

106TH CONGRESS
1ST SESSION

H. R. 3269

To amend title XIX of the Social Security Act to make technical improvements in the operation of the Medicaid Program, particularly with respect to the treatment of disproportionate share hospitals.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1999

Ms. DEGETTE (for herself and Mr. STRICKLAND) introduced the following bill;
which was referred to the Committee on Commerce

A BILL

To amend title XIX of the Social Security Act to make technical improvements in the operation of the Medicaid Program, particularly with respect to the treatment of disproportionate share hospitals.

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 “Medicaid/SCHIP Tech-
5 nical Amendments Act of 1999”.

1 **SEC. 2. MEDICAID TECHNICAL AMENDMENTS.**

2 (a) ASSURING IDENTIFICATION OF MEDICAID MAN-
3 AGED CARE PATIENTS FOR PURPOSES OF MEDICAID AND
4 MEDICARE DSH PAYMENTS.—

5 (1) IN GENERAL.—Section 1932 of the Social
6 Security Act (42 U.S.C. 1396u–2) is amended by
7 adding at the end the following:

8 “(g) IDENTIFICATION OF PATIENTS FOR PURPOSES
9 OF MAKING DSH PAYMENTS.—Each contract with a
10 managed care entity under section 1903(m) or under sec-
11 tion 1905(t)(3) shall require the entity either—

12 “(1) to report to the State information nec-
13 essary to determine the hospital services provided
14 under the contract (and the identity of hospitals pro-
15 viding such services) for purposes of applying sec-
16 tions 1886(d)(5)(F) and 1923; or

17 “(2) to include a sponsorship code in the identi-
18 fication card issued to individuals covered under this
19 title in order that a hospital may identify a patient
20 as being entitled to benefits under this title.”.

21 (2) EFFECTIVE DATE.—The amendment made
22 by paragraph (1) applies to contracts entered into or
23 renewed on or after the date that is 30 days after
24 the date of the enactment of this Act.

25 (b) MAKING THE ENHANCED FMAP UNDER SCHIP
26 INAPPLICABLE TO MEDICAID DSH PAYMENTS.—

1 (1) IN GENERAL.—Section 1905(u) of such Act
2 (42 U.S.C. 1396d(u)) is amended—

3 (A) in paragraph (2)(A), by inserting
4 “subject to paragraph (4),” after “For pur-
5 poses of subsection (b),”;

6 (B) in paragraph (3), by inserting “subject
7 to paragraph (4),” after “For purposes of sub-
8 section (b),”;

9 (C) by redesignating paragraph (4) as
10 paragraph (5); and

11 (D) by inserting after paragraph (3) the
12 following new paragraph:

13 “(4) For purposes of subsection (b), the expenditures
14 described in paragraphs (2)(A) and (3) do not include ex-
15 penditures under section 1923.”.

16 (2) EFFECTIVE DATE.—The amendments made
17 by paragraph (1) take effect as if included in the en-
18 actment of the Balanced Budget Act of 1997.

19 (c) CLARIFICATION THAT SCHIP HOSPITAL SHORT-
20 FALLS COUNT TOWARDS A HOSPITAL’S SPECIFIC DSH
21 CAP.—

22 (1) IN GENERAL.—Section 1923(g)(1)(A) of
23 such Act (42 U.S.C. 1396r–4(g)(1)(A)) is
24 amended—

1 (A) by inserting “and title XXI” after “net
2 of payments under this title”; and

3 (B) by striking “either are eligible for
4 medical assistance under the State plan” and
5 inserting “are eligible for medical assistance
6 under the State plan, are eligible for child
7 health assistance under title XXI,”.

8 (2) EFFECTIVE DATE.—The amendments made
9 by paragraph (1) take effect as if included in the en-
10 actment of the Balanced Budget Act of 1997.

11 (d) MEDICAID DSH REPORTING REQUIREMENTS.—
12 The Administrator of the Health Care Financing Adminis-
13 tration shall submit to the Committee on Commerce of the
14 House of Representatives and the Committee on Finance
15 of the Senate—

16 (1) a report, by 90 days after the date of the
17 enactment of this Act, on the methodologies used by
18 States to identify and to make payments to dis-
19 proportionate share hospitals, as described in section
20 1923(a)(2)(D) of the Social Security Act; and

21 (2) an annual report that contains information
22 on the payment adjustments made to each dis-
23 proportionate share hospital for the previous year
24 under section 1923 of such Act.

1 (e) CLARIFICATION OF FEDERAL FINANCIAL PAR-
2 TICIPATION FOR PRO-LIKE ENTITIES IN MEDICAID UTI-
3 LIZATION REVIEW.—

4 (1) IN GENERAL.—Section 1903(a)(3)(C)(i) of
5 such Act (42 U.S.C. 1396b(a)(3)(C)(i)) is
6 amended—

7 (A) by inserting “(other than a review de-
8 scribed in clause (ii))” after “quality review”;
9 and

10 (B) by inserting “(or under a contract with
11 the State that sets forth standards of perform-
12 ance equivalent to those under section
13 1902(d))” before the semicolon.

14 (2) EFFECTIVE DATE.—The amendments made
15 by paragraph (1) apply to expenditures made on and
16 after the date of the enactment of this Act.

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