

107TH CONGRESS  
1ST SESSION

# H. R. 1375

To amend title XVIII of the Social Security Act to adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the Medicare Program is provided on a prospective basis.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2001

Mr. STUPAK (for himself, Mr. WATKINS, Mr. FROST, Mr. PAUL, Mr. COSTELLO, Mrs. EMERSON, Mr. FARR of California, and Mr. OSBORNE) 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 adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the Medicare Program is provided on a prospective basis.

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 Geographic  
5 Adjustment Fairness Act of 2001”.

1 **SEC. 2. HOSPITAL GEOGRAPHIC RECLASSIFICATION FOR**  
2 **LABOR COSTS FOR ALL ITEMS AND SERVICES**  
3 **REIMBURSED UNDER PROSPECTIVE PAY-**  
4 **MENT SYSTEMS.**

5 Section 1886(d)(10)(D) of the Social Security Act  
6 (42 U.S.C. 1395ww(d)(10)(D)), as amended by section  
7 304(a) of the Medicare, Medicaid, and SCHIP Benefits  
8 Improvement and Protection Act of 2000 (as enacted into  
9 law by section 1(a)(6) of Public Law 106–554), is amend-  
10 ed by adding at the end the following new clause:

11 “(vii)(I) Any decision of the Board to reclassify a  
12 subsection (d) hospital for purposes of the adjustment fac-  
13 tor described in subparagraph (C)(i)(II) for fiscal year  
14 2001 or any fiscal year thereafter shall apply for purposes  
15 of adjusting payments for variations in costs that are at-  
16 tributable to wages and wage-related costs for PPS-reim-  
17 bursed items and services.

18 “(II) For purposes of subclause (I), the term ‘PPS-  
19 reimbursed items and services’ means each item and serv-  
20 ice for which payment is made under this title on a pro-  
21 spective basis and adjusted for variations in costs that are  
22 attributable to wages or wage-related costs that is fur-  
23 nished by the hospital to which such decision applies, or  
24 by a provider-based entity or department of that hospital  
25 (as determined by the Secretary).”.