December 31, 2014 a 0.5 percent update is instituted while the time period from January 1, 2015- April 1, 2015 a 0 percent update will take effect. This prevents the 24 percent cut which was expected to occur when the current patch expires on April 1, 2014. The Sustainable Growth Rate is the statutory method which determines the annual updates to the Medicare physician fee schedule. Beginning in 2002, the actual expenditures began to exceed the allowed targets. In order to avoid a decrease in reimbursements, Congress has enacted a series of laws to override the system. In the findings, it is noted that Congress acknowledges the need to reform the physician payment system, commonly known as the SGR, but that will happen next year.

Extension of Work GPCI (Geographic Price Cost Indices) Floor

- Extends the floor for the work geographic index under current law until April 1, 2015. GPCIs are adjustments that are applied to account for geographic variations in the costs of practicing medicine in different areas of the country. In 2003, Congress set in place a floor that suspends the GPCI at 1.0 for those localities with resource costs that are below the national average.

Extensions of Therapy Cap Exceptions Process

- Under current law, Medicare Part B outpatient physical and speech language therapy services have a combined cap of \$1,880 per year. This provision extends the Medicare therapy caps exceptions process until March 31, 2015.

Extension of Ambulance Add-Ons

- Provides an extension through April 1, 2015, to the temporary increase for ground ambulance services and super rural ground ambulance services.

Extension of Increased Inpatient Hospital Payment Adjustment for Certain Low-Volume Hospitals

- Qualifying low-volume hospitals receive add-on payments based on the number of Medicare discharges. To qualify as a low-volume the hospital must be more than 15 road miles from the nearest hospital and have fewer than 1600 Medicare discharges. This provision extends through April 1, 2015.

Extension of the Medicare-Dependant Hospital (MDH) Program

- The Medicare Dependent Hospital (MDH) program provides enhanced reimbursement to support rural health infrastructure and to support small rural hospitals for which Medicare patients make up a significant percentage of inpatient days or discharges. A hospital qualifies for the MDH program if it is located in a rural area, has no more than 100 beds, is not classified as a Sole Community Hospital, and has at least 60 percent of inpatient days or discharges covered by Medicare. This program is extended through April 1, 2015.

Extension of Specialized Medicare Advantage Plans for Special Needs Individuals

- Extends the authority of specialize plans to target enrollment to certain populations through 2017.

Extension of Medicare Reasonable Costs Contracts

- This provision allows Medicare cost plans to continue in an area where at least two Medicare Advantage coordinated care plans operate. Cost plans are private plans that operate in much the same ways as a Medicare Advantage plan. However, plans with cost contracts provide Medicare services on a reasonable per person amount based on the actual costs of services. This provision would extend these plans until January 1, 2016.

Extension of Funding for Quality Measure Endorsement, Input and Selection

- Under the Medicare Improvement for Patients and Providers Act of 2008, HHS entered into a five year contract with a consensus-based entity for certain activities relating to health care performance. This bill allows the Secretary to transfer from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund \$12,500,000 for the first six months of FY2015 which would remain available until expended.

Extension of Funding Outreach and Assistance for Low-Income Programs

- Extends funding for the State Health Insurance Program, the Area Agencies on Aging and The National Center for Benefits and Outreach Enrollment through April 1, 2015.

Extension of the Two-Midnight Rule

- In the 2014 Medicare inpatient prospective payment system final rule, CMS included a new regulation for hospitals and health systems: the two-midnight rule. This rule attempts to provide greater clarity regarding when inpatient hospital admissions are generally appropriate for Medicare Part A payment. The new rules are intended to address concerns about Medicare beneficiaries having long stays in the hospital as outpatients and improve program integrity. This bill allows the Secretary to continue medical reviews of this through the first six months of FY2015.

Title II: Other Health Provisions

Extension of the Qualifying Individual (QI) Program

- Under current law, states pay the Medicare Part B premiums for a mandatory group of low-income Medicare beneficiaries called Qualifying Individuals, or QI. States receive an annual allocation to permit Medicaid to pay Medicare Part B premiums for a limited number of Qualifying Individuals with income above 120 percent and less than 135 percent of the Federal Poverty Level (FPL.) This extends the federal reimbursement program to the states through March 2015.
- Extends funding until September 30, 2014 at \$485,000,000. Funding is allocated for the October 1, 2014- December 31, 2014 time frame at \$200,000,00 and from the January 1, 2015- March 31, 2105 time frame at \$250,000,000.

