

105TH CONGRESS  
2D SESSION

# H. R. 4534

To amend title XVIII of the Social Security Act to implement a budget-neutral payment system for rehabilitation services under part B of the Medicare Program.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 9, 1998

Mr. STARK introduced the following bill; which was referred to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend title XVIII of the Social Security Act to implement a budget-neutral payment system for rehabilitation services under part B of 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 “Medicare Rehabilita-  
5 tion Benefit Equity Act of 1998”.

6 **SEC. 2. REPEAL OF FINANCIAL LIMITATION ON REHABILI-**  
7 **TATION SERVICES.**

8 (a) REPEAL.—



1           (1) IN GENERAL.—Section 1833 of the Social  
2       Security Act (42 U.S.C. 1395l) is amended by strik-  
3       ing subsection (g).

4           (2) EFFECTIVE DATE.—The amendment made  
5       by paragraph (1) shall apply to services furnished on  
6       or after July 1, 2000.

7       (b) ESTABLISHMENT OF ALTERNATIVE PAYMENT  
8       METHODOLOGY.—

9           (1) IN GENERAL.—Notwithstanding any other  
10      provision of law, for outpatient physical therapy  
11      services, outpatient occupational therapy services,  
12      and outpatient speech-language pathology services  
13      covered under title XVIII of the Social Security Act  
14      and furnished on or after July 1, 2000, the Sec-  
15      retary of Health and Human Services shall imple-  
16      ment a payment methodology based on the classi-  
17      fication of individuals by diagnostic category, func-  
18      tional status, and prior use of services in both inpa-  
19      tient and outpatient settings.

20          (2) BUDGET NEUTRALITY IN IMPLEMENTA-  
21      TION.—Such payment methodology shall be designed  
22      so that the methodology does not result in any in-  
23      crease or decrease in the expenditures under title  
24      XVIII of such Act for fiscal year 2000 and fiscal  
25      year 2001.

1           (3) ADJUSTMENT FOR OUTYEARS.—For each  
2       fiscal year after fiscal year 2001, the Secretary shall  
3       provide for a percentage increase in the payment  
4       rate under the methodology for the fiscal year in-  
5       volved that is equal to the Secretary’s estimate of  
6       the percentage increase in the MEI (as defined in  
7       section 1842(i)(3)) of such Act for such fiscal year.

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