

116TH CONGRESS
2D SESSION

S. 3500

To amend title XVIII of the Social Security Act to codify and permanently extend the Medicare hospital wage index imputed rural floor.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2020

Mr. MENENDEZ (for himself, Mr. WHITEHOUSE, Mr. CARPER, Mr. BOOKER, Mr. REED, and Mr. COONS) 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 codify and permanently extend the Medicare hospital wage index imputed rural floor.

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 Wage Index
5 Parity Act of 2020”.

6 **SEC. 2. IMPUTED FLOOR ON THE AREA WAGE INDEX.**

7 Section 1886(d)(3)(E) of the Social Security Act (42
8 U.S.C. 1395ww(d)(3)(E)) is amended by adding at the
9 end the following new clause:

“(iv) FLOOR ON WAGE INDEX FOR HOSPITALS IN ALL-URBAN STATES.—

“(I) IN GENERAL.—For purposes of applying the area wage index applicable under this subparagraph, for discharges occurring on or after October 1, 2018, the Secretary shall establish a minimum wage index for all-urban States (as defined in subclause (IV)).

“(II) MINIMUM WAGE INDEX.—For purposes of subclause (I), the minimum wage index for all-urban States shall be established by the Secretary using the methodology described in section 412.64(h)(4) of title 42, Code of Federal Regulations, as in effect for fiscal year 2018.

“(III) ADMINISTRATION.—The Secretary shall administer the minimum wage index described in this clause in the same manner described in section 3141 of Public Law 111–148 (through a uniform, national adjustment to the area wage index).

“(IV) ALL-URBAN STATE DEFINED.—In this clause, the term ‘all-urban State’ means a State in which there are no rural

1 areas (as defined in subsection (d)(2)(D)
2 of section 1886 of the Social Security Act
3 (42 U.S.C. 1395ww(d)(2)(D))), or a State
4 in which there are no hospitals classified
5 as rural under such section.”.

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