

116TH CONGRESS  
1ST SESSION

# H. R. 3425

To amend title XVIII of the Social Security Act to establish rules for payment for graduate medical education (GME) costs for hospitals that establish a new medical residency training program after hosting resident rotators for short durations.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 2019

Mr. KIND (for himself and Mr. HOLDING) 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

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## A BILL

To amend title XVIII of the Social Security Act to establish rules for payment for graduate medical education (GME) costs for hospitals that establish a new medical residency training program after hosting resident rotators for short durations.

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 “Advancing Medical  
5 Resident Training in Community Hospitals Act of 2019”.

1 **SEC. 2. MEDICARE GME TREATMENT OF HOSPITALS ESTAB-**  
2 **LISHING NEW MEDICAL RESIDENCY TRAIN-**  
3 **ING PROGRAMS AFTER HOSTING MEDICAL**  
4 **RESIDENT ROTATORS FOR SHORT DURA-**  
5 **TIONS.**

6 (a) REDETERMINATION OF APPROVED FTE RESI-  
7 DENT AMOUNT.—Section 1886(h)(2)(F) of the Social Se-  
8 curity Act (42 U.S.C. 1395ww(h)(2)(F)) is amended—

9 (1) by inserting “(i)” before “In the case of”;  
10 and

11 (2) by adding at the end the following:

12 “(ii) In applying this subparagraph in the  
13 case of a hospital that, on or after the date of  
14 the enactment of this clause, begins to train  
15 residents and has not entered into a GME af-  
16 filiation agreement (as defined by the Secretary  
17 for purposes of paragraph (4)(H)(ii)), the Sec-  
18 retary shall not establish an FTE resident  
19 amount until such time as the Secretary deter-  
20 mines that the hospital has trained at least 1.0  
21 full-time-equivalent resident in an approved  
22 medical residency training program in a cost re-  
23 porting period.

24 “(iii) In applying this subparagraph for  
25 cost reporting periods beginning on or after the  
26 date of enactment of this clause, in the case of

1 a hospital that, as of such date of enactment,  
2 has an approved FTE resident amount based  
3 on the training in an approved medical resi-  
4 dency program of—

5 “(I) less than 1.0 full-time-equivalent  
6 resident in any cost reporting period begin-  
7 ning before October 1, 1997, as deter-  
8 mined by the Secretary; or

9 “(II) no more than 3.0 full-time-  
10 equivalent residents in any cost reporting  
11 period beginning on or after October 1,  
12 1997, and before the date of the enactment  
13 of this clause, as determined by the Sec-  
14 retary,

15 in lieu of such FTE resident amount the Sec-  
16 retary shall, in accordance with the method-  
17 ology described in section 413.77(e) of title 42  
18 of the Code of Federal Regulations (or any suc-  
19 cessor regulation), establish a new FTE resi-  
20 dent amount if the hospital trains at least 1.0  
21 full-time-equivalent resident (in the case of a  
22 hospital described in subclause (I)) or more  
23 than 3.0 full-time-equivalent residents (in the  
24 case of a hospital described in subclause (II)) in  
25 a cost reporting period beginning on or after

1 such date of enactment and before the date that  
2 is 5 years after such date of enactment.

3 “(iv) For purposes of carrying out this  
4 subparagraph for cost reporting periods begin-  
5 ning on or after the date of the enactment of  
6 this clause, a hospital shall report full-time-  
7 equivalent residents on its cost report for a cost  
8 reporting period if the hospital trains at least  
9 1.0 full-time-equivalent residents in an ap-  
10 proved medical residency training program in  
11 such period.

12 “(v) As appropriate, the Secretary may  
13 consider information from any cost reporting  
14 period necessary to establish a new FTE resi-  
15 dent amount as described in clause (iii).”.

16 (b) REDETERMINATION OF FTE RESIDENT LIMITA-  
17 TION.—Section 1886(h)(4)(H)(i) of the Social Security  
18 Act (42 U.S.C. 1395ww(h)(4)(H)(i)) is amended—

19 (1) by inserting “(I)” before “The Secretary”;

20 and

21 (2) by adding at the end the following:

22 “(II) In applying this clause in the  
23 case of a hospital that, on or after the date  
24 of the enactment of this subclause, begins  
25 to train residents in a new approved med-

1 ical residency training program (as defined  
2 by the Secretary), the Secretary shall not  
3 determine a limitation applicable to the  
4 hospital under subparagraph (F) until  
5 such time as the Secretary determines that  
6 the hospital has trained at least 1.0 full-  
7 time-equivalent resident in such new ap-  
8 proved medical residency training program  
9 in a cost reporting period.

10 “(III) In applying this clause in the  
11 case of a hospital that, as of the date of  
12 the enactment of this subclause, has a lim-  
13 itation under subparagraph (F), based on  
14 a cost reporting period beginning before  
15 October 1, 1997, of less than 1.0 full-time-  
16 equivalent resident, the Secretary shall ad-  
17 just the limitation in the manner applica-  
18 ble to a new approved medical residency  
19 training program if the Secretary deter-  
20 mines the hospital trains at least 1.0 full-  
21 time-equivalent residents in a program  
22 year beginning on or after such date of en-  
23 actment and before the date that is 5 years  
24 after such date of enactment.

1           “(IV) In applying this clause in the  
2 case of a hospital that, as of the date of  
3 the enactment of this subclause, has a lim-  
4 itation under subparagraph (F), based on  
5 a cost reporting period beginning on or  
6 after October 1, 1997, and before such  
7 date of enactment, of no more than 3.0  
8 full-time-equivalent residents, the Sec-  
9 retary shall adjust the limitation in the  
10 manner applicable to a new approved med-  
11 ical residency training program if the Sec-  
12 retary determines the hospital begins train-  
13 ing more than 3.0 full-time-equivalent resi-  
14 dents in a program year beginning on or  
15 after such date of enactment and before  
16 the date that is 5 years after such date of  
17 enactment.

18           “(V) An adjustment to the limitation  
19 applicable to a hospital made pursuant to  
20 subclause (III) or (IV) shall be made in a  
21 manner consistent with the methodology,  
22 as appropriate, in section 413.79(e) of title  
23 42, Code of Federal Regulations (or any  
24 successor regulation). As appropriate, the  
25 Secretary may consider information from

1           any cost reporting periods necessary to  
2           make such an adjustment to the limita-  
3           tion.”.

4           (c) TECHNICAL AND CONFORMING AMENDMENTS.—  
5 Section 1886 of the Social Security Act (42 U.S.C.  
6 1395ww) is amended—

7           (1) in subsection (d)(5)(B)(viii), by striking  
8           “subsection (h)(4)(H)” and inserting “paragraphs  
9           (2)(F)(iv) and (4)(H) of subsection (h)”;

10          (2) in subsection (h)—

11           (A) in paragraph (4)(H)(iv), by striking  
12           “an rural area” and inserting “a rural area”;  
13           and

14           (B) in paragraph (7)(E), by striking  
15           “under this” and all that follows through the  
16           period at the end and inserting the following:  
17           “under this paragraph, paragraph (8), clause  
18           (i), (ii), (iii), or (v) of paragraph (2)(F), or  
19           clause (i) or (vi) of paragraph (4)(H).”.

20          (d) EFFECTIVE DATE.—The amendments made by  
21 this section shall apply to payment under section 1886 of  
22 the Social Security Act (42 U.S.C. 1395ww) for cost re-  
23 porting periods beginning on or after the date of the en-  
24 actment of this Act.

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