

119TH CONGRESS
2D SESSION

S. 4233

To amend title XVIII of the Social Security Act to codify the Medicare low-wage index hospital policy.

IN THE SENATE OF THE UNITED STATES

MARCH 26, 2026

Mr. WARNER (for himself, Mrs. BLACKBURN, Mrs. HYDE-SMITH, and Mr. TUBERVILLE) 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 the Medicare low-wage index hospital policy.

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 “Save Struggling Hos-
5 pitals Act”.

6 **SEC. 2. CODIFICATION OF THE MEDICARE LOW-WAGE**
7 **INDEX HOSPITAL POLICY.**

8 Section 1886(d)(3)(E) of the Social Security Act (42
9 U.S.C. 1395ww(d)(3)(E)) is amended—

(1) in clause (i), in the first sentence, by striking “or (iv)” and inserting “, (iv), or (v)”; and

(2) by adding at the end the following new clause:

“(v) AREA WAGE INDEX ADJUSTMENT
FOR LOW-WAGE HOSPITALS.—

“(I) IN GENERAL.—For discharges occurring on or after October 1, 2019, the area wage index applicable under this subparagraph for a fiscal year to a hospital with an area wage index (determined without regard to this clause) below the 25th percentile area wage index shall be increased by $\frac{1}{2}$ of the difference between the otherwise applicable final area wage index for such fiscal year for such hospital and the 25th percentile area wage index for such fiscal year across all hospitals.

“(II) BUDGET NEUTRALITY.—Pursuant to the fourth sentence of clause (i), this clause shall be applied in a budget neutral manner. Any adjustments made for the purposes of

1 such application of budget neutrality
2 may not—

3 “(aa) decrease the area
4 wage index applicable under this
5 subparagraph to a hospital with
6 an area wage index (determined
7 without regard to this clause)
8 below the 75th percentile area
9 wage index for the fiscal year; or
10 “(bb) result in an area wage
11 index applicable under this sub-
12 paragraph to a hospital for such
13 fiscal year that is less than 95
14 percent of the area wage index
15 applicable under this subpara-
16 graph to such hospital for the
17 preceding fiscal year.”.

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