

108TH CONGRESS  
1ST SESSION

# H. R. 2451

To amend title XVIII of the Social Security Act to improve geographic equity in the provision of items and services provided to Medicare beneficiaries.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 12, 2003

Mr. KING of Iowa introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and 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 improve geographic equity in the provision of items and services provided to Medicare beneficiaries.

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 Equity in Reimbursement Act of 2003”.

1 **SEC. 2. IMPROVING EQUITY OF PAYMENTS TO PROVIDERS**  
2 **UNDER THE MEDICARE FEE-FOR-SERVICE**  
3 **PROGRAM.**

4 Title XVIII of the Social Security Act (42 U.S.C.  
5 1395 et seq.) is amended by adding at the end the fol-  
6 lowing new section:

7 “IMPROVING EQUITY OF PAYMENTS UNDER THE  
8 ORIGINAL MEDICARE FEE-FOR-SERVICE PROGRAM.

9 “SEC. 1897. (a) ESTABLISHMENT OF SYSTEM.—Not-  
10 withstanding any other provision of law, the Secretary  
11 shall establish a system for making adjustments to the  
12 amount of payment made to entities and individuals for  
13 items and services provided under the original medicare  
14 fee-for-service program under parts A and B.

15 “(b) SYSTEM REQUIREMENTS.—

16 “(1) ADJUSTMENTS.—If the State average  
17 yearly per beneficiary amount for the most recent  
18 recorded year is 8 percent or more below the average  
19 of contiguous states per beneficiary amount for the  
20 same year (not to include the state of comparison),  
21 then the Secretary shall provide a 5 percent add-on  
22 to the amount of applicable payments.

23 “(2) DETERMINATION OF AVERAGES.—

24 “(A) STATE AVERAGE PER BENEFICIARY  
25 AMOUNT.—The Secretary shall determine a  
26 State average per beneficiary amount for each

1 State which shall be equal to the Secretary’s es-  
2 timate of the average amount of expenditures  
3 under the original medicare fee-for-service pro-  
4 gram under parts A and B for the year for a  
5 beneficiary enrolled under such parts that re-  
6 sides in the State and services provided within  
7 the State.

8 “(B) CONTIGUOUS STATE AVERAGE PER  
9 BENEFICIARY AMOUNT.—The Secretary shall  
10 determine the average of contiguous states for  
11 each state per beneficiary amount

12 “(c) DEFINITIONS.—In this section:

13 “(1) APPLICABLE PAYMENTS.—The term ‘ap-  
14 plicable payments’ means payments made to entities  
15 and individuals for items and services provided  
16 under the original medicare fee-for-service program  
17 under parts A and B to beneficiaries enrolled under  
18 such parts that reside in the State and services pro-  
19 vided within the state.

20 “(2) STATE.—The term ‘State’ has the mean-  
21 ing given such term in section 210(h).

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