

117TH CONGRESS  
1ST SESSION

# H. R. 1349

To amend title XVIII of the Social Security Act to provide for the conversion of certain accelerated and advance payments to grants under parts A and B of the Medicare program.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2021

Ms. KAPTUR (for herself, Mr. GIBBS, Mr. FITZPATRICK, Mr. BERGMAN, Mrs. BEATTY, Mr. GONZALEZ of Ohio, Mr. VAN DREW, Mr. KATKO, Mr. MORELLE, Mrs. HAYES, Mr. STIVERS, Mr. ALLRED, and Mr. RYAN) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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

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## A BILL

To amend title XVIII of the Social Security Act to provide for the conversion of certain accelerated and advance payments to grants under parts A and B of 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 COVID-19 Hospital  
5 and Health Provider Loan Conversion Act of 2021”.

1 **SEC. 2. PROVIDING FOR THE CONVERSION OF CERTAIN AC-**  
2 **CELERATED AND ADVANCE PAYMENTS TO**  
3 **GRANTS UNDER PARTS A AND B OF THE**  
4 **MEDICARE PROGRAM.**

5 (a) CONVERSION OF PAYMENTS.—

6 (1) PART A.—Section 1815(f) of the Social Se-  
7 curity Act (42 U.S.C. 1395g(f)) is amended—

8 (A) in paragraph (2), by adding at the end  
9 the following new subparagraph:

10 “(D) In the case of an accelerated payment  
11 made to a hospital under such program on or after  
12 the date of the enactment of the CARES Act and  
13 so made during the emergency period described in  
14 section 1135(g)(1)(B), the Secretary shall waive the  
15 requirement that such payment be repaid (or re-  
16 couped) if the hospital meets the requirements de-  
17 scribed in paragraph (5), except that such waiver  
18 shall not apply with respect to any amounts from  
19 such payment that were not used for health care re-  
20 lated expenses or lost revenues that are attributable  
21 to coronavirus as of December 31, 2021, based on  
22 the attestation of the hospital. The hospital shall  
23 repay any such amounts to the Secretary not later  
24 than July 1, 2023. The interest rate for any such  
25 amount not so repaid as of such date shall be 2 per-  
26 cent if the hospital demonstrates hardship.”;

1 (B) in paragraph (3), by inserting “and  
2 paragraph (2)(D)” after “paragraph (2)(C)”;  
3 and

4 (C) by adding at the end the following new  
5 paragraph:

6 “(5) For purposes of paragraph (2)(D), the require-  
7 ments described in this paragraph are the following:

8 “(A) The hospital did not use any portion of a  
9 payment described in such paragraph for compensa-  
10 tion or benefits, including salary, bonuses, awards of  
11 stock, or other financial benefits, for an officer or  
12 employee described in section 4004(a)(2) of the  
13 CARES Act (Public Law 116–136).

14 “(B) The hospital used at least 60 percent of  
15 such payment for employee compensation (other  
16 than an officer or employee described in subpara-  
17 graph (A)) during the period beginning on January  
18 1, 2020, and ending on December 31, 2021.

19 “(C) The hospital did not balance bill or sur-  
20 prise bill any COVID–19 patient.”.

21 (2) PART B.—

22 (A) IN GENERAL.—In carrying out the  
23 program described in section 421.214 of title  
24 42, Code of Federal Regulations (or a successor  
25 regulation), in the case of a payment made

1 under such program to an entity on or after the  
2 date of the enactment of the CARES Act (Pub-  
3 lic Law 116–136) and so made during the  
4 emergency period described in section  
5 1135(g)(1)(B) of the Social Security Act (42  
6 U.S.C. 1320b–5(g)(1)(B)), the Secretary of  
7 Health and Human Services shall waive the re-  
8 quirement that such payment be repaid (or re-  
9 couped) if the entity meets the requirements de-  
10 scribed in subparagraph (B), except that such  
11 waiver shall not apply with respect to any  
12 amounts from such payment that were not used  
13 for health care related expenses or lost revenues  
14 that are attributable to coronavirus as of De-  
15 cember 31, 2021, based on the attestation of  
16 the entity. The entity shall repay any such  
17 amounts to the Secretary not later than July 1,  
18 2023. The interest rate for any such amount  
19 not so repaid as of such date shall be 2 percent  
20 if the entity demonstrates hardship.

