

106TH CONGRESS  
1ST SESSION

# H. R. 2492

To amend title XVIII of the Social Security Act to revise medicare payment policy with respect to home health services furnished under the medicare program.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 13, 1999

Mr. ENGEL (for himself and Mr. LAZIO) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, 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 revise medicare payment policy with respect to home health services furnished 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 “Medicare Home Health  
5 Payment Improvement Act of 1999”.

### 6 **SEC. 2. ELIMINATION OF SCHEDULED 15 PERCENT REDUC-** 7 **TION.**

8 (a) PROSPECTIVE PAYMENT SYSTEM.—

1           (1) IN GENERAL.—Section 1895(b)(3)(A) of the  
 2       Social Security Act (42 U.S.C. 1395fff(b)(3)(A)) is  
 3       amended—

4                   (A) in clause (i)—

5                           (i) by striking “but if the reduction in  
 6                   limits described in clause (ii) had been in  
 7                   effect”; and

8                           (ii) by striking “(i) IN GENERAL.—”  
 9                   and adjusting the margin accordingly; and  
 10                   (B) by striking clause (ii).

11           (2) CONFORMING AMENDMENT.—Section  
 12       1895(d)(3) of such Act (42 U.S.C. 1395fff(d)(3)) is  
 13       amended by striking “(including the reduction de-  
 14       scribed in clause (ii) of such subsection)”.

15       (b) INTERIM PAYMENT SYSTEM.—Section 4603 of  
 16       the Balanced Budget Act of 1997 (Public Law 105–33),  
 17       as amended by section 5101(c)(3) of the Tax and Trade  
 18       Relief Extension Act of 1998 (Public Law 105–277), is  
 19       amended by striking subsection (e).

20       **SEC. 3. EXTENSION OF REPAYMENT PERIOD FOR OVERPAY-**  
 21       **MENTS.**

22           (a) 60-MONTH REPAYMENT PERIOD.—In the case of  
 23       an overpayment by the Secretary of Health and Human  
 24       Services to a home health agency for home health services  
 25       furnished under the medicare program during a cost re-

1 porting period beginning on or after October 1, 1997, as  
2 a result of payment limitations provided for under clause  
3 (v), (vi), or (viii) of section 1861(v)(1)(L) of the Social  
4 Security Act (42 U.S.C. 1395x(v)(1)(L)), the home health  
5 agency may elect to repay the amount of such overpay-  
6 ment over a 60-month period beginning on the date of no-  
7 tification of such overpayment.

8 (b) INTEREST ON OVERPAYMENT AMOUNTS.—

9 (1) 60-MONTH GRACE PERIOD.—

10 (A) IN GENERAL.—In the case of an agen-  
11 cy that makes an election under subsection (a),  
12 no interest shall accrue on the outstanding bal-  
13 ance of the amount of overpayment during such  
14 60-month period.

15 (B) OVERDUE BALANCES.—In the case of  
16 such an agency, interest shall accrue on any  
17 outstanding balance of the amount of overpay-  
18 ment after termination of such 60-month pe-  
19 riod. Interest shall accrue under this subpara-  
20 graph at the rate of interest charged by banks  
21 for loans to their most favored commercial cus-  
22 tomers, as published in the Wall Street Journal  
23 on the Friday immediately following the date of  
24 the enactment of this Act.

1           (2) OTHER AGENCIES.—In the case of an agen-  
 2           cy described in subsection (a) that does not make an  
 3           election under subsection (a), interest shall accrue  
 4           on the outstanding balance of the amount of over-  
 5           payment at the rate described in the second sentence  
 6           of paragraph (1)(B).

7           (c) TERMINATION.—No election under subsection (a)  
 8           may be made for cost reporting periods, or portions of cost  
 9           reporting periods, beginning on or after the date of the  
 10          implementation of the prospective payment system for  
 11          home health services under section 1895 of the Social Se-  
 12          curity Act (42 U.S.C. 1395fff).

13          (d) EFFECTIVE DATE.—The provisions of this sec-  
 14          tion shall take effect as if included in the enactment of  
 15          the Balanced Budget Act of 1997.

16   **SEC. 4. REPORT TO CONGRESS ON ADMINISTRATIVE BUR-**  
 17                   **DENS ON MEDICARE HOME HEALTH AGEN-**  
 18                   **CIES IN COMPLYING WITH OUTCOME AND AS-**  
 19                   **SESSMENT INFORMATION SET (OASIS) RE-**  
 20                   **QUIREMENT.**

21          (a) REPORT TO CONGRESS.—Not later than 90 days  
 22          after the date of the enactment of this Act, the Secretary  
 23          of Health and Human Services shall submit to Congress  
 24          and the Comptroller General of the United States a report  
 25          describing costs incurred by medicare home health agen-

1 cies in complying with the data collection requirement of  
2 patients of such agencies under the Outcome and Assess-  
3 ment Information Set (OASIS) standard as part of the  
4 comprehensive assessment of patients.

5 (b) GAO AUDIT.—The Comptroller General of the  
6 United States shall conduct an independent audit of the  
7 costs described in subsection (a). Not later than 180 days  
8 after receipt of the report under subsection (a), the Comp-  
9 troller General shall submit to Congress a report describ-  
10 ing the Comptroller General’s findings with respect to  
11 such audit, and shall include comments on the report sub-  
12 mitted to Congress by the Secretary of Health and Human  
13 Services under subsection (a).

14 (c) DEFINITIONS.—In this section:

15 (1) COMPREHENSIVE ASSESSMENT OF PA-  
16 TIENTS.—The term “comprehensive assessment of  
17 patients” means the rule published by the Health  
18 Care Financing Administration that requires, as a  
19 condition of participation in the medicare program,  
20 a home health agency to provide a patient-specific  
21 comprehensive assessment that accurately reflects  
22 the patient’s current status and that incorporates  
23 the Outcome and Assessment Information Set  
24 (OASIS).

1           (2) OUTCOME AND ASSESSMENT INFORMATION  
2       SET.—The term “Outcome and Assessment Infor-  
3       mation Set” means the standard provided under the  
4       rule relating to data items that must be used in con-  
5       ducting a comprehensive assessment of patients.

6   **SEC. 5. ELIMINATION OF INCREMENTAL BILLING REQUIRE-**  
7                           **MENT.**

8       (a) IN GENERAL.—Section 1895(c)(2) of the Social  
9       Security Act (42 U.S.C. 1395fff(c)(2)) is amended by  
10      striking “, as measured in 15 minute increments.” and  
11      inserting a period.

12      (b) EFFECTIVE DATE.—The amendment made by  
13      subsection (a) takes effect as if included in the enactment  
14      of the Balanced Budget Act of 1997 (Public Law 105–  
15      33).

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