

112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5943

To amend title XVIII of the Social Security Act to provide for an extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2012

Mr. REED (for himself and Mr. WELCH) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend title XVIII of the Social Security Act to provide for an extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program, and for other purposes.

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 Hospital Access  
5 Act of 2012”.

1 **SEC. 2. EXTENSION OF THE MEDICARE-DEPENDENT HOS-**  
2 **PITAL (MDH) PROGRAM.**

3 (a) **EXTENSION OF PAYMENT METHODOLOGY.**—Sec-  
4 tion 1886(d)(5)(G) of the Social Security Act (42 U.S.C.  
5 1395ww(d)(5)(G)) is amended—

6 (1) in clause (i), by striking “October 1, 2012”  
7 and inserting “October 1, 2013”; and

8 (2) in clause (ii)(II), by striking “October 1,  
9 2012” and inserting “October 1, 2013”.

10 (b) **CONFORMING AMENDMENTS.**—

11 (1) **EXTENSION OF TARGET AMOUNT.**—Section  
12 1886(b)(3)(D) of the Social Security Act (42 U.S.C.  
13 1395ww(b)(3)(D)) is amended—

14 (A) in the matter preceding clause (i), by  
15 striking “October 1, 2012” and inserting “Oc-  
16 tober 1, 2013”; and

17 (B) in clause (iv), by striking “through fis-  
18 cal year 2012” and inserting “through fiscal  
19 year 2013”.

20 (2) **PERMITTING HOSPITALS TO DECLINE RE-**  
21 **CLASSIFICATION.**—Section 13501(e)(2) of the Omni-  
22 bus Budget Reconciliation Act of 1993 (42 U.S.C.  
23 1395ww note) is amended by striking “through fis-  
24 cal year 2012” and inserting “through fiscal year  
25 2013”.

1 **SEC. 3. EXTENSION OF THE INCREASED PAYMENTS UNDER**  
2 **THE MEDICARE LOW-VOLUME HOSPITAL**  
3 **PROGRAM.**

4 Section 1886(d)(12) of the Social Security Act (42  
5 U.S.C. 1395ww(d)(12)) is amended—

6 (1) in subparagraph (B), in the matter pre-  
7 ceding clause (i), by striking “2013” and inserting  
8 “2014”;

9 (2) in subparagraph (C)(i), by striking “and  
10 2012” each place it appears and inserting “, 2012,  
11 and 2013”; and

12 (3) in subparagraph (D), by striking “and  
13 2012” and inserting “, 2012, and 2013”.

14 **SEC. 4. GAO STUDY AND REPORT ON MEDICARE-DEPEND-**  
15 **ENT HOSPITAL AND LOW-VOLUME HOSPITAL**  
16 **PROGRAMS.**

17 (a) STUDY.—

18 (1) IN GENERAL.—The Comptroller General of  
19 the United States shall conduct a study on the fol-  
20 lowing programs under title XVIII of the Social Se-  
21 curity Act under which certain small, rural hospitals  
22 or small hospitals receive add-on payments for inpa-  
23 tient hospital services furnished to individuals enti-  
24 tled to benefits under part A of title XVIII of the  
25 Social Security Act or enrolled under part B of such  
26 title:

1 (A) MDH PROGRAM.—The Medicare-de-  
2 pendent, small rural hospital (MDH) program  
3 for a small, rural hospital that meets the cri-  
4 teria of section 1886(d)(5)(G)(iv) of the Social  
5 Security Act (42 U.S.C. 1395ww(d)(5)(G)(iv)),  
6 hereinafter in this section referred to as an  
7 “MDH hospital”.

8 (B) LOW-VOLUME HOSPITAL PROGRAM.—  
9 The low-volume hospital program for a small  
10 hospital with fewer than 1,600 discharges annu-  
11 ally that meets the criteria of section  
12 1886(d)(12)(C)(i) of such Act (42 U.S.C.  
13 1395ww(d)(12)(C)(i)), hereinafter in this sec-  
14 tion referred to as a “low-volume hospital”.

15 (2) MATTERS STUDIED.—The study under  
16 paragraph (1) shall include an examination and  
17 analysis of the following:

18 (A) COST COMPARISON AMONG HOS-  
19 PITALS.—How operating and capital costs of  
20 MDH hospitals and low-volume hospitals, re-  
21 spectively, compare to such costs of other sub-  
22 section (d) hospitals (as defined in section  
23 1886(d)(1)(B) of the Social Security Act (42  
24 U.S.C. 1395ww(d)(1)(B))) that participate in

1 the Medicare program under title XVIII of such  
2 Act.

3 (B) IMPACT OF ADD-ON PAYMENTS ON  
4 HOSPITALS MARGINS.—The impact of add-on  
5 payments under paragraphs (5)(G) and  
6 (12)(A), respectively, of section 1886(d) of such  
7 Act (42 U.S.C. 1395ww(d)) on Medicare pay-  
8 ment margins, as defined by the Secretary of  
9 Health and Human Services, of MDH hospitals  
10 and low-volume hospitals, respectively, including  
11 whether the absence of such add-on payments  
12 would likely result in negative Medicare pay-  
13 ment margins for such hospitals.

14 (b) REPORT TO CONGRESS.—Not later than two  
15 years after the date of the enactment of this Act, the  
16 Comptroller General shall submit to Congress a report on  
17 the study conducted under subsection (a). The report shall  
18 include the study findings and such recommendations,  
19 with respect to the MDH program and the low-volume  
20 hospital program described in subsection (a)(1), as the  
21 Comptroller General determines to be appropriate.

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