

“(3) TREATMENT OF WAIVERED STATES.—In the case of a State described in subsection (p)(6), nothing in this section shall be construed as preventing the State from modifying its alternative simplification program under such subsection so as to eliminate the coverage of the part B deductible for any medical supplemental policy sold or issued under such program to a newly eligible Medicare beneficiary on or after January 1, 2020.

“(4) TREATMENT OF REFERENCES TO CERTAIN POLICIES.—In the case of a newly eligible Medicare beneficiary, except as the Secretary may otherwise provide, any reference in this section to a medicare supplemental policy which has a benefit package classified as ‘C’ or ‘F’ shall be deemed, as of January 1, 2020, to be a reference to a medicare supplemental policy which has a benefit package classified as ‘D’ or ‘G’, respectively.

Applicability

“(5) ENFORCEMENT.—The penalties described in clause (ii) of subsection (d)(3)(A) shall apply with respect to a violation of paragraph (1) in the same manner as it applies to a violation of clause (i) of such subsection.”

SEC. 402. INCOME-RELATED PREMIUM ADJUSTMENT FOR PARTS B AND D.

(a) IN GENERAL.—Section 1839(i)(3)(C)(i) of the Social Security Act (42 U.S.C. 1395r(i)(3)(C)(i)) is amended—

- (1) by inserting after “IN GENERAL.—” the following:
 - “(I) Subject to paragraphs (5) and (6), for years before 2018.”; and
 - (2) by adding at the end the following:
 - “(II) Subject to paragraph (5), for years beginning with 2018:

“If the modified adjusted gross income is:	The applicable percentage is:
More than \$85,000 but not more than \$107,000	35 percent
More than \$107,000 but not more than \$133,500	50 percent
More than \$133,500 but not more than \$160,000	65 percent
More than \$160,000	80 percent.”.

(b) CONFORMING AMENDMENTS.—Section 1839(i) of the Social Security Act (42 U.S.C. 1395r(i)) is amended—

- (1) in paragraph (2)(A), by inserting “(or, beginning with 2018, \$85,000)” after “\$80,000”;
- (2) in paragraph (3)(A)(i), by inserting “applicable” before “table”;
- (3) in paragraph (5)(A)—
 - (A) in the matter before clause (i), by inserting “(other than 2018 and 2019)” after “2007”; and
 - (B) in clause (ii), by inserting “(or, in the case of a calendar year beginning with 2020, August 2018)” after “August 2006”; and
- (4) in paragraph (6), in the matter before subparagraph (A), by striking “2019” and inserting “2017”.