Temporary Extension of Transitional Medical Assistance (TMA)

- TMA was created to provide health coverage to families transitioning to the workforce. TMA helps low-income families with children transition to jobs by allowing them to keep their Medicaid coverage for a limited period of time after a family member receives earnings that would make them ineligible for regular Medicaid. This program is extended through March 31, 2015.

Extension of Medicaid and CHIP Express Lane Option

- The Express Lane Option was created under the Children's Health Insurance Program Reauthorization Act of 2009 and was created to provide states with new avenues to ensure that children eligible for Medicaid or CHIP have a fast and simplified process for having their eligibility determined or renewed. This bill extends the program through September 30, 2015.

Extension of Special Diabetes Program for Type I Diabetes and for Indians

- Extends the Special Diabetes program through 2015.
- The Special Diabetes Program for Indians was established in 1997 as part of the Balanced Budget Act to address the growing epidemic of diabetes in the American Indian and Alaska Native communities and is extended through 2015.

Extension of Abstinence Education

- Extends the separate program for abstinence education through 2015.

Extension of Personal Responsibility Education Program (PREP)

- As part of the Affordable Care Act (ACA) Congress authorized the Personal Responsibility Education Program (PREP): which provides federal funding streams for programs that teach about abstinence and contraception for the prevention of pregnancy and sexually transmitted infections. This program is extended through 2015.

Extension of Funding for Family-to-Family Health Information Centers

- The Family-to-Family Health Information Center program funds grants to assure that families of children with special health care needs are able to participate in decision-making at all levels and be satisfied with the services they receive. This bill provides \$2,500,000 in funding for the remainder of FY2014 and \$2,500,000 for October 1, 2014-April 1, 2015.

Extension of Health Workforce Demonstration Project for Low-Income Individuals

- In sec. 2008, the ACA created demonstration projects that would provide education and training to Temporary Assistance for Needy Families (TANF) recipients and other low-income individuals for occupations in the health care field. This program is extended through 2015.

Extension of Maternal, Infant, and Early Childhood Home Visiting Programs

- Created under the ACA, the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program facilitates collaboration and partnership at the federal, state, and community levels to improve health and development outcomes for at-risk children through evidence-based home visiting programs. This bill provides \$400,000,000 for the time period of October 1, 2014- March 15, 2015.

Pediatric Quality Measures

- Ensures that no less than \$15,000,000 appropriated for adult health quality measures will be used to fund the advancement and improvement of pediatric quality measures.

Delay of Effective Date for Medicaid Amendments Relating to Beneficiary Liability Settlements

- Changes the effective date established in the Bipartisan Budget Act of 2013 from October 1, 2014 to October 1, 2016.

Delay in Transition from ICD-9 to ICD-10 Code Sets

- Prohibits the Secretary from adopting ICD-10 code sets as the standard prior to October 1, 2015.
- Previously, the deadline to adopt ICD-10 was October 1, 2014. Everyone covered by HIPAA would be affected by this. This includes health care providers and payers who do not deal with Medicare claims.

Elimination of Limitation on Deductibles for Employer-Sponsored Health Plans

- This bill repeals Section 1302(C)(2) of the ACA which places an annual limitation on deductibles for employer-sponsored plans. This section limited health plans offered in the small group market to deductibles that would not exceed \$2,000 for an individual or \$4,000 in the case of any other plan.

Skilled Nursing Facility Value-Based Purchasing

- Directs the Secretary to establish a skilled nursing facility (SNF) all-cause all-condition hospital readmission measures no later than October 1, 2015.
- No later than October 1, 2016, the Secretary will specify measures to reflect an all-condition risk-adjusted potentially preventable hospital readmission rate for skilled nursing facilities.
- Beginning on October 1, 2016, the Secretary will provide confidential feedback reports to SNF on their performance with respect to the previous two bullet points.
- Information will be made available to the public as well on these two measures.
- A skilled nursing facility value-based purchasing program (SNF VBP) is established under which value-based incentive payments are made in a fiscal year to nursing facilities and would apply to payment beginning un FY2019. The program will be based off of individual SNF performance on a hospital readmission measure.

Improving Medicare Policies for Clinical Diagnostic Laboratory Tests

- Beginning on January 1, 2016 applicable laboratories will report to the Secretary information for a data collection period for each clinical diagnostic laboratory test that they furnish in order to establish Medicare payment rates off of those reported in the private sector.
 - Information provided could include the payment rate that was paid by each private payor for the test during the period or the volume of such tests.
- GAO will study and report on the implementation of new payment rates and included analysis of payment rates of private payors and how they compare across settings and other trends.

