

114TH CONGRESS
1ST SESSION

H. R. 3288

To amend title XVIII of the Social Security Act to change the method of determining disproportionate share hospital (DSH) payments under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2015

Mr. MARCHANT (for himself and Mr. BOUSTANY) 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 change the method of determining disproportionate share hospital (DSH) payments under the Medicare 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 “Strengthening DSH
5 and Medicare Through Subsidy Recapture and Payment
6 Reform Act of 2015”.

1 **SEC. 2. CHANGE IN DETERMINATION OF MEDICARE DSH**
2 **PAYMENTS.**

3 Paragraph (1) of section 1886(r) of the Social Secu-
4 rity Act (42 U.S.C. 1395ww(r)) is amended—

5 (1) by striking so much of such paragraph as
6 precedes “fiscal year 2014” and inserting the fol-
7 lowing:

8 “(1) DSH PAYMENTS.—

9 “(A) IN GENERAL.—Subject to subpara-
10 graph (B), for”;

11 (2) by striking “(which represents” and all that
12 follows through “Report to the Congress”); and

13 (3) by adding at the end the following new sub-
14 paragraph:

15 “(B) AGGREGATE LIMITATION BEGINNING
16 WITH FISCAL YEAR 2017.—As part of the rule-
17 making to carry out subsection (d) for fiscal
18 year 2017 and each subsequent fiscal year, the
19 Secretary shall estimate the aggregate amount
20 of payments to be made for such fiscal year
21 under subparagraph (A) (determined without
22 regard to this subparagraph) and, if the
23 amount so estimated exceeds \$3,300,000,000,
24 then each amount paid under subparagraph (A)
25 for that fiscal year shall be multiplied by the

1 ratio of \$3,300,000,000 to the amount so esti-
 2 mated.”.

3 **SEC. 3. ADDITIONAL DSH PAYMENT FOR CERTAIN QUALI-**
 4 **FYING HOSPITALS.**

5 Section 1886(r) of the Social Security Act (42 U.S.C.
 6 1395ww(r)) is amended—

7 (1) by redesignating paragraph (3) as para-
 8 graph (4); and

9 (2) by inserting after paragraph (2) the fol-
 10 lowing new paragraph:

11 “(3) ADDITIONAL PAYMENT FOR CERTAIN
 12 QUALIFYING HOSPITALS.—

13 “(A) IN GENERAL.—For fiscal year 2017
 14 and each subsequent fiscal year, in addition to
 15 the payments made to a qualifying hospital
 16 under paragraphs (1) and (2), the Secretary
 17 shall pay to each qualifying hospital an amount
 18 equal to \$1,000,000,000 multiplied by the fac-
 19 tor that would be calculated under paragraph
 20 (2)(C) for such qualifying hospital if each ref-
 21 erence in such paragraph to a subsection (d)
 22 hospital were treated as a reference to a quali-
 23 fying hospital.

24 “(B) QUALIFYING HOSPITAL DEFINED.—

25 In this paragraph, ‘qualifying hospital’ means a

1 subsection (d) hospital that is located in Ala-
 2 bama, Florida, Georgia, Idaho, Kansas, Lou-
 3 isiana, Maine, Mississippi, Missouri, Nebraska,
 4 North Carolina, Oklahoma, South Carolina,
 5 South Dakota, Tennessee, Texas, Utah, Vir-
 6 ginia, Wisconsin, or Wyoming.”.

7 **SEC. 4. RECAPTURE OF OVERPAYMENTS RESULTING FROM**
 8 **CERTAIN FEDERALLY SUBSIDIZED HEALTH**
 9 **INSURANCE.**

10 (a) IN GENERAL.—Paragraph (2) of section 36B(f)
 11 of the Internal Revenue Code of 1986 is amended by strik-
 12 ing subparagraph (B).

13 (b) CONFORMING AMENDMENT.—So much of para-
 14 graph (2) of section 36B(f) of such Code, as amended by
 15 subsection (a), as precedes “advance payments” is amend-
 16 ed to read as follows:

17 “(2) EXCESS ADVANCE PAYMENTS.—If the”.

18 (c) EFFECTIVE DATE.—The amendments made by
 19 this section shall apply to taxable years ending after De-
 20 cember 31, 2015.

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