

111TH CONGRESS
1ST SESSION

H. R. 4235

To amend the Public Health Service Act to provide assistance for graduate medical education funding for women's hospitals.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 8, 2009

Mr. KENNEDY introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to provide assistance for graduate medical education funding for women's hospitals.

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 "Women's Hospitals
5 Education Equity Act".

6 **SEC. 2. SUPPORT OF GRADUATE MEDICAL EDUCATION**
7 **PROGRAMS IN WOMEN'S HOSPITALS.**

8 Subpart IX of part D of title III of the Public Health
9 Service Act (42 U.S.C. 256e et seq.) is amended—

1 (1) in the subpart heading, by adding “**and**
2 **Women’s Hospitals**” at the end;

3 (2) in section 340E(a), by striking “subpart”
4 and inserting “section”; and

5 (3) by adding at the end the following:

6 **“SEC. 340E-1. SUPPORT OF GRADUATE MEDICAL EDU-**
7 **CATION PROGRAMS IN WOMEN’S HOSPITALS.**

8 “(a) PAYMENTS.—The Secretary shall make two pay-
9 ments under this section to each women’s hospital for each
10 of fiscal years 2010 through 2014, one for the direct ex-
11 penses and the other for indirect expenses associated with
12 operating approved graduate medical residency training
13 programs. The Secretary shall promulgate regulations
14 pursuant to the rulemaking requirements of title 5, United
15 States Code, which shall govern payments made under this
16 section.

17 “(b) AMOUNT OF PAYMENTS.—

18 “(1) IN GENERAL.—Subject to paragraphs (2)
19 and (3), the amounts payable under this section to
20 a women’s hospital for an approved graduate med-
21 ical residency training program for a fiscal year
22 shall be each of the following:

23 “(A) DIRECT EXPENSE AMOUNT.—The
24 amount determined in accordance with sub-
25 section (c) for direct expenses associated with

1 operating approved graduate medical residency
2 training programs for a fiscal year.

3 “(B) INDIRECT EXPENSE AMOUNT.—The
4 amount determined in accordance with sub-
5 section (c) for indirect expenses associated with
6 the treatment of more severely ill patients and
7 the additional costs relating to teaching resi-
8 dents in such programs for a fiscal year.

9 “(2) CAPPED AMOUNT.—

10 “(A) IN GENERAL.—The total of the pay-
11 ments made to women’s hospitals under para-
12 graph (1) in a fiscal year shall not exceed the
13 funds appropriated under subsection (f) for
14 such payments for that fiscal year.

15 “(B) PRO RATA REDUCTIONS OF PAY-
16 MENTS.—If the Secretary determines that the
17 amount of funds appropriated under subsection
18 (f) for a fiscal year is insufficient to provide the
19 total amount of payments otherwise due for
20 such periods under paragraph (1), the Sec-
21 retary shall reduce the amounts so payable on
22 a pro rata basis to reflect such shortfall.

23 “(c) APPLICATION OF ANNUAL REPORTING AND
24 OTHER PROVISIONS.—The provisions of subsections
25 (b)(3), (c), and (d) of section 340E shall apply with re-

1 spect to women’s hospitals funded under this section in
2 the same manner as such provisions apply with respect
3 to children’s hospitals funded under such section 340E.
4 In applying such provisions, the Secretary may make such
5 modifications as may be necessary to apply such provisions
6 with respect to women’s hospitals.

7 “(d) MAKING OF PAYMENTS.—

8 “(1) INTERIM PAYMENTS.—The Secretary shall
9 determine, before the beginning of each fiscal year
10 involved for which payments may be made for a hos-
11 pital under this section, the amounts of the pay-
12 ments for direct graduate medical education and in-
13 direct medical education for such fiscal year and
14 shall (subject to paragraph (2)) make the payments
15 of such amounts in 12 equal interim installments
16 during such period. Such interim payments to each
17 individual hospital shall be based on the number of
18 residents reported in the hospital’s most recently
19 filed Medicare cost report prior to the application
20 date for the Federal fiscal year for which the interim
21 payment amounts are established. In the case of a
22 hospital that does not report residents on a Medicare
23 cost report, such interim payments shall be based on
24 the number of residents trained during the hospital’s

1 most recently completed Medicare cost report filing
2 period.

3 “(2) WITHHOLDING.—The Secretary shall with-
4 hold up to 25 percent from each interim installment
5 for direct and indirect graduate medical education
6 paid under paragraph (1) as necessary to ensure a
7 hospital will not be overpaid on an interim basis.

8 “(3) RECONCILIATION.—Prior to the end of
9 each fiscal year, the Secretary shall determine any
10 changes to the number of residents reported by a
11 hospital in the application of the hospital for the
12 current fiscal year to determine the final amount
13 payable to the hospital for the current fiscal year for
14 both direct expense and indirect expense amounts.
15 Based on such determination, the Secretary shall re-
16 coup any overpayments made and pay any balance
17 due to the extent possible. The final amount so de-
18 termined shall be considered a final intermediary de-
19 termination for the purposes of section 1878 of the
20 Social Security Act and shall be subject to adminis-
21 trative and judicial review under that section in the
22 same manner as the amount of payment under sec-
23 tion 1886(d) of such Act is subject to review under
24 such section.

25 “(e) DEFINITIONS.—In this section:

1 “(1) APPROVED GRADUATE MEDICAL RESI-
2 DENCY TRAINING PROGRAM.—The term ‘approved
3 graduate medical residency training program’ has
4 the meaning given the term ‘approved medical resi-
5 dency training program’ in section 1886(h)(5)(A) of
6 the Social Security Act.

7 “(2) DIRECT GRADUATE MEDICAL EDUCATION
8 COSTS.—The term ‘direct graduate medical edu-
9 cation costs’ has the meaning given such term in
10 section 1886(h)(5)(C) of the Social Security Act.

11 “(3) WOMEN’S HOSPITAL.—The term ‘women’s
12 hospital’ means a hospital—

13 “(A) that has a Medicare provider agree-
14 ment under title XVIII of the Social Security
15 Act;

16 “(B) that has an approved graduate med-
17 ical residency training program;

18 “(C) that has not been excluded from the
19 Medicare prospective payment system;

20 “(D) that had at least 3,000 births during
21 2007, as determined by the Centers for Medi-
22 care & Medicaid Services; and

23 “(E) with respect to which and as deter-
24 mined by the Centers for Medicare & Medicaid
25 Services, less than 4 percent of the total dis-

1 charges from the hospital during 2007 were
2 Medicare discharges of individuals who, as of
3 the time of the discharge—

4 “(i) were enrolled in the original
5 Medicare fee-for-service program under
6 part A of title XVIII of the Social Security
7 Act; and

8 “(ii) were not enrolled in—

9 “(I) a Medicare Advantage plan
10 under part C of title XVIII of that
11 Act;

12 “(II) an eligible organization
13 under section 1876 of that Act; or

14 “(III) a PACE program under
15 section 1894 of that Act.

16 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated to carry out this section,
18 \$12,000,000 for fiscal year 2010, and such sums as may
19 be necessary for each of fiscal years 2011 through 2014.”.

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