

108TH CONGRESS  
1ST SESSION

# S. 899

To amend title XVIII of the Social Security Act to restore the full market basket percentage increase applied to payments to hospitals for inpatient hospital services furnished to medicare beneficiaries, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 11, 2003

Mrs. HUTCHISON (for herself and Mr. BAYH) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to restore the full market basket percentage increase applied to payments to hospitals for inpatient hospital services furnished to medicare beneficiaries, and for other purposes.

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 2003”.

1 **SEC. 2. RESTORING FULL MARKET BASKET UPDATE FOR**  
 2 **INPATIENT PPS HOSPITALS.**

3 (a) IN GENERAL.—Section 1886(b)(3)(B)(i) of the  
 4 Social Security Act (42 U.S.C. 1395ww(b)(3)(B)(i)) is  
 5 amended—

6 (1) in subclause (XVIII), by striking “and” at  
 7 the end; and

8 (2) by striking subclause (XIX) and inserting  
 9 the following new subclauses:

10 “(XIX) for fiscal year 2004, the market basket  
 11 percentage increase plus 0.55 percentage points for  
 12 hospitals in all areas; and

13 “(XX) for fiscal year 2005 and each subsequent  
 14 fiscal year, the market basket percentage increase  
 15 for hospitals in all areas.”.

16 (b) PROTECTING FULL MARKET BASKET UPDATE  
 17 FOR FISCAL YEARS 2004 AND THEREAFTER.—Such sec-  
 18 tion, as amended by subsection (a), is further amended  
 19 by inserting after subclause (XX) the following:

20 “Notwithstanding any other provision of law, the ‘applica-  
 21 ble percentage increase’ for any fiscal year after fiscal year  
 22 2005 may not be a percentage that is less than the market  
 23 basket percentage increase for such year.”.

1 **SEC. 2. FREEZING INDIRECT MEDICAL EDUCATION (IME)**

2 **ADJUSTMENT PERCENTAGE AT 6.5 PERCENT.**

3 (a) IN GENERAL.—Section 1886(d)(5)(B)(ii) of the  
4 Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(ii)) is  
5 amended—

6 (1) in subclause (VI), by striking “and” at the  
7 end; and

8 (2) by striking subclause (VII) and inserting  
9 the following new subclauses:

10 “(VII) during fiscal year 2003, “c” is  
11 equal to 1.35.

12 “(VIII) during fiscal year 2004, “c” is  
13 equal to 1.85; and

14 “(IX) on or after October 1, 2004, ‘c’ is  
15 equal to 1.6.”.

16 (b) CONFORMING AMENDMENT RELATING TO DE-  
17 TERMINATION OF STANDARDIZED AMOUNT.—Section  
18 1886(d)(2)(C)(i) of such Act (42 U.S.C.  
19 1395ww(d)(2)(C)(i)) is amended—

20 (1) by striking “1999 or” and inserting  
21 “1999,”; and

22 (2) by inserting “, or the American Hospital  
23 Preservation Act of 2003” after “2000”.

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