Revisions under the Medicare ESRD Prospective Payment System

- This provision prohibits the inclusion of the payment for the oral-only drugs that beneficiaries take related to their ESRD in the Medicare per-dialysis treatment bundled payment rate through 2024. It spreads out the payment reduction required by the American Taxpayer Relief Act of 2012 to adjust for the reduced use of intravenous or injectable drugs that are paid through the bundle.

Quality Incentives for Computed Tomography Diagnostic Imaging and Promoting Evidence-Based Care

- Sets CT equipment radiation standards to promote patient safety in the Medicare program. If the set standards are not met the payment amount for each service would be reduced.
- These CT equipment standards are defined as those who meet the attributes of the National Electrical Manufacturers Association Standard XR-29-2013, entitled 'Standard Attributes on CT Equipment Related to Dose Optimization and Management'.
- The Secretary will establish a program to promote the appropriate use criteria of advanced diagnostic imaging services in a physician's office, a hospital outpatient department (including an emergency department), an ambulatory surgical center, and any other provider-led outpatient setting determined appropriate by the Secretary.

Using Funds from Transitional Fund for Sustainable Growth Rate (SGR) Reform

- H.J.Res.59, the Bipartisan Budget Act of 2013, set aside \$2.3 Billion for patching the SGR. This provision would use these funds to help offset the cost of this legislation.

Ensuring Accurate Valuation of Services Under the Physician Fee Schedule

- Gives the Secretary the authority to collect and use information on the physicians' services in the determination of relative value. The Secretary may provide payments to providers who submit information as an incentive to participate.
 - Information collected may include: time involved in furnishing services, amounts and types of practice expenses involved in furnishing services, prices, overhead and accounting information for practices of physicians and other suppliers and other elements that may improve the valuation of services.
- In order to identify misvalued codes, the Secretary is directed to examine codes which have experienced the fastest growth, those that have experienced substantial changes in practice expenses, describe new technologies or services, those which have not been subject to review, those which have experienced substantial change, codes with high practice expense or high cost supply to name a few.
- Beginning with the 2015 physician fee schedule, total downward relative value unit (RVU) adjustments for services of 20 percent or more (as compared to the previous year) will be phased-in over two years.
- Beginning on January 1, 2017, the fee schedule areas used for payment applicable to California will transition to Metropolitan Statistical Areas (MSA) as defined by the OMB. For services furnished in a transition area in California during a year beginning with 2017, the geographic index values to be applied under this subsection for such year shall not be less than the corresponding geographic index values that would have applied in such transition area.

Medicaid DSH

- Under current law, Medicaid Disproportionate Share Hospital (DSH) allotments would be reduced annually. These allotments are part of the Medicaid payment program for hospitals which serve a disproportionate share of low income patients, and therefore, may have more uncompensated care costs. This bill would delay the reductions until 2017 and extend them through 2024 by the following amounts:
 - \$1,800,000,000 for fiscal year 2017;
 - \$4,700,000,000 for fiscal year 2018;
 - \$4,700,000,000 for fiscal year 2019;
 - \$4,700,000,000 for fiscal year 2020;
 - \$4,800,000,000 for fiscal year 2021;
 - \$5,000,000,000 for fiscal year 2022;
 - \$5,000,000,000 for fiscal year 2023;
 - \$4,400,000,000 for fiscal year 2024
- In addition, MACPAC will review and submit a report to Congress on the DHS cuts.

Realignment of the Medicare Sequester

- The sequestration for FY2024 is realigned: the first six months will have a reduction of four percent and while the second will have a reduction of zero percent.

Demonstration Programs to Improve Community Health Services

- Creates a demonstration program which focuses on improving community mental health services. Some components of these centers include: have crisis management services that are available 24 hours a day, the use of sliding scale for payments, and no rejection for services or limiting of services on the basis of the patient's ability to pay or place of residence.
- No more than eight states will be selected for the 2-year demonstration programs.

Assisted Outpatient Treatment Grant Program for Individuals with Serious Mental Illness

- \$15,000,000 for each fiscal year 2015-2018 is authorized to be appropriated for the establishment of a 4-year pilot program to assist in outpatient treatment programs for individuals with seriously mental illness.

