

111TH CONGRESS
1ST SESSION

S. 1742

To amend the Public Health Service Act to provide assistance for graduate medical education funding for women’s hospitals.

IN THE SENATE OF THE UNITED STATES

OCTOBER 1, 2009

Mr. WHITEHOUSE (for himself, Mr. CASEY, and Mr. SPECTER) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act to provide assistance for graduate medical education funding for women’s hospitals.

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 “Women’s Hospitals
5 Education Equity Act”.

6 **SEC. 2. SUPPORT OF GRADUATE MEDICAL EDUCATION**
7 **PROGRAMS IN WOMEN’S HOSPITALS.**

8 Subpart IX of part D of title III of the Public Health
9 Service Act (42 U.S.C. 256e et seq.) is amended—

1 (1) in the subpart heading, by adding “**and**
 2 **Women’s Hospitals**” at the end; and

3 (2) by adding at the end the following:

4 “**SEC. 340E-1. SUPPORT OF GRADUATE MEDICAL EDU-**
 5 **CATION PROGRAMS IN WOMEN’S HOSPITALS.**

6 “(a) PAYMENTS.—The Secretary shall make two pay-
 7 ments under this section to each women’s hospital for each
 8 of fiscal years 2010 through 2014, one for the direct ex-
 9 penses and the other for indirect expenses associated with
 10 operating approved graduate medical residency training
 11 programs. The Secretary shall promulgate regulations
 12 pursuant to the rulemaking requirements of title 5, United
 13 States Code, which shall govern payments made under this
 14 subpart.

15 “(b) AMOUNT OF PAYMENTS.—

16 “(1) IN GENERAL.—Subject to paragraphs (2)
 17 and (3), the amounts payable under this section to
 18 a women’s hospital for an approved graduate med-
 19 ical residency training program for a fiscal year
 20 shall be each of the following:

21 “(A) DIRECT EXPENSE AMOUNT.—The
 22 amount determined in accordance with sub-
 23 section (c) for direct expenses associated with
 24 operating approved graduate medical residency
 25 training programs for a fiscal year.

1 “(B) INDIRECT EXPENSE AMOUNT.—The
 2 amount determined in accordance with sub-
 3 section (c) for indirect expenses associated with
 4 the treatment of more severely ill patients and
 5 the additional costs relating to teaching resi-
 6 dents in such programs for a fiscal year.

7 “(2) CAPPED AMOUNT.—

8 “(A) IN GENERAL.—The total of the pay-
 9 ments made to women’s hospitals under para-
 10 graph (1)(A) or paragraph (1)(B) in a fiscal
 11 year shall not exceed the funds appropriated
 12 under subsection (f) for such payments for that
 13 fiscal year.

14 “(B) PRO RATA REDUCTIONS OF PAY-
 15 MENTS FOR DIRECT EXPENSES.—If the Sec-
 16 retary determines that the amount of funds ap-
 17 propriated under subsection (e) for a fiscal year
 18 is insufficient to provide the total amount of
 19 payments otherwise due for such periods under
 20 paragraph (1)(A), the Secretary shall reduce
 21 the amounts so payable on a pro rata basis to
 22 reflect such shortfall.

23 “(3) ANNUAL REPORTING REQUIRED.—The
 24 provisions of subsection (b)(3) of section 340E shall
 25 apply to women’s hospitals under this section in the

1 same manner as such provisions apply to children's
 2 hospitals under such section 340E. In applying such
 3 provisions, the Secretary may make such modifica-
 4 tions as may be necessary to apply such provisions
 5 to women's hospitals.

6 “(c) APPLICATION OF CERTAIN PROVISIONS.—The
 7 provisions of subsections (c) and (d) of section 340E shall
 8 apply to women's hospitals under this section in the same
 9 manner as such provisions apply to children's hospitals
 10 under such section 340E. In applying such provisions, the
 11 Secretary may make such modifications as may be nec-
 12 essary to apply such provisions to women's hospitals.

