

110TH CONGRESS
1ST SESSION

H. R. 2386

To amend title XVIII of the Social Security Act to provide special treatment of certain cancer hospitals under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 2007

Mr. PALLONE introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title XVIII of the Social Security Act to provide special treatment of certain cancer hospitals 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. SPECIAL TREATMENT OF CANCER HOSPITALS**

4 **UNDER THE MEDICARE PROGRAM.**

5 (a) IN GENERAL.—Section 1886(d)(1)(B) of the So-
6 cial Security Act (42 U.S.C. 1395ww(d)(1)(B)) is amend-
7 ed—

8 (1) by striking “or” at the end of clause (iv);

9 (2) by striking the semicolon at the end of

10 clause (v) and inserting “, or”; and

1 (3) by inserting after clause (v) the following
2 new clause:

3 “(vi) a hospital that—

4 “(I) is located in a State which ranks (ac-
5 cording to the National Cancer Institute’s sta-
6 tistics published in May of 2005) among the
7 top ten States in the incidence of non-Hodgkins
8 lymphoma, ovarian cancer, thyroid cancer, and
9 cervical cancer and among the top ten States
10 with the highest death rate for breast cancer
11 and uterine cancer;

12 “(II) is located in a State that as of De-
13 cember 31, 2006, had only one center under
14 section 414 of the Public Health Service Act
15 that has been designated by the National Can-
16 cer Institute as a comprehensive center cur-
17 rently serving all 21 counties in the most dense-
18 ly populated State in the nation (U.S. Census
19 estimate for 2005: 8,717,925 persons; 1,134.5
20 persons per square mile), serving more than
21 70,000 patient visits annually;

22 “(III) as of December 31, 2006, served as
23 the teaching and clinical care, research and
24 training hospital for the Center described in

1 subclause (II), providing significant financial
2 and operational support to such Center;

3 “(IV) as of December 31, 2006, served as
4 a core and essential element in such Center
5 which conducts more than 130 clinical trial ac-
6 tivities, national cooperative group studies, in-
7 vestigator-initiated and peer review studies and
8 has received as of 2005 at least \$93,000,000 in
9 research grant awards;

10 “(V) as of December 31, 2006, can dem-
11 onstrate that it has been a unique and an inte-
12 gral component of such Center since such Cen-
13 ter’s inception;

14 “(VI) as of December 31, 2006, includes
15 dedicated patient care units organized primarily
16 for the treatment of and research on cancer
17 with approximately 125 beds, 75 percent of
18 which are dedicated to cancer patients, and con-
19 tains a radiation oncology department as well
20 as specialized emergency services for oncology
21 patients;

22 “(VII) as of December 31, 2004, is identi-
23 fied as the focus of the Center’s inpatient ac-
24 tivities in the Center’s application as a NCI-
25 designated comprehensive cancer center and

1 shares the NCI comprehensive cancer designa-
 2 tion with the Center; and

3 “(VIII) as of December 31, 2006, has been
 4 recognized with a certificate of approval with
 5 commendation by the American College of Sur-
 6 geons Commission on Cancer;”.

7 (b) CONFORMING AMENDMENT.—Section
 8 1886(b)(3)(E) of such Act (42 U.S.C. 1395ww(b)(3)(E))
 9 is amended by striking “clause (v)” and inserting “clauses
 10 (v) and (vi)”.

11 (c) EFFECTIVE DATE; PAYMENTS.—

12 (1) APPLICATION TO COST REPORTING PERI-
 13 ODS.—Any classification by reason of section
 14 1886(d)(1)(B)(vi) of the Social Security Act (42
 15 U.S.C. 1395ww(d)(1)(B)(vi)), as inserted by sub-
 16 section (a), shall apply to cost reporting periods be-
 17 ginning on or after January 1, 2006.

18 (2) BASE TARGET AMOUNT.—Notwithstanding
 19 subsection (b)(3)(E) of section 1886 of the Social
 20 Security Act (42 U.S.C. 1395ww), in the case of a
 21 hospital described in subsection (d)(1)(B)(vi) of such
 22 section, as inserted by subsection (a)—

23 (A) the hospital shall be permitted to re-
 24 submit the 2006 Medicare 2552 cost report in-
 25 corporating a cancer hospital sub-provider num-

1 ber and to apply the Medicare ratio-of-cost-to-
2 charge settlement methodology for outpatient
3 cancer services; and

4 (B) the hospital's target amount under
5 subsection (b)(3)(E)(i) of such section for the
6 first cost reporting period beginning on or after
7 January 1, 2006, shall be the allowable oper-
8 ating costs of inpatient hospital services (re-
9 ferred to in subclause (I) of such subsection)
10 for such first cost reporting period.

11 (3) DEADLINE FOR PAYMENTS.—Any payments
12 owed to a hospital as a result of this section for pe-
13 riods occurring before the date of the enactment of
14 this Act shall be made expeditiously, but in no event
15 later than 1 year after such date of enactment.

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