§ 300ll–5. CLASS Independence Fund

(a) Establishment of CLASS Independence Fund

There is established in the Treasury of the United States a trust fund to be known as the “CLASS Independence Fund”. The Secretary of the Treasury shall serve as Managing Trustee of such Fund. The Fund shall consist of all amounts derived from payments into the Fund under sections 300ll–3 (f) and 300ll–4 (c)(5)(C)(ii) of this title, and remaining after investment of such amounts under subsection (b), including additional amounts derived as income from such investments. The amounts held in the Fund are appropriated and shall remain available without fiscal year limitation—

(1) to be held for investment on behalf of individuals enrolled in the CLASS program;
(2) to pay the administrative expenses related to the Fund and to investment under subsection (b); and
(3) to pay cash benefits to eligible beneficiaries under the CLASS Independence Benefit Plan.

(b) Investment of Fund balance

The Secretary of the Treasury shall invest and manage the CLASS Independence Fund in the same manner, and to the same extent, as the Federal Supplementary Medical Insurance Trust Fund may be invested and managed under subsections (c), (d), and (e) of section 1395t of this title.

(c) Board of Trustees

(1) In general

With respect to the CLASS Independence Fund, there is hereby created a body to be known as the Board of Trustees of the CLASS Independence Fund (hereinafter in this section referred to as the “Board of Trustees”) composed of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, all ex officio, and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of 4 years and subject to confirmation by the Senate. A member of the Board of Trustees serving as a member of the public and nominated and confirmed to fill a vacancy occurring during a term shall be nominated and confirmed only for the remainder of such term. An individual nominated and confirmed as a member of the public may serve in such position after the expiration of such member’s term until the earlier of the time at which the member’s successor takes office or the time at which a report of the Board is first issued under paragraph (2) after the expiration of the member’s term. The Secretary of the Treasury shall be the Managing Trustee of the Board of Trustees. The Board of Trustees shall meet not less frequently than once each calendar year. A person serving on the Board of Trustees shall not be considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust Fund.

(2) Duties

(A) In general

It shall be the duty of the Board of Trustees to do the following:

(i) Hold the CLASS Independence Fund.
(ii) Report to the Congress not later than the first day of April of each year on the operation and status of the CLASS Independence Fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next 2 fiscal years.
(iii) Report immediately to the Congress whenever the Board is of the opinion that the amount of the CLASS Independence Fund is not actuarially sound in regards to the projection under section 300ll–2 (b)(1)(B)(i) of this title.

(iv) Review the general policies followed in managing the CLASS Independence Fund, and recommend changes in such policies, including necessary changes in the provisions of law which govern the way in which the CLASS Independence Fund is to be managed.

(B) Report

The report provided for in subparagraph (A)(ii) shall—

(i) include—

(I) a statement of the assets of, and the disbursements made from, the CLASS Independence Fund during the preceding fiscal year;

(II) an estimate of the expected income to, and disbursements to be made from, the CLASS Independence Fund during the current fiscal year and each of the next 2 fiscal years;

(III) a statement of the actuarial status of the CLASS Independence Fund for the current fiscal year, each of the next 2 fiscal years, and as projected over the 75-year period beginning with the current fiscal year; and

(IV) an actuarial opinion by the Chief Actuary of the Centers for Medicare & Medicaid Services certifying that the techniques and methodologies used are generally accepted within the actuarial profession and that the assumptions and cost estimates used are reasonable; and

(ii) be printed as a House document of the session of the Congress to which the report is made.

(C) Recommendations

If the Board of Trustees determines that enrollment trends and expected future benefit claims on the CLASS Independence Fund are not actuarially sound in regards to the projection under section 300ll–2 (b)(1)(B)(i) of this title and are unlikely to be resolved with reasonable premium increases or through other means, the Board of Trustees shall include in the report provided for in subparagraph (A)(ii) recommendations for such legislative action as the Board of Trustees determine to be appropriate, including whether to adjust monthly premiums or impose a temporary moratorium on new enrollments.

Footnotes

1 See References in Text note below.

2 So in original. Probably should be “determines”.

(July 1, 1944, ch. 373, title XXXII, § 3206, as added Pub. L. 111–148, title VIII, § 8002(a)(1), Mar. 23, 2010, 124 Stat. 842.)

References in Text

Section 1395t of this title, referred to in subsec. (b), was in the original “section 1841(d) of the Social Security Act”, and was translated as meaning section 1841 of act Aug. 14, 1935, ch. 531, to reflect the probable intent of Congress.