

107TH CONGRESS  
1ST SESSION

# H. R. 2942

To amend title XVIII of the Social Security Act to make permanent the hold harmless treatment for small rural hospitals under the Medicare prospective payment system for hospital outpatient department services and to provide a transitional adjustment for certain sole community hospitals in order to limit any decline in payment under that system.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 21, 2001

Mr. MORAN of Kansas (for himself, Mr. McINTYRE, and Mr. Ross) introduced the following bill; which was referred to the Committee on Energy and 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 make permanent the hold harmless treatment for small rural hospitals under the Medicare prospective payment system for hospital outpatient department services and to provide a transitional adjustment for certain sole community hospitals in order to limit any decline in payment under that system.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Rural Hospital and  
3 Health Network Preservation Act of 2001”.

**4 SEC. 2. TREATMENT OF RURAL HOSPITALS UNDER OPD  
5 PPS.**

6 (a) MAKING PERMANENT THE HOLD HARMLESS FOR  
7 SMALL RURAL HOSPITALS.—Section 1833(t)(7)(D)(ii) of  
8 the Social Security Act (42 U.S.C. 1395l(t)(7)(D)(ii)) is  
9 amended—

10 (1) in the heading, by striking “AND CHIL-  
11 DREN’S HOSPITALS” and inserting “, CHILDREN’S  
12 HOSPITALS, AND SMALL RURAL HOSPITALS”; and

13 (2) by inserting after “section 1886(d)(1)(B)”  
14 the following: “and in the case of a hospital located  
15 in a rural area and that has not more than 100  
16 beds”.

17 (b) TEMPORARY HOLD HARMLESS FOR SOLE COM-  
18 MUNITY HOSPITALS THAT ARE RURAL REFERRAL CEN-  
19 TERS WITH NOT MORE THAN 400 BEDS.—Section  
20 1833(t)(7)(D)(i) of such Act (42 U.S.C.  
21 1395l(t)(7)(D)(i)) is amended—

22 (1) in the heading, by striking “SMALL RURAL  
23 HOSPITALS” and inserting “CERTAIN SOLE COMMU-  
24 NITY HOSPITALS”; and

25 (2) by striking “and that has not more than  
26 100 beds” and inserting “, that has more than 100

1 (but not more than 400) beds, that is a sole commu-  
2 nity hospital (as defined in section  
3 1886(d)(5)(D)(iii)), and that is classified as a rural  
4 referral center under section 1886(d)(5)(C)’.

5 (c) EFFECTIVE DATE.—The amendments made by  
6 this section shall take effect as if included in the amend-  
7 ments made by section 202(a) of the Medicare, Medicaid,  
8 and SCHIP Balanced Budget Refinement Act of 1999  
9 (113 Stat. 1501A–342), as enacted into law by section  
10 1000(a)(6) of Public Law 106–113.

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