Additional Background: Congress voted on the previous SGR patch which prevented a 20.1 percent cut from going into effect on December 12, 2103, as part of [H.J. Res 59](#) which passed the House with a vote of [332-94](#). Read the RSC Legislative Bulletin which covers the Medicare provisions found in H.J. Res 59 [here](#).

The House voted on March 14, 2014, on [H.R. 4015](#), SGR Repeal and Medicare Provider Payment Modernization Act of 2014, which passed the House [238-181](#). That bill included similar provisions which will be voted on as part of H.R. 4302. Those provisions are the establishment of appropriate use criteria of advanced diagnostic imaging services and the ensuring of accurate valuation of services under the physician fee schedule. Read the RSC Legislative Bulletin for H.R. 4015, which includes summaries of those two provisions [here](#).

Committee Action: H.R. 4302 was introduced by Rep. Pitts on March 26, 2014. It was then referred to the Committee on Energy and Commerce, the Committees on Ways and Means, and the Budget Committee where it awaits further action.

Outside Groups in Support:

Family Research Council - supports the reauthorization of Title V abstinence education as part of H.R. 4302

Outside Groups in Opposition:

[Alliance of Specialty Medicine](#)

American Academy of Allergy, Asthma & Immunology

American Academy of Dermatology Association

American Academy of Facial Plastic and Reconstructive Surgery

American Academy of Neurology

American Academy of Ophthalmology
American Academy of Otolaryngology – Head and Neck Surgery
American Academy of Physical Medicine & Rehabilitation
American Academy of Sleep Medicine
American Association for Geriatric Psychiatry
American Association of Hip and Knee Surgeons
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American Gastroenterological Association
American Geriatrics Society
American College of Gastroenterology
American College of Mohs Surgery
American College of Occupational and Environmental Medicine
American College of Osteopathic Family Physicians
American College of Osteopathic Internists
American College of Osteopathic Surgeons
American College of Phlebology
American College of Physicians
American College of Mohs Surgery
American College of Surgeons
[American Congress of Obstetricians and Gynecologists](#)
American Orthopaedic Foot and Ankle Society
American Osteopathic Academy of Orthopedics
American Osteopathic Association
American Medical Association – Requests a no vote and will record this vote on their scorecard
American Society for Dermatologic Surgery Association
American Society of Disability Evaluating Physicians
American Society for Gastrointestinal Endoscopy
American Society for Reproductive Medicine
American Society of Cataract and Refractive Surgery
American Society of Hematology
American Society of Metabolic and Bariatric Surgeons
American Society of Nephrology
American Society of Plastic Surgeons
American Urogynecologic Society
American Urological Association
Congress of Neurological Surgeons
Infectious Diseases Society of America
Medical Group Management Association
National Association of Medical Examiners
North American Spine Society
National Association of Spine Specialists
Renal Physicians Association
Society of Cardiovascular Angiography and Interventions
Society of Critical Care Medicine
Society of Gynecologic Oncology

Society of Hospital Medicine
Society of Thoracic Surgeons
Society for Vascular Surgery
Society of American Gastrointestinal and Endoscopic Surgeons
Society of Gynecologic Oncology

Alaska State Medical Association
Arkansas Medical Society
Connecticut State Medical Society
Medical Society of the District of Columbia
Medical Association of Georgia
Hawaii Medical Association
Idaho Medical Association
Illinois State Medical Society
Indiana State Medical Association
Iowa Medical Society
Kentucky Medical Association
Maine Medical Association
Massachusetts Medical Society
Michigan State Medical Society
Minnesota Medical Association
Mississippi State Medical Association
Missouri State Medical Association

Montana Medical Association
Nebraska Medical Association
Nevada State Medical Association
Medical Society of the State of New York
North Dakota Medical Association
Ohio State Medical Association
Oregon Medical Association
Pennsylvania Medical Society
Rhode Island Medical Society
South Dakota State Medical Association
Utah Medical Association
Vermont Medical Society
Medical Society of Virginia
Washington State Medical Association
Wisconsin Medical Society
Wyoming Medical Society

Possible Conservative Concerns: Some conservatives have concerns regarding the continuation of programs created under the ACA. These programs include: the Personal Responsibility Education Program, the Health Workforce Demonstration Project for Low-Income Individuals and the Maternal, Infant, and Early Childhood Home Visiting Programs.

Other concerns which have been raised stem from the way the bill is paid for since most of the savings are not seen until 2020-2024 timeframe while much of the spending occurs in the first five years from 2014-2019.

