

105TH CONGRESS  
2D SESSION

# S. 2342

To amend title XVIII of the Social Security Act to exempt certain facilities from the 3-year transition period under the prospective payment system for skilled nursing facilities.

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## IN THE SENATE OF THE UNITED STATES

JULY 22, 1998

Mr. BURNS introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to exempt certain facilities from the 3-year transition period under the prospective payment system for skilled nursing facilities.

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 “Skilled Nursing Facil-  
5       ity Payment Fairness Act of 1998”.

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1 **SEC. 2. EXEMPTION OF CERTAIN FACILITIES FROM 3-YEAR**  
 2 **TRANSITION PERIOD.**

3 (a) IN GENERAL.—Section 1888(e) of the Social Se-  
 4 curity Act (42 U.S.C. 1395yy(e)) is amended—

5 (1) in paragraph (1), in the matter preceding  
 6 subparagraph (A), by striking “paragraph (7)” and  
 7 inserting “paragraphs (7) and (11)”; and

8 (2) by adding at the end the following:

9 “(11) EXEMPTION OF CERTAIN FACILITIES  
 10 FROM 3-YEAR TRANSITION.—

11 “(A) IN GENERAL.—A facility described in  
 12 subparagraph (B) may elect to have the amount  
 13 of the payment for all costs of covered skilled  
 14 nursing facility services for each day of such  
 15 services furnished determined pursuant to sub-  
 16 paragraph (B) of paragraph (1) and to be ex-  
 17 empt from the transition period described in  
 18 subparagraph (A) of such paragraph.

19 “(B) FACILITY DESCRIBED.—A facility de-  
 20 scribed in this subparagraph is a facility that—

21 “(i) is providing services, the level and  
 22 type of which are substantially different, as  
 23 determined by the Secretary, from the level  
 24 and type of the services provided by the fa-  
 25 cility in fiscal year 1995; or

1 “(ii) was eligible for and elected to re-  
2 ceive payments pursuant to the prospective  
3 payment system described in subsection (d)  
4 for the cost reporting period immediately  
5 preceding the facility’s first cost reporting  
6 period (as defined in paragraph (2)(D)).

7 “(C) PROCEDURES.—The Secretary shall  
8 establish procedures—

9 “(i) for a facility to petition the ap-  
10 propriate intermediary for classification as  
11 a facility described in subparagraph (B)(i);  
12 and

13 “(ii) regarding the information re-  
14 quired to be provided by such facility in  
15 order to be so classified.”.

16 (b) EFFECTIVE DATE.—The amendments made by  
17 subsection (a) shall take effect as if included in the enact-  
18 ment of the Balanced Budget Act of 1997.

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