

107TH CONGRESS
1ST SESSION

S. 659

To amend title XVIII of the Social Security Act to adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the medicare program is provided on a prospective basis.

IN THE SENATE OF THE UNITED STATES

MARCH 29, 2001

Mr. CRAPO (for himself, Mr. CRAIG, Mr. HAGEL, Mr. COCHRAN, Mrs. LINCOLN, Mr. ROBERTS, Mr. HELMS, Mr. DAYTON, and Mr. HUTCHINSON) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the medicare program is provided on a prospective basis.

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 Geographic
5 Adjustment Fairness Act of 2001”.

1 **SEC. 2. HOSPITAL GEOGRAPHIC RECLASSIFICATION FOR**
 2 **LABOR COSTS FOR ALL ITEMS AND SERVICES**
 3 **REIMBURSED UNDER PROSPECTIVE PAY-**
 4 **MENT SYSTEMS.**

5 Section 1886(d)(10)(D) of the Social Security Act
 6 (42 U.S.C. 1395ww(d)(10)(D)), as amended by section
 7 304(a) of the Medicare, Medicaid, and SCHIP Benefits
 8 Improvement and Protection Act of 2000 (as enacted into
 9 law by section 1(a)(6) of Public Law 106–554), is amend-
 10 ed by adding at the end the following new clause:

11 “(vii)(I) Any decision of the Board to reclassify a
 12 subsection (d) hospital for purposes of the adjustment fac-
 13 tor described in subparagraph (C)(i)(II) for fiscal year
 14 2001 or any fiscal year thereafter shall apply for purposes
 15 of adjusting payments for variations in costs that are at-
 16 tributable to wages and wage-related costs for PPS-reim-
 17 bursed items and services.

18 “(II) For purposes of subclause (I), the term ‘PPS-
 19 reimbursed items and services’ means, for the fiscal year
 20 for which the Board has made a decision described in such
 21 subclause, each item and service for which payment is
 22 made under this title on a prospective basis and adjusted
 23 for variations in costs that are attributable to wages or
 24 wage-related costs that is furnished by the hospital to
 25 which such decision applies, or by a provider-based entity

1 or department of that hospital (as determined by the Sec-
2 retary).”.

