

110TH CONGRESS
1ST SESSION

S. 2381

To amend title XVIII of the Social Security Act to extend and improve protections for sole community hospitals under the Medicare program.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 2007

Mr. SALAZAR (for himself and Mr. BINGAMAN) 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 extend and improve protections for sole community 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. SHORT TITLE.**

4 This Act may be cited as the “Medicare Sole Commu-
5 nity Hospital Preservation Act of 2007”.

6 **SEC. 2. MEDICARE SOLE COMMUNITY HOSPITAL IMPROVE-**
7 **MENTS.**

8 (a) PERMANENT HOLD HARMLESS FOR SOLE COM-
9 MUNITY HOSPITALS UNDER THE PROSPECTIVE PAYMENT
10 SYSTEM FOR HOSPITAL OUTPATIENT DEPARTMENT

1 SERVICES UNDER THE MEDICARE PROGRAM.—Section
 2 1833(t)(7)(D) of the Social Security Act (42 U.S.C.
 3 1395l(t)(7)(D)) is amended by adding at the end the fol-
 4 lowing new clause:

5 “(iii) PERMANENT HOLD HARMLESS
 6 FOR SOLE COMMUNITY HOSPITALS.—In the
 7 case of a sole community hospital (as de-
 8 fined in section 1886(d)(5)(D)(iii)), for
 9 covered OPD services furnished after De-
 10 cember 31, 2007, for which the PPS
 11 amount is less than the pre-BBA amount,
 12 the amount of payment under this sub-
 13 section shall be increased by the amount of
 14 such difference.”.

15 (b) REBASING FOR SOLE COMMUNITY HOSPITALS.—

16 (1) REBASING PERMITTED.—Section
 17 1886(b)(3) of the Social Security Act (42 U.S.C.
 18 1395ww(b)(3)) is amended by adding at the end the
 19 following new subparagraph:

20 “(L)(i) For cost reporting periods beginning on or
 21 after October 1, 2007, in the case of a sole community
 22 hospital there shall be substituted for the amount other-
 23 wise determined under subsection (d)(5)(D)(i) of this sec-
 24 tion, if such substitution results in a greater amount of
 25 payment under this section for the hospital—

1 “(I) with respect to discharges occurring in fis-
2 cal year 2008, 75 percent of the subsection
3 (d)(5)(D)(i) amount (as described in subparagraph
4 (I)(i)(I)) and 25 percent of the subparagraph (L)
5 rebased target amount (as defined in clause (ii));

6 “(II) with respect to discharges occurring in fis-
7 cal year 2009, 50 percent of the subsection
8 (d)(5)(D)(i) amount and 50 percent of the subpara-
9 graph (L) rebased target amount;

10 “(III) with respect to discharges occurring in
11 fiscal year 2010, 25 percent of the subsection
12 (d)(5)(D)(i) amount and 75 percent of the subpara-
13 graph (L) rebased target amount; and

14 “(IV) with respect to discharges occurring after
15 fiscal year 2010, 100 percent of the subparagraph
16 (L) rebased target amount.

17 “(ii) For purposes of this subparagraph, the ‘sub-
18 paragraph (L) rebased target amount’ has the meaning
19 given the term ‘target amount’ in subparagraph (C), ex-
20 cept that—

21 “(I) there shall be substituted for the base cost
22 reporting period the 12-month cost reporting period
23 beginning during fiscal year 2002;

24 “(II) any reference in subparagraph (C)(i) to
25 the ‘first cost reporting period’ described in such

subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2007; and

“(III) the applicable percentage increase shall only be applied under subparagraph (C)(iv) for discharges occurring in fiscal years beginning with fiscal year 2008.”.

(2) CONFORMING AMENDMENTS.—Section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)) is amended—

(A) in subparagraph (C), in the matter preceding clause (i), by striking “subparagraph (I)” and inserting “subparagraphs (I) and (L)”; and

(B) in subparagraph (I)(i)—

(i) in the matter preceding subclause (I), by striking “For” and inserting “Subject to subparagraph (L), for”; and

(ii) in subclause (I), by inserting “and subparagraph (L)” after “referred to in this clause”.

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