13 “(d) MAKING OF PAYMENTS.—

14 “(1) INTERIM PAYMENTS.—The Secretary shall
 15 determine, before the beginning of each fiscal year
 16 involved for which payments may be made for a hos-
 17 pital under this section, the amounts of the pay-
 18 ments for direct graduate medical education and in-
 19 direct medical education for such fiscal year and
 20 shall (subject to paragraph (2)) make the payments
 21 of such amounts in 12 equal interim installments
 22 during such period. Such interim payments to each
 23 individual hospital shall be based on the number of
 24 residents reported in the hospital's most recently
 25 filed Medicare cost report prior to the application

1 date for the Federal fiscal year for which the interim
2 payment amounts are established. In the case of a
3 hospital that does not report residents on a Medicare
4 cost report, such interim payments shall be based on
5 the number of residents trained during the hospital's
6 most recently completed Medicare cost report filing
7 period.

8 “(2) WITHHOLDING.—The Secretary shall with-
9 hold up to 25 percent from each interim installment
10 for direct and indirect graduate medical education
11 paid under paragraph (1) as necessary to ensure a
12 hospital will not be overpaid on an interim basis.

13 “(3) RECONCILIATION.—Prior to the end of
14 each fiscal year, the Secretary shall determine any
15 changes to the number of residents reported by a
16 hospital in the application of the hospital for the
17 current fiscal year to determine the final amount
18 payable to the hospital for the current fiscal year for
19 both direct expense and indirect expense amounts.
20 Based on such determination, the Secretary shall re-
21 coup any overpayments made and pay any balance
22 due to the extent possible. The final amount so de-
23 termined shall be considered a final intermediary de-
24 termination for the purposes of section 1878 of the
25 Social Security Act and shall be subject to adminis-

1 trative and judicial review under that section in the
 2 same manner as the amount of payment under sec-
 3 tion 1886(d) of such Act is subject to review under
 4 such section.

5 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 6 are authorized to be appropriated to carry out this section,
 7 \$12,000,000 for fiscal year 2010, and such sums as may
 8 be necessary for each of fiscal years 2011 through 2014.

9 “(f) DEFINITIONS.—In this section:

10 “(1) APPROVED GRADUATE MEDICAL RESI-
 11 DENCY TRAINING PROGRAM.—The term ‘approved
 12 graduate medical residency training program’ has
 13 the meaning given the term ‘approved medical resi-
 14 dency training program’ in section 1886(h)(5)(A) of
 15 the Social Security Act.

16 “(2) DIRECT GRADUATE MEDICAL EDUCATION
 17 COSTS.—The term ‘direct graduate medical edu-
 18 cation costs’ has the meaning given such term in
 19 section 1886(h)(5)(C) of the Social Security Act.

20 “(3) WOMEN’S HOSPITAL.—The term ‘women’s
 21 hospital’ means a hospital—

22 “(A) that has a Medicare provider agree-
 23 ment under title XVIII of the Social Security
 24 Act;

1 “(B) that has an approved graduate med-
2 ical residency training program;

3 “(C) that has not been excluded from the
4 Medicare prospective payment system;

5 “(D) that had at least 3,000 births during
6 2007, as determined by the Centers for Medi-
7 care & Medicaid Services; and

8 “(E) with respect to which and as deter-
9 mined by the Centers for Medicare & Medicaid
10 Services, less than 4 percent of the total dis-
11 charges from the hospital during 2007 were
12 Medicare discharges of individuals who, as of
13 the time of the discharge—

14 “(i) were enrolled in the original
15 Medicare fee-for-service program under
16 part A of title XVIII of the Social Security
17 Act; and

18 “(ii) were not enrolled in—

19 “(I) a Medicare Advantage plan
20 under part C of title XVIII of that
21 Act;

22 “(II) an eligible organization
23 under section 1876 of that Act; or

1 “(III) a PACE program under
2 section 1894 of that Act.”.

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