

108TH CONGRESS
2D SESSION

S. 2876

To amend title XVIII of the Social Security Act to eliminate reductions in payments to hospitals for the indirect costs of medical education.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 30, 2004

Mrs. HUTCHISON (for herself, Mr. BAYH, and Mr. KENNEDY) 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 eliminate reductions in payments to hospitals for the indirect costs of medical education.

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 “American Hospital
5 Preservation Act of 2004”.

6 **SEC. 2. REVISION OF THE INDIRECT MEDICAL EDUCATION**

7 **(IME) ADJUSTMENT PERCENTAGE.**

8 (a) IN GENERAL.—Section 1886(d)(5)(B)(ii) of the
9 Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(ii)), as
10 amended by section 502(a) of the Medicare Prescription

1 Drug, Improvement, and Modernization Act of 2003 (Pub-
 2 lic Law 108–173; 117 Stat. 2290), is amended—

3 (1) in subclause (VII), by adding “and” after
 4 the semicolon at the end;

5 (2) in subclause (VIII)—

6 (A) by striking “and before October 1,
 7 2004,”; and

8 (B) by striking the semicolon at the end
 9 and inserting a period; and

10 (3) by striking subclauses (IX), (X), (XI), and
 11 (XII).

12 (b) CONFORMING AMENDMENT RELATING TO DE-
 13 TERMINATION OF STANDARDIZED AMOUNT.—Section
 14 1886(d)(2)(C)(i) of the Social Security Act (42 U.S.C.
 15 1395ww(d)(2)(C)(i)), as amended by section 502(b) of the
 16 Medicare Prescription Drug, Improvement, and Mod-
 17 ernization Act of 2003 (Public Law 108–173; 117 Stat.
 18 2290), is amended by striking “, or the Medicare Prescrip-
 19 tion Drug, Improvement, and Modernization Act of 2003”
 20 and inserting “, the Medicare Prescription Drug, Improve-
 21 ment, and Modernization Act of 2003, or the American
 22 Hospital Preservation Act of 2004”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to discharges occurring on or after
3 April 1, 2004.