Administration Position: No statement of administration position is available at this time.

Cost to Taxpayers: [CBO](#) estimates enacting this bill would result in a savings of \$1.2 billion.

Extending the physician payment update is expected to cost \$15.8 billion. The majority of savings in this bill come from timing shift for FY 2024's Medicare sequestration to ensure that all savings occur within the bill's 10-year budget window, and the realignment of the Medicaid Disproportionate Share Hospital.

Constitutional Authority: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 1 of the United States Constitution." Read the statement [here](#).

H.R. 4278 – Ukraine Support Act (Royce, R-CA)

Order of Business: The bill is scheduled to be considered on March 27, 2014, under a motion to suspend the rules and pass the legislation, which requires a two-thirds vote for approval.

Summary: The legislation continues specified asset-blocking, and visa related, sanctions to certain individuals contributing to the current situation in Ukraine.

Assistance Provisions:

Support for Democratic Governance and Civil Society in Ukraine: The legislation authorizes the President to provide assistance to support democracy and civil society in Ukraine. This includes assisting Ukraine to diversify its economy, trade, and energy supplies, including at the national, regional, and local levels. It also includes support for free and fair elections, including through domestic and international election monitoring. The legislation authorizes \$50,000,000 for fiscal year 2014 to be appropriated for this section.

Economic Reform in Ukraine: It is the sense of Congress that loan guarantees provided by the United States for Ukraine should be used to promote government, banking and energy sector reform, and anti-corruption efforts in Ukraine.

United States International Programming to Ukraine and Neighboring Regions: The legislation directs Radio Free Europe / Radio Liberty (RFE/RL), Incorporated, and the Voice of America service to Ukraine to prioritize programming to areas where access to uncensored sources of information is limited or non-existent, especially populations serviced by Russian supported media outlets. They are also directed to prioritize programming to eastern Ukraine, including Crimea, and Moldova, and to ethnic and linguistic Russian populations, as well as to Tatar minorities. The legislation authorizes \$10,000,000 for fiscal year 2014 to be appropriated to carry out programming in the Ukrainian, Balkan, Russian, and Tatar language services of RFE/RL, Incorporated, and the Voice of America, for the purpose of bolstering existing United States programming to the people of Ukraine and neighboring regions, and increasing programming capacity and jamming circumvention technology to overcome any disruptions to service.

Enhanced Assistance for Law Enforcement and the Judicial System in Ukraine: The legislation states that it is the policy of the U.S. to assist Ukraine to eliminate the human rights abuses associated with the Berkut forces in order to foster a democratically reformed police force with strong public oversight, which is critical to fostering political unity and stability throughout Ukraine. The legislation authorizes \$8,000,000 for fiscal year 2014 to enhance United States efforts to assist Ukraine to strengthen law enforcement capabilities and maintain

the rule of law.

United States-Ukraine Security Assistance: The legislation finds that “in fiscal year 2013 the United States provided Ukraine with nearly \$2,000,000 in assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.; relating to International Military Education Training) and nearly \$7,000,000 in assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763; relating to the Foreign Military Financing Program); and Ukraine has been a longstanding member of NATO’s Partnership for Peace.” The legislation calls for an increase in assistance under the Foreign Assistance Act the Arms Export Control Act. Within 30 day after enactment, the Secretary of State shall report to Congress with a review of all U.S. security assistance to the Government of Ukraine.

European Bank for Reconstruction and Development: The legislation includes a sense of Congress that “the European Bank for Reconstruction and Development (EBRD) should increase investments in Ukraine and cease new investments in the Russian Federation, and the United States Government should press the EBRD to support new investment in Ukraine and halt consideration of new investment in Russia.” The legislation also amends the Enhanced Partnership with Pakistan and it lowers the amount of foreign aid authorized for Pakistan in FY 2014. Under current law, this amount is set at \$1,500,000,000 and the legislation lowers it to \$1,430,000,000.

Sanctions Provisions:

Support for Democratic Governance and Civil Society in Ukraine: The legislation directs that certain executive orders shall remain in effect until 90 days after the President certifies to Congress that Ukrainian sovereignty, independence, and territorial integrity is not being violated by the Russian Federation. Those specific executive orders are as follows:

- Executive Order 13660 (March 6, 2014; relating to blocking property of certain persons contributing to the situation in Ukraine).
- Executive Order 13661 (March 16, 2014; relating to blocking property of additional persons contributing to the situation in Ukraine).
- Executive Order 13662 (March 20, 2014; relating to blocking property of additional persons contributing to the situation in Ukraine).

