Improving Medicare Coverage Act (H.R. 10875)

Summary of Key Medicare Eligibility and Affordability Provisions

Bill Text: H.R. 10875
Sponsor: Rep. Pramila Jayapal (D-WA)
Introduced: Oct. 22, 2026

Overview

The Improving Medicare Coverage Act would significantly expand Medicare eligibility by lowering the Medicare age from 65 to 50, establish a new federal Medicare Cost Assistance Program for low-income beneficiaries, shift most Medicare premium and cost-sharing assistance responsibilities from Medicaid to Medicare, and expand eligibility for the Medicare Part D Low-Income Subsidy (LIS) program. Most provisions would take effect six months after enactment and would sunset five years later unless extended by Congress.

Section 2. Medicare Eligibility Expansion

The bill would lower Medicare eligibility from age 65 to age 50 by amending multiple provisions of the Social Security Act. Individuals who meet the applicable Medicare eligibility requirements would become eligible beginning at age 50 rather than age 65.

Enrollment and Implementation

The legislation would establish a transition process for newly eligible individuals ages 50 to 64, including:

- A special initial enrollment period for individuals who are between ages 50 and 64 when the law takes effect.
- Automatic enrollment procedures for individuals entitled to Medicare Part A.
- Conforming changes throughout Medicare Parts A, B, C, and D to reflect the new eligibility age.

Premium Tax Credit Eligibility

The bill provides that Medicare coverage obtained under the eligibility expansion would be treated as coverage enrolled in through an Exchange for purposes of eligibility for premium tax credits under Section 36B of the Internal Revenue Code.

Medicare Secondary Payer and Dependent Coverage

The legislation explicitly states that:

- It would not extend Medicare coverage to otherwise ineligible dependents.
- Existing Medicare Secondary Payer rules would remain unchanged.

Potential Impact

The proposal would make Medicare available to millions of adults ages 50 through 64 who are currently ineligible based on age alone, substantially expanding the Medicare population and accelerating access to Medicare coverage for near-retirees.

Section 3. Medicare Cost Assistance Program

The bill would create a new Medicare Cost Assistance Program within Medicare. Beginning six months after enactment, the program would provide assistance with:

- Medicare Part A premiums.
- Medicare Part B premiums.
- Medicare deductibles.
- Coinsurance and cost-sharing obligations.
- Remaining beneficiary liability under Medicare coverage.

Eligibility

- Individuals would qualify if they:
- Currently receive Medicare cost-sharing assistance through certain Medicaid programs; or
- Are entitled to Medicare Part A and have income at or below 200% of the federal poverty line.

The bill would require eligibility determinations to be coordinated with eligibility determinations for the Medicare Part D Low-Income Subsidy program and would establish automatic eligibility pathways for full-benefit dual eligibles and SSI beneficiaries.

Simplified Enrollment and Redeterminations

The legislation would require:

- A nationally standardized application.
- Coordinated Medicare Cost Assistance and LIS determinations.
- Automatic renewal procedures unless contradictory eligibility information is identified.
- Appeal rights and administrative review procedures.

Outreach Requirements

The bill would establish a public awareness campaign and appropriate $10 million annually from FY 2026 through FY 2028 for grants to State Health Insurance Assistance Programs (SHIPs) to conduct outreach and enrollment assistance activities.

Section 4. Shifting Medicare Cost-Sharing Assistance from Medicaid to Medicare

The legislation would largely transfer responsibility for Medicare premium and cost-sharing assistance from Medicaid to the newly created Medicare Cost Assistance Program.

Medicaid Changes
Beginning six months after enactment:

- States would generally no longer provide Medicare cost-sharing assistance under the Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), and Qualifying Individual (QI) pathways.
- Federal Medicaid matching funds would no longer be available for most Medicare cost-sharing assistance expenditures.
- Current beneficiaries would transition into the federal Medicare Cost Assistance Program.

Transition Requirements
The Department of Health and Human Services and the Social Security Administration would be required to create a transition plan to ensure current beneficiaries continue receiving assistance without interruption.

Potential Impact
The provision would federalize much of the current Medicare cost-sharing assistance structure, replacing state-administered Medicaid assistance programs with a federally administered Medicare program.

Section 5. Expansion of Part D Low-Income Subsidies

The bill would expand eligibility for Medicare Part D premium and cost-sharing assistance.

Income Eligibility Expansion
The legislation would increase full subsidy eligibility from current lower-income thresholds to individuals with income up to **200% of the federal poverty level**. It would also eliminate certain existing eligibility distinctions and simplify subsidy rules.

Coordinated Eligibility Determinations
LIS eligibility determinations would be integrated with Medicare Cost Assistance Program determinations through a single application and eligibility process.

Home- and Community-Based Services

The bill would expand certain low-income subsidy protections for beneficiaries receiving home- and community-based services under Medicaid waivers and related authorities.

Potential Impact
The changes would expand access to Medicare prescription drug assistance for low-income beneficiaries and simplify enrollment by consolidating multiple assistance determinations into a unified process.

Section 6. Sunset

All provisions of the legislation would sunset five years after taking effect. Upon sunset, the bill would repeal its amendments and restore prior law unless Congress acts to extend or make the changes permanent.

Key Takeaway

The Improving Medicare Coverage Act would substantially expand Medicare by lowering the eligibility age to 50, creating a new federal Medicare Cost Assistance Program for low-income beneficiaries, transferring most Medicare cost-sharing assistance responsibilities from Medicaid to Medicare, and expanding Medicare Part D low-income subsidies. The legislation would represent a significant restructuring of Medicare eligibility and beneficiary assistance programs, while operating as a five-year demonstration-style expansion due to its sunset provision.