

115TH CONGRESS
2D SESSION

S. 3305

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.

IN THE SENATE OF THE UNITED STATES

JULY 31, 2018

Mr. MENENDEZ (for himself and Mr. BOOKER) introduced the following bill;
which was read twice and referred to the Committee on Finance

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 “Supporting Graduate
5 Medical Education at Community Hospitals Act of 2018”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) Graduate Medical Education or “GME”
 2 training programs are of critical importance in de-
 3 veloping the physician workforce.

4 (2) Current caps on GME training programs
 5 under Medicare have been in place since 1997.

6 (3) Hospitals seeking to launch GME training
 7 programs face barriers in establishing physician
 8 training programs in community hospitals.

9 **SEC. 3. MEDICARE GME TREATMENT OF HOSPITALS ESTAB-**
 10 **LISHING NEW MEDICAL RESIDENCY TRAIN-**
 11 **ING PROGRAMS AFTER HOSTING MEDICAL**
 12 **RESIDENT ROTATORS FOR SHORT DURA-**
 13 **TIONS.**

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

17 (1) by inserting “(i)” before “In the case of”;

18 and

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

20 “(ii) In applying this subparagraph to a
 21 hospital that has not entered into a GME affili-
 22 ation agreement (as defined by the Secretary
 23 for purposes of paragraph (4)(H)(ii)), the Sec-
 24 retary shall not provide for the establishment of
 25 an FTE resident amount until such time as the

1 Secretary determines that the hospital has a
2 medical residency training program that trains
3 more than 1.0 full-time-equivalent resident in a
4 cost reporting period.

5 “(iii) In the case of a hospital with an ap-
6 proved FTE resident amount—

7 “(I) based on the training of less than
8 1.0 full-time-equivalent resident before Oc-
9 tober 1, 1997, or

10 “(II) based on the training of no more
11 than—

12 “(aa) for any cost reporting pe-
13 riod beginning on or after October 1,
14 1996, and before October 1, 1997, 6.0
15 full-time-equivalent residents in a
16 medical residency training program,
17 or

18 “(bb) for any cost reporting pe-
19 riod beginning on or after October 1,
20 1997, 3.0 full-time-equivalent resi-
21 dents in a medical residency training
22 program, or

23 “(III) based on the training of no full-
24 time-equivalent residents in a medical resi-
25 dency training program for any ten con-

1 secutive cost reporting periods beginning
 2 on or after October 1, 1997,
 3 the Secretary shall provide the hospital an op-
 4 portunity to have a new FTE resident amount
 5 established when the hospital begins training at
 6 least 1.0 full-time-equivalent resident (in the
 7 case of a hospital described in subclauses (I or
 8 III)) or more than 3.0 full-time-equivalent resi-
 9 dents (in the case of a hospital described in
 10 subclause (II)) for cost reporting periods begin-
 11 ning on or after the date of the enactment of
 12 this clause and in accordance with the method-
 13 ology under the rules in effect as of October 1,
 14 2015.”.

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

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

19 and

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

21 “(II) Under this clause the Secretary
 22 shall not determine an adjustment in the
 23 limitation applicable to a hospital under
 24 subparagraph (F) until the hospital trains
 25 more than 1.0 full-time-equivalent resident

1 in a new medical residency training pro-
2 gram in a cost reporting period.

3 “(III) In the case of a hospital that
4 has a limitation under subparagraph (F) of
5 less than 1.0 full-time-equivalent resident
6 as of the date of the enactment of this sub-
7 clause based on training before October 1,
8 1997, under this clause the Secretary shall
9 provide the hospital an opportunity to have
10 a new adjustment in such limitation deter-
11 mined when such hospital begins training
12 at least 1.0 full-time-equivalent resident in
13 accordance with the methodology applica-
14 ble to hospitals under the rules in effect as
15 of October 1, 2015, and applied for cost
16 reporting periods beginning on or after the
17 date of the enactment of this subclause.

18 “(IV) In the case of a hospital that
19 has not reported full-time-equivalent resi-
20 dents in ten consecutive cost reporting pe-
21 riods subsequent to October 1, 1997,
22 under this clause the Secretary shall pro-
23 vide the hospital an opportunity to have a
24 new adjustment in such limitation deter-
25 mined when such hospital begins training

1 at least 1.0 full-time-equivalent resident in
2 accordance with the methodology applica-
3 ble to hospitals under the rules in effect as
4 of October 1, 2015, and applied for cost
5 reporting periods beginning on or after the
6 date of the enactment of this subclause.

7 “(V) In the case of a hospital for
8 which an adjustment in the limitation ap-
9 plicable to a hospital under subparagraph
10 (F) is based on the training of no more
11 than 3.0 full-time-equivalent residents in a
12 new medical residency training program in
13 a cost reporting period beginning on or
14 after October 1, 1997, and before the date
15 of the enactment of this subclause, the
16 Secretary shall provide the hospital an op-
17 portunity to have a new adjustment in
18 such limitation determined when the hos-
19 pital begins training more than 3.0 full-
20 time-equivalent residents in accordance
21 with the methodology applicable to hos-
22 pitals under the rules in effect as of Octo-
23 ber 1, 2015, and applied for cost reporting
24 periods beginning on or after the date of
25 the enactment of this subclause.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to payment under section 1886 of
3 the Social Security Act (42 U.S.C. 1395ww) for cost re-
4 porting periods beginning on or after the date of the en-
5 actment of this Act.

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