The legislation states that it is the policy of the U.S. to impose sanctions on those individuals within and outside of the Government of the Russian Federation whom the President determines wields significant influence over the formation and implementation of Russian foreign policy, in particular with respect to the violation of Ukraine’s sovereignty, democracy, and territorial integrity. This includes a current or former senior foreign political figure of the Russian Federation, arms trade dealers, current or former senior foreign political figures that have knowingly engaged with an entity whose property and interests in property are blocked. These individuals that are identified shall have any assets that are under the jurisdiction of the United States blocked. They will also be prohibited from entering the United States, ineligible to receive a visa to enter the United States, and ineligible to be admitted or paroled into the United States or to receive any benefit under the Immigration and Nationality Act. Furthermore, their

current visas will be revoked. Violators are subject to the penalties set forth by the International Emergency Economic Powers Act, but exceptions are given in order to travel to the United National headquarters. The President may waive these sanctions if he determines it is in the national interest of the United States to do so. The Secretary shall submit a report to Congress, within 180 days of enactment, that details individuals that are subject to these sanctions.

Report on Certain Foreign Financial Institutions: The legislation states that it is the policy of the United States to use all of its regulatory and statutory authorities to closely scrutinize all foreign financial institutions, including those in the Russian Federation, that may be complicit in enabling foreign persons and transnational criminal enterprises to evade or otherwise circumvent United States and international sanctions, launder the proceeds of criminal activity, finance acts of terrorism and the proliferation of weapons of mass destruction, or any other illicit activity that presents risks and vulnerabilities to the United States financial system. The legislation requires a report by the Secretary of State, within 30 days of enactment and every 180 days thereafter for up to two years, to be sent to Congress. The report shall detail foreign financial institutions determined by the Secretary of State and the Secretary of the Treasury to be complicit in illicit financial activity, including money laundering, terrorism and proliferation financing, transnational organized crime, or misappropriation of state assets that are under the laws of the Russian Federation.

Sense of Congress on Suspension of All Activities and Meetings of the NATO-Russia Council: The legislation states that it is the sense of Congress that the United States should work to temporarily suspend all activities and meetings of the NATO-Russia Council.

Reporting Provisions:

The legislation requires a report, by September 30, 2014, and September 30 of each year thereafter through 2020, from the Secretary of State. The report shall include:

- An assessment of the security situation in regions neighboring Russia, including Crimea.
- The goals and factors shaping the security strategy of the Government of Russia, including potential annexation of non-Russian territory.
- Trends in Russian security behavior that would be designed to achieve annexation of non-Russian territory.
- An assessment of the global and regional security objectives of the Government of Russia, including objectives that would affect the North Atlantic Treaty Organization, the Middle East, or the People's Republic of China.
A detailed assessment of the sizes, locations, and capabilities of the nuclear, special operations, land, sea, and air forces of the Government of Russia and how they affect neighboring countries, including Ukraine.
Developments in Russian military doctrine and training and whether the developments have differed from before the annexation of Crimea.
- Other security developments involving Russia that the Secretary of State considers relevant to United States national security.

The legislation requires another report, within 90 days of enactment, regarding the potential short, medium, and long-term impacts of increased United States natural gas and oil exports on Russia's economic and political influence over Ukraine and other European countries.

Committee Action: H.R. 4278 was introduced on March 21, 2014, and was referred to the House Foreign Affairs and Judiciary Committees. A full committee foreign affairs [markup was held](#) on March 25, 2014, and the legislation was approved, as amended, by unanimous consent.

Cost to Taxpayers: CBO estimates enacting H.R. 4278 would have insignificant effects on direct spending and revenues over the 2014-2024 period. This estimate is not available online as of press time, and was obtained via an email from CBO staff.

Does the Bill Expand the Size and Scope of the Federal Government?: The legislation continues specified asset-blocking sanctions to certain individuals contributing to the current situation in Ukraine.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: A report from CBO detailing this information is not available.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation does not contain earmarks, limited tax benefits, or limited tariff benefits.

Constitutional Authority: Rep. Royce states "Congress has the power to enact this legislation pursuant to the following: Article I, section 8 of the U.S. Constitution." The statement can be [found here](#).

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NOTE: *RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.*

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