

109TH CONGRESS  
2D SESSION

# S. 2819

To amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare program.

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## IN THE SENATE OF THE UNITED STATES

MAY 17, 2006

Mr. COLEMAN (for himself and Mr. DURBIN) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend part C of title XVIII of the Social Security Act to provide for a minimum payment rate by Medicare Advantage organizations for services furnished by a critical access hospital and a rural health clinic under the Medicare program.

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 “Rural Health Services  
5       Preservation Act of 2006”.

1 **SEC. 2. MINIMUM PAYMENT RATE BY MEDICARE ADVAN-**  
 2 **TAGE ORGANIZATIONS FOR SERVICES FUR-**  
 3 **NISHED BY A CRITICAL ACCESS HOSPITAL**  
 4 **AND A RURAL HEALTH CLINIC.**

5 (a) IN GENERAL.—Section 1857(e) of the Social Se-  
 6 curity Act (42 U.S.C. 1395w–27(e)) is amended by adding  
 7 at the end the following:

8 “(4) MINIMUM PAYMENT RATE FOR SERVICES  
 9 FURNISHED BY A CRITICAL ACCESS HOSPITAL AND  
 10 A RURAL HEALTH CLINIC.—A contract under this  
 11 section between an MA organization and the Sec-  
 12 retary for the offering of an MA plan shall require  
 13 the organization to provide for a payment rate under  
 14 the plan for inpatient and outpatient critical access  
 15 hospital services and rural health clinic services fur-  
 16 nished to enrollees of the plan and for extended care  
 17 services furnished by a critical access hospital under  
 18 an agreement entered into under section 1883 to  
 19 such enrollees (whether or not the services are fur-  
 20 nished pursuant to an agreement between such orga-  
 21 nization and a critical access hospital or a rural  
 22 health clinic) that is not less than—

23 “(A) the applicable payment rate estab-  
 24 lished under part A or part B (which includes  
 25 the payment of an interim rate and a subse-  
 26 quent cost reconciliation) with respect to the

1 critical access hospital for such inpatient, out-  
2 patient, and extended care services or the rural  
3 health clinic for such rural health clinic serv-  
4 ices; or

5 “(B) if the critical access hospital or the  
6 rural health clinic determines appropriate, 103  
7 percent of the applicable interim payment rate  
8 established under part A or part B with respect  
9 to the critical access hospital for such inpatient,  
10 outpatient, and extended care services or the  
11 rural health clinic for such rural health clinic  
12 services.”.

13 (b) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to Medicare Advantage contract  
15 years beginning on or after January 1, 2007.

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