

118TH CONGRESS
2D SESSION

H. R. 7327

To amend title XIX of the Social Security Act to ensure adequate consideration of payment rates for multimission hospitals under the Medicaid program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2024

Ms. DEGETTE introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to ensure adequate consideration of payment rates for multimission hospitals under the Medicaid program, 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 “Protecting Front Line
5 Multimission Hospitals Act of 2024”.

1 **SEC. 2. ENSURING APPROPRIATE PAYMENT RATES FOR**
2 **MULTIMISSION HOSPITALS UNDER THE MED-**
3 **ICAID PROGRAM.**

4 Section 1902(a)(13)(A) of the Social Security Act
5 (42 U.S.C. 1396a(a)(13)(A)) is amended—

6 (1) in clause (iii), by striking “and” at the end;

7 (2) in clause (iv), by striking the semicolon and
8 inserting “; and”; and

9 (3) by adding at the end the following new
10 clause:

11 “(v) in the case of multimission hos-
12 pitals (as defined in section 1923(k)) lo-
13 cated within the State (or located within
14 100 miles of the State, in the case of a
15 hospital that provides tertiary services
16 under the State plan), such rates—

17 “(I) take into account the short-
18 and long-term financial viability of
19 such hospitals;

20 “(II) provide stable, predictable,
21 and sufficient reimbursement to im-
22 prove or maintain the financial viabil-
23 ity of such hospitals; and

24 “(III) ensure that items and
25 services are available to be furnished
26 at such hospitals under the State plan

1 (or waiver of such plan) to the same
2 extent that such items and services
3 are available to be furnished at such
4 hospitals to the general population in
5 a geographic region;”.

6 **SEC. 3. ALLOWING FOR INCREASED DISPROPORTIONATE**
7 **SHARE HOSPITAL ADJUSTMENTS FOR CER-**
8 **TAIN HOSPITALS UNDER THE MEDICAID PRO-**
9 **GRAM.**

10 (a) IN GENERAL.—Section 1923 of the Social Secu-
11 rity Act (42 U.S.C. 1396r-4) is amended by adding at
12 the end the following new subsection:

13 “(k) ALLOWABLE INCREASE IN ADJUSTMENTS FOR
14 CERTAIN HOSPITALS.—

15 “(1) IN GENERAL.—A payment adjustment
16 under this section during a fiscal year with respect
17 to a hospital that is a multimission hospital for such
18 fiscal year that exceeds the amount determined
19 under subsection (g) with respect to such hospital
20 and fiscal year shall be deemed to be consistent with
21 subsection (e) to the extent that such payment ad-
22 justment is less than or equal to the amount that
23 would have been determined under subsection (g)
24 with respect to such hospital and fiscal year had the
25 costs incurred during such fiscal year by such hos-

1 pital (as described in paragraph (1)(A) of such sub-
2 section (or, in the case of a specified hospital (as de-
3 fined in paragraph (5)), as described in paragraph
4 (1)(A) of such subsection as in effect on January 1,
5 2020)) to individuals described in paragraph (1)(B)
6 of such subsection (or, in the case of a specified hos-
7 pital, individuals described in paragraph (1)(A) of
8 such subsection as in effect on January 1, 2020) in-
9 cluded costs incurred by such hospital during such
10 fiscal year that are described in paragraph (2) with
11 respect to individuals described in paragraph (3) and
12 that are so incurred for the purpose (as determined
13 by the State) described in paragraph (4).

14 “(2) COSTS DESCRIBED.—For purposes of
15 paragraph (1), the costs described in this paragraph
16 are costs for furnishing or supporting the furnishing
17 of physicians’ services (as defined in section 1848),
18 services provided at Federally qualified health center
19 or any other clinical outpatient setting, and emer-
20 gency medical services (as defined in section
21 303(j)(13) of the Controlled Substances Act).

22 “(3) INDIVIDUALS DESCRIBED.—For purposes
23 of paragraph (1), the individuals described in this
24 paragraph are, with respect to costs incurred by a
25 hospital for a fiscal year—

1 “(A) except as provided in subparagraph
2 (B), individuals described in paragraph (1)(B)
3 of subsection (g); and

4 “(B) in the case the amount determined
5 under such subsection for such hospital and
6 such year is so determined under paragraph
7 (2)(A)(ii) of such subsection, individuals de-
8 scribed in paragraph (1)(A) of such subsection
9 as in effect on January 1, 2020.

10 “(4) PURPOSE DESCRIBED.—For purposes of
11 paragraph (1), the purpose described in this para-
12 graph is to ensure that care and services are avail-
13 able under the State plan (or waiver of such plan)
14 in a geographic area at least to the extent that such
15 care and services are available to the general popu-
16 lation in such area.

17 “(5) DEFINITIONS.—In this subsection:

18 “(A) DISPROPORTIONATE PATIENT BED
19 COUNT.—The term ‘disproportionate patient
20 bed count’ means, with respect to a hospital
21 and a fiscal year, the product of—

22 “(i) such hospital’s disproportionate
23 patient percentage for such fiscal year; and

24 “(ii) such hospital’s number of beds
25 for such fiscal year.

1 “(B) MULTIMISSION HOSPITAL.—The term
2 ‘multimission hospital’ means, with respect to a
3 fiscal year—

4 “(i) a public hospital with 100 or
5 more beds that has—

6 “(I) an average Medicare case
7 mix index of at least 1.3;

8 “(II) an intern and resident to
9 bed ratio of at least 0.17 (or at least
10 125 residents and fellows); and

11 “(III) an average dispropor-
12 tionate patient percentage over the 3-
13 year period ending on the last day of
14 such fiscal year of at least 40 percent
15 (or a disproportionate patient percent-
16 age for such fiscal year of at least 40
17 percent);

18 “(ii) a nonprofit hospital with more
19 than 199 but fewer than 1,000 beds that
20 has an average disproportionate patient
21 percentage over the 3-year period ending
22 on the last day of such fiscal year of at
23 least 40 percent (or a disproportionate pa-
24 tient percentage for such fiscal year of at
25 least 40 percent) and has—

1 “(I) in the case of such a hos-
2 pital with an average disproportionate
3 patient percentage over such period of
4 at least 45 percent—

5 “(aa) an average Medicare
6 case mix index of at least 1.5;
7 and

8 “(bb) an intern and resident
9 to bed ratio of at least 0.19 (or
10 at least 150 residents and fel-
11 lows); or

12 “(II) in the case of such a hos-
13 pital not described in subclause (I)—

14 “(aa) a disproportionate pa-
15 tient bed count of at least 250;

16 “(bb) an average Medicare
17 case mix index of at least 2.0;
18 and

19 “(cc) an intern and resident
20 to bed ratio of at least 0.2 (or at
21 least 175 residents and fellows);
22 and

23 “(iii) a nonprofit hospital with 1,000
24 or more beds that has an average dis-
25 proportionate patient percentage over the

1 3-year period ending on the last day of
2 such fiscal year of at least 55 percent (or
3 a disproportionate patient percentage for
4 such fiscal year of at least 55 percent).

5 “(C) SPECIFIED HOSPITAL.—The term
6 ‘specified hospital’ means, with respect to a fis-
7 cal year, a hospital with an amount determined
8 under subsection (g) for such year that is so de-
9 termined under paragraph (2)(A)(ii) of such
10 subsection.”.

11 (b) CONFORMING AMENDMENT.—Section 1923(g)(1)
12 of the Social Security Act (42 U.S.C. 1396r-4(g)(1)) is
13 amended by striking “A payment adjustment” and insert-
14 ing “Subject to subsection (k), a payment adjustment”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply with respect to fiscal year 2024
17 and each subsequent fiscal year.

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