

103^D CONGRESS
1ST SESSION

H. R. 1768

To amend title XVIII of the Social Security Act to make miscellaneous and technical changes to the medicare program.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 1993

Mr. SLATTERY (for himself, Mr. SYNAR, Mr. THOMAS of Wyoming, Mr. ROBERTS, and Mr. BEREUTER) introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

A BILL

To amend title XVIII of the Social Security Act to make miscellaneous and technical changes to 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 “Essential Access Com-
5 munity Hospital (EACH) Amendments of 1993”.

1 **SEC. 2. ESSENTIAL ACCESS COMMUNITY HOSPITAL (EACH)**
2 **AMENDMENTS.**

3 (a) INCREASING NUMBER OF PARTICIPATING
4 STATES.—Section 1820(a)(1) (42 U.S.C. 1395i-4(a)(1))
5 is amended by striking “7” and inserting “9”.

6 (b) TREATMENT OF INPATIENT HOSPITAL SERVICES
7 PROVIDED IN RURAL PRