

110TH CONGRESS
2D SESSION

S. 3117

To apply an alternative payment amount under the Medicare program for certain graduate medical education programs established to train residents displaced by natural disasters.

IN THE SENATE OF THE UNITED STATES

JUNE 11, 2008

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

A BILL

To apply an alternative payment amount under the Medicare program for certain graduate medical education programs established to train residents displaced by natural disasters.

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. ALTERNATIVE PAYMENT AMOUNTS FOR GRAD-**
4 **UATE MEDICAL EDUCATION PROGRAMS ES-**
5 **TABLISHED TO TRAIN RESIDENTS DIS-**
6 **PLACED BY NATURAL DISASTERS.**

7 (a) IN GENERAL.—Notwithstanding any other provi-
8 sion of law, in applying section 1886(h) of the Social Secu-

1 rity Act (42 U.S.C. 1395ww(h)(2)), and any regulations
 2 implementing such section, with respect to an eligible hos-
 3 pital for a cost reporting period beginning on or after July
 4 1, 2005, the Secretary of Health and Human Services
 5 shall provide for payments for direct graduate education
 6 costs in accordance with subsection (c) for such hospital
 7 and cost reporting period.

8 (b) ELIGIBLE HOSPITAL DEFINED.—In this section,
 9 the term “eligible hospital” means a hospital that—

10 (1) did not have a graduate medical education
 11 program under section 1886(h) of the Social Secu-
 12 rity Act (42 U.S.C. 1395ww(h)) before the date of
 13 a presidential declaration of major disaster issued
 14 under section 401 of the Robert T. Stafford Disaster
 15 Relief and Emergency Assistance Act;

16 (2) established such a program to educate resi-
 17 dents displaced from a graduate medical education
 18 program impacted by such disaster; and

19 (3) is located in a wage area that is in, or im-
 20 mediately adjacent to, an area for which such dis-
 21 aster was declared.

22 (c) PAYMENT TO ELIGIBLE HOSPITALS.—The pay-
 23 ment amount for an eligible hospital for a cost reporting
 24 period in which the hospital operates a graduate medical

1 education program referred to in subsection (b)(2) shall
2 be—

3 (1) for the first such cost reporting period, the
4 reasonable costs (as determined based on rules ap-
5 plied in determining reasonable costs under section
6 1886(h)(2)(A) of the Social Security Act) incurred
7 by the hospital for such program;

8 (2) for the second such cost reporting period,
9 computed based on an alternative FTE resident
10 amount calculated as described in section
11 1886(h)(2)(A) of the Social Security Act (42 U.S.C.
12 1395ww(h)(2)(A)), but using the reasonable costs
13 incurred by the hospital for such program during
14 such second cost reporting period and the number of
15 FTE residents (as described in section
16 1886(h)(3)(B)(ii) of the Social Security Act (42
17 U.S.C. 1395ww(h)(3)(B)(ii)) in the program for
18 such second cost reporting period; and

19 (3) for the third such cost reporting period and
20 each subsequent cost reporting period, computed
21 based on the alternative FTE resident amount under
22 this section for the previous cost reporting period,
23 updated and adjusted as described in section

- 1 1886(h)(2)(D) of the Social Security Act (42 U.S.C.
- 2 1395ww(h)(2)(D)).

