

110TH CONGRESS
1ST SESSION

H. R. 1177

To amend title XVIII of the Social Security Act to extend and improve protections for sole community hospitals under the Medicare Program.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2007

Mr. TANNER (for himself and Mr. GRAVES) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to extend and improve protections for sole community hospitals under the Medicare Program.

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 “Sole Community Hos-
5 pital Preservation Act of 2007”.

1 **SEC. 2. PERMANENT HOLD HARMLESS FOR SOLE COMMU-**
2 **NITY HOSPITALS UNDER THE PROSPECTIVE**
3 **PAYMENT SYSTEM FOR HOSPITAL OUT-**
4 **PATIENT DEPARTMENT SERVICES UNDER**
5 **THE MEDICARE PROGRAM.**

6 Section 1833(t)(7)(D) of the Social Security Act (42
7 U.S.C. 1395l(t)(7)(D)) is amended by adding at the end
8 the following new clause:

9 “(iii) PERMANENT HOLD HARMLESS
10 FOR SOLE COMMUNITY HOSPITALS.—In the
11 case of a sole community hospital (as de-
12 fined in section 1886(d)(5)(D)(iii)), for
13 covered OPD services furnished after De-
14 cember 31, 2007, for which the PPS
15 amount is less than the pre-BBA amount,
16 the amount of payment under this sub-
17 section shall be increased by the amount of
18 such difference.”.

19 **SEC. 3. REBASING FOR SOLE COMMUNITY HOSPITALS.**

20 (a) REBASING PERMITTED.—Section 1886(b)(3) of
21 the Social Security Act (42 U.S.C. 1395ww(b)(3)) is
22 amended by adding at the end the following new subpara-
23 graph:

24 “(L)(i) For cost reporting periods beginning on or
25 after October 1, 2007, in the case of a sole community
26 hospital there shall be substituted for the amount other-

1 wise determined under subsection (d)(5)(D)(i) of this sec-
2 tion, if such substitution results in a greater amount of
3 payment under this section for the hospital—

4 “(I) with respect to discharges occurring in fis-
5 cal year 2008, 75 percent of the subsection
6 (d)(5)(D)(i) amount (as described in subparagraph
7 (I)(i)(I)) and 25 percent of the subparagraph (L)
8 rebased target amount (as defined in clause (ii));

9 “(II) with respect to discharges occurring in fis-
10 cal year 2009, 50 percent of the subsection
11 (d)(5)(D)(i) amount and 50 percent of the subpara-
12 graph (L) rebased target amount;

13 “(III) with respect to discharges occurring in
14 fiscal year 2010, 25 percent of the subsection
15 (d)(5)(D)(i) amount and 75 percent of the subpara-
16 graph (L) rebased target amount; and

17 “(IV) with respect to discharges occurring after
18 fiscal year 2010, 100 percent of the subparagraph
19 (L) rebased target amount.

20 “(ii) For purposes of this subparagraph, the ‘sub-
21 paragraph (L) rebased target amount’ has the meaning
22 given the term ‘target amount’ in subparagraph (C), ex-
23 cept that—

24 “(I) there shall be substituted for the base cost
25 reporting period the 12-month cost reporting period

1 beginning during fiscal year 2000 or 2001, which-
2 ever results in the greater amount of payment under
3 this section for the hospital;

4 “(II) any reference in subparagraph (C)(i) to
5 the ‘first cost reporting period’ described in such
6 subparagraph is deemed a reference to the first cost
7 reporting period beginning on or after October 1,
8 2007; and

9 “(III) the applicable percentage increase shall
10 only be applied under subparagraph (C)(iv) for dis-
11 charges occurring in fiscal years beginning with fis-
12 cal year 2008.”.

13 (b) CONFORMING AMENDMENTS.—Such section is
14 further amended—

15 (1) in subparagraph (C), in the matter pre-
16 ceding clause (i), by striking “subparagraph (I)”
17 and inserting “subparagraphs (I) and (L)”; and

18 (2) in subparagraph (I)(i)—

19 (A) in the matter preceding subclause (I),
20 by striking “For” and inserting “Subject to
21 subparagraph (L), for”; and

22 (B) in subclause (I), by inserting “and
23 subparagraph (L)” after “referred to in this
24 clause”.

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