

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 2391

To amend the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 to permanently apply the Balanced Budget Act of 1997 medicaid disproportionate share transition payment rule to public hospitals in all States, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 29, 2002

Mr. DURBIN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 to permanently apply the Balanced Budget Act of 1997 medicaid disproportionate share transition payment rule to public hospitals in all States, 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 “Medicaid DSH Equity  
5       Act of 2002”.

1 **SEC. 2. PERMANENT APPLICATION OF BBA MEDICAID DSH**  
 2 **TRANSITION PAYMENT RULE TO PUBLIC HOS-**  
 3 **PITALS IN ALL STATES.**

4 (a) **IN GENERAL.**—Section 701(c) of the Medicare,  
 5 Medicaid, and SCHIP Benefits Improvement and Protec-  
 6 tion Act of 2000 (42 U.S.C. 1396r–4 note) is amended—

7 (1) in paragraph (1), by striking “During the  
 8 period described in paragraph (3), with respect to a  
 9 State,” and inserting “Beginning, with respect to a  
 10 State, on the first day of the first State fiscal year  
 11 that begins after September 30, 2002,”;

12 (2) by striking paragraph (3); and

13 (3) by redesignating paragraph (4) as para-  
 14 graph (3).

15 (b) **EFFECTIVE DATE.**—The amendments made by  
 16 subsection (a) shall take effect as if included in the enact-  
 17 ment of section 701(c) of the Medicare, Medicaid, and  
 18 SCHIP Benefits Improvement and Protection Act of 2000  
 19 (42 U.S.C. 1396r–4 note).

20 **SEC. 3. INTEGRITY OF MEDICAID FUNDS.**

21 Notwithstanding any other provision of law, the Sec-  
 22 retary of Health and Human Services shall credit any  
 23 funds that are paid to a State for the Federal share of  
 24 State expenditures incurred to carry out a State program  
 25 under title XIX of the Social Security Act (42 U.S.C.  
 26 1396 et seq.) or to make disproportionate share hospital

1 adjustment payments under section 1923 of that Act (42  
2 U.S.C. 1396r-4) and are not expended by the State for  
3 such purposes against the amount of the Federal share  
4 that would otherwise be paid to the State for any such  
5 future State expenditures.

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