21 (B) REQUIREMENTS.—For purposes of  
22 subparagraph (A), the requirements described  
23 in this subparagraph are the following:

- 24 (i) The entity did not use any portion  
25 of a payment described in such subpara-

1 graph for compensation or benefits, includ-  
2 ing salary, bonuses, awards of stock, or  
3 other financial benefits, for an officer or  
4 employee described in section 4004(a)(2)  
5 of the CARES Act (Public Law 116–136).

6 (ii) The entity used at least 60 per-  
7 cent of such payment for employee com-  
8 pensation (other than an officer or em-  
9 ployee described in clause (i)) during the  
10 period beginning on January 1, 2020, and  
11 ending on June 30, 2021.

12 (iii) The entity did not balance bill or  
13 surprise bill any COVID–19 patient.

14 (b) ENSURING THE SOLVENCY OF MEDICARE TRUST  
15 FUNDS.—

16 (1) FEDERAL HOSPITAL INSURANCE TRUST  
17 FUND.—Section 1817 of the Social Security Act (42  
18 U.S.C. 1395i) is amended by adding at the end the  
19 following new subsection:

20 “(1) ACCELERATED PAYMENT PROGRAM TRANS-  
21 FERS.—

22 “(1) IN GENERAL.—There shall be transferred  
23 from the General Fund of the Treasury to the Trust  
24 Fund, periodically (as determined by the Managing  
25 Trustee), amounts such that the aggregate amount

1 so transferred under this paragraph equals the total  
2 amount of specified payments (as defined in para-  
3 graph (2)) made under this part.

4 “(2) SPECIFIED PAYMENT.—In this subsection,  
5 the term ‘specified payment’ means a payment that  
6 is made—

7 “(A) under section 1815(e)(3); and

8 “(B) during the emergency period de-  
9 scribed in section 1135(g)(1)(B).”.

10 (2) FEDERAL SUPPLEMENTARY MEDICAL IN-  
11 SURANCE TRUST FUND.—Section 1844(f) of the So-  
12 cial Security Act (42 U.S.C. 1395w(f)) is amend-  
13 ed—

14 (A) by striking “(1) There shall be trans-  
15 ferred” and inserting “There shall be trans-  
16 ferred”;

17 (B) by striking “during the period begin-  
18 ning on the first day of the emergency period  
19 described in section 1135(g)(1)(B) and ending  
20 on the date of the enactment of this para-  
21 graph” and inserting “during the emergency  
22 period described in section 1135(g)(1)(B)”;

23 (C) by striking paragraph (2).

24 (c) INSURER REQUIREMENTS.—Subpart II of part A  
25 of title XXVII of the Public Health Service Act (42 U.S.C.

1 300gg–11 et seq.) is amended by adding at the end the  
2 following new section:

3 **“SEC. 2730. COVERAGE AND PAYMENT REQUIREMENTS FOR**  
4 **ITEMS AND SERVICES FURNISHED TO COVID-**  
5 **19 PATIENTS OUT-OF-NETWORK.**

6 “In the case of an item or service furnished by a  
7 health care provider to a COVID–19 patient who is an  
8 enrollee in a group health plan or group or individual  
9 health insurance coverage offered by a health insurance  
10 issuer, if such provider does not have in effect a contrac-  
11 tual relationship for furnishing such item or service under  
12 such plan or coverage, the plan or issuer (as applicable)—

13 “(1) shall pay to such provider the amount  
14 which would have been payable to such provider had  
15 such provider had in effect such a relationship for  
16 furnishing such item or service; and

17 “(2) shall ensure that any applicable cost-shar-  
18 ing requirement is the same requirement that would  
19 have applied had such item or service been furnished  
20 by a provider that had in effect such a relation-  
21 ship.”.

22 (d) PUBLICATION.—The Secretary of Health and  
23 Human Services shall publish on a public website the fol-  
24 lowing:

1           (1) A specification of each hospital to which a  
2 waiver described in section 1815(f)(2)(D) of the So-  
3 cial Security Act (42 U.S.C. 1395g(f)(2)(D)) applies  
4 and each entity to which a waiver described in sub-  
5 section (a)(2)(A) applies.

6           (2) The amount to which such waivers apply  
7 with respect to each such hospital and entity.

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