

115TH CONGRESS
1ST SESSION

H. R. 4178

To amend title XVIII of the Social Security Act to provide for reform to and a permanent extension of the Medicare-dependent hospital program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 31, 2017

Mr. ARRINGTON (for himself, Mr. GOHMERT, and Mr. CONAWAY) 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 provide for reform to and a permanent extension of the Medicare-dependent 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 “Healthcare Enhance-
5 ment for Americas Rural Towns Act” or the “HEART
6 Act”.

1 **SEC. 2. REFORM AND PERMANENT EXTENSION OF THE**
2 **MEDICARE-DEPENDENT HOSPITAL (MDH)**
3 **PROGRAM.**

4 (a) **EXTENSION OF PAYMENT METHODOLOGY.**—Sec-
5 tion 1886(d)(5)(G) of the Social Security Act (42 U.S.C.
6 1395ww(d)(5)(G)) is amended—

7 (1) in clause (i), by striking “, and before Octo-
8 ber 1, 2017” and inserting “before October 1,
9 2018”;

10 (2) in clause (i), by adding at the end the fol-
11 lowing; “For fiscal year 2018 and each subsequent
12 fiscal year, in the case of such a subsection (d) hos-
13 pital, payment under paragraph (1)(A) shall be
14 equal to the sum of the amount determined under
15 paragraph (1)(A)(iii) and the amount determined by
16 the increase factor determined under clause (v) for
17 such hospital and cost reporting period.”;

18 (3) in clause (ii)(II), by striking “, and before
19 October 1, 2017” and inserting “before October 1,
20 2018”; and

21 (4) by adding at the end the following new
22 clauses:

23 “(v) Subject to subclause (II), for
24 purposes of clause (i), for fiscal year 2019
25 and each subsequent fiscal year with re-
26 spect to a subsection (d) hospital which is

1 a medicare-dependent, small rural hospital,
2 the Secretary shall determine an increase
3 factor to apply to such hospital with re-
4 spect to discharges occurring during such
5 fiscal year. When determining such in-
6 crease factor, the Secretary may take into
7 account a methodology that results in a
8 similar amount of reimbursement to such
9 hospital for such fiscal year as such
10 amount that would have been determined if
11 the first sentence of clause (i) applied with
12 respect to such fiscal year.

13 “(vi) The aggregate amounts deter-
14 mined for all subsection (d) hospitals
15 which are medicare-dependent, small rural
16 hospitals by application of the increase fac-
17 tors determined under clause (v) for such
18 hospitals shall not exceed a total of—

19 “(I) for fiscal year 2019,
20 \$100,000,000; and

21 “(II) for each subsequent fiscal
22 year, the amount specified in this
23 clause for the previous fiscal year in-
24 creased by the market basket percent-
25 age increase (as defined in subsection

1 (b)(3)(B)(iii)) as determined prospec-
2 tively by the Secretary for such subse-
3 quent fiscal year.”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) EXTENSION OF TARGET AMOUNT.—Section
6 1886(b)(3)(D) of the Social Security Act (42 U.S.C.
7 1395ww(b)(3)(D)) is amended—

8 (A) in the matter preceding clause (i), by
9 striking “, and before October 1, 2017”;

10 (B) in clause (iii), by striking at the end
11 “and”;

12 (C) in clause (iv)—

13 (i) by striking “through fiscal year
14 2017” and inserting “through fiscal year
15 2018”; and

16 (ii) by striking the period at the end
17 and inserting “, and”; and

18 (D) by adding at the end the following new
19 clause:

20 “(v) with respect to discharges occur-
21 ring during fiscal year 2019 or a subse-
22 quent fiscal year, the target amount for
23 the preceding year increased by the appli-
24 cable percentage increase under subpara-
25 graph (B)(iv) and adjusted as determined

1 necessary by the Secretary to take into ac-
2 count the application of subsection
3 (d)(5)(G)(vi) for such fiscal year.”.

4 (2) PERMITTING HOSPITALS TO DECLINE RE-
5 CLASSIFICATION.—Section 13501(e)(2) of the Omni-
6 bus Budget Reconciliation Act of 1993 (42 U.S.C.
7 1395ww note) is amended by striking “fiscal year
8 2000 through fiscal year 2017” and inserting “a
9 subsequent fiscal year”.

10 **SEC. 3. TEMPORARY EXTENSION OF THE MEDICARE LOW-**
11 **VOLUME ADJUSTMENT PROGRAM.**

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

14 (1) in subparagraph (B), in the matter pre-
15 ceding clause (i), by striking “and for discharges oc-
16 curring in fiscal year 2020 and subsequent fiscal
17 years”;

18 (2) in subparagraph (C)(i)—

19 (A) by striking “fiscal years 2011 through
20 2017” each place it appears and inserting “fis-
21 cal years 2011 through 2019”; and

22 (B) by striking “or portion of fiscal year”;

23 and

24 (3) in subparagraph (D)—

1 (A) in the heading, by striking “TEM-
2 PORARY APPLICABLE PERCENTAGE INCREASE”
3 and inserting “APPLICABLE PERCENTAGE IN-
4 CREASE BEGINNING WITH FISCAL YEAR 2011”;

5 (B) by striking “fiscal years 2011 through
6 2017,” and inserting “fiscal years 2011
7 through 2019”; and

8 (C) by striking “or the portion of fiscal
9 year” each place it appears.

10 **SEC. 4. BUDGET NEUTRAL PAY-FOR.**

11 For fiscal year 2018 and each subsequent fiscal year,
12 the Secretary of Health and Human Services shall adjust
13 payments under section 1886(d) of the Social Security Act
14 (42 U.S.C. 1395ww(d)) in a manner such that the esti-
15 mated aggregate amount of expenditures under such sec-
16 tion for such fiscal year with application of the amend-
17 ments made by sections 2 and 3 of this Act is equal to
18 the estimated aggregate amount of expenditures under
19 such section for such fiscal year without application of
20 such amendments.

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