

119TH CONGRESS
1ST SESSION

H. R. 5644

To amend title XVIII of the Social Security Act to establish new payment rules for certain catastrophic specialty hospitals under the Medicare program.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 30, 2025

Mr. LOUDERMILK (for himself, Ms. DEGETTE, Mr. AUSTIN SCOTT of Georgia, Mr. CROW, and Ms. WILLIAMS of Georgia) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title XVIII of the Social Security Act to establish new payment rules for certain catastrophic specialty hospitals under the Medicare program.

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.**

4 This Act may be cited as the “Catastrophic Specialty
5 Hospital Act of 2025”.

1 **SEC. 2. ESTABLISHING NEW PAYMENT RULES FOR CERTAIN**
2 **CATASTROPHIC SPECIALTY HOSPITALS**
3 **UNDER THE MEDICARE PROGRAM.**

4 Section 1886(m) of the Social Security Act (42
5 U.S.C. 1395ww(m)) is amended—

6 (1) in paragraph (6)(A)(i), by inserting “and
7 paragraph (8)” after “and (G)”; and

8 (2) by adding at the end the following new
9 paragraph:

10 “(8) TREATMENT OF CERTAIN CATASTROPHIC
11 SPECIALTY HOSPITALS.—

12 “(A) IN GENERAL.—Notwithstanding sec-
13 tion 123 of the Medicare, Medicaid, and SCHIP
14 Balanced Budget Refinement Act of 1999 and
15 section 307(b) of the Medicare, Medicaid, and
16 SCHIP Benefits Improvement and Protection
17 Act of 2000, for cost reporting periods begin-
18 ning on or after the date of the enactment of
19 this subparagraph, the system described in
20 paragraph (1) shall not apply (and payment
21 shall be made to a long-term care hospital with-
22 out regard to such system and without regard
23 to paragraph (6)) if such long-term care hos-
24 pital is designated as a catastrophic specialty
25 hospital under subparagraph (B) with respect
26 to such period.

1 “(B) DESIGNATION.—The Secretary shall
2 designate a long-term care hospital as a cata-
3 strophic specialty hospital with respect to a cost
4 reporting period if such long-term care hospital
5 meets the following criteria:

6 “(i) Of the discharges from the hos-
7 pital during each cost reporting period oc-
8 curring during the 3-year period ending on
9 the day before the first day of the cost re-
10 porting period for which such hospital
11 seeks such designation, including dis-
12 charges of individuals not entitled to bene-
13 fits under part A, at least 80 percent were
14 classified under an MS–LTCH–DRG relat-
15 ing to spinal cord injury or acquired brain
16 injury (as specified by the Secretary) or
17 would have been so classified had such in-
18 dividual been entitled to such benefits.

19 “(ii) The hospital offered a continuum
20 of care during such 3-year period that in-
21 cluded inpatient care, outpatient care, and
22 a focus on long-term health and wellness
23 for individuals with spinal cord injuries or
24 acquired brain injuries.

1 “(iii) The hospital had, for the 1-year
2 period beginning on the first day of such
3 3-year period and for each subsequent 1-
4 year period occurring during such 3-year
5 period—

6 “(I) at least 175 discharges of
7 individuals (including individuals not
8 entitled to benefits under part A) clas-
9 sified under an MS–LTCH–DRG re-
10 lating to spinal cord injury (as speci-
11 fied by the Secretary) or that would
12 have been so classified had such indi-
13 vidual been so entitled to such bene-
14 fits; and

15 “(II) at least 175 discharges of
16 individuals (including individuals not
17 entitled to benefits under part A) clas-
18 sified under an MS–LTCH–DRG re-
19 lating to acquired brain injury (as
20 specified by the Secretary) or that
21 would have been so classified had such
22 individual been so entitled to such
23 benefits.

24 “(iv) At least 30 percent of inpatients
25 discharged from the hospital during each

1 cost reporting period occurring during such
2 3-year period (including both individuals
3 entitled to, or enrolled for, benefits under
4 this title and individuals not so entitled or
5 enrolled) were admitted from outside of the
6 State in which such hospital is located, as
7 determined by the States of residency of
8 such inpatients and based on such data
9 submitted by the hospital to the Secretary
10 as the Secretary may require.

11 “(v) The hospital has exhibited, dur-
12 ing such 3-year period, commitment to
13 neurorehabilitation research in specialty
14 areas, as evidenced by one or more (as de-
15 termined appropriate by the Secretary) of
16 the following:

17 “(I) Employment of full-time
18 dedicated neurorehabilitation research
19 personnel who are primarily focused
20 on spinal cord injury or acquired
21 brain injury neurorehabilitation.

22 “(II) Contributions to the field of
23 neurorehabilitation via publications of
24 such personnel in peer reviewed jour-
25 nals in the areas of the

1 neurorehabilitation of spinal cord in-
2 juries, acquired brain injuries, and
3 other paralyzing neuromuscular condi-
4 tions.

5 “(III) The maintenance of a clin-
6 ical training program providing fellow-
7 ships, residencies, or Master of Public
8 Health programs with a focus on ac-
9 quired brain injury or spinal cord in-
10 jury.

11 “(IV) Maintenance of an ap-
12 proved medical residency training pro-
13 gram (or affiliation with such a pro-
14 gram) in neurology or physical medi-
15 cine and rehabilitation.

16 “(C) LENGTH OF DESIGNATION.—

17 “(i) IN GENERAL.—A designation
18 made by the Secretary under subparagraph
19 (B) (or a redesignation made by the Sec-
20 retary under clause (ii)) with respect to a
21 hospital and a cost report period (referred
22 to in this clause as the ‘initial cost report-
23 ing period’) shall be effective for such ini-
24 tial cost reporting period and each suc-
25 ceeding cost reporting period occurring

1 during the 3-year period beginning on the
2 first day of such initial cost reporting pe-
3 riod.

4 “(ii) REDESIGNATION.—The Sec-
5 retary shall, for the first cost reporting in
6 which a designation (or redesignation) of a
7 hospital as a catastrophic specialty hospital
8 is due to expire under clause (i), determine
9 whether such hospital continues to meet
10 the criteria specified in subparagraph (B)
11 for such cost reporting period. If the Sec-
12 retary determines that such hospital does
13 continue to meet such criteria for such cost
14 reporting period, the Secretary shall redesi-
15 gnate such hospital as a catastrophic spe-
16 cialty hospital. If the Secretary determines
17 that such hospital does not continue to
18 meet such criteria for such cost reporting
19 period, the Secretary shall—

20 “(I) provide such hospital 60
21 days to submit additional information
22 demonstrating such hospital’s compli-
23 ance with such criteria; and

24 “(II) if such hospital fails to
25 make such demonstration, allow such

- 1 designation to expire as of the first
- 2 day of such cost reporting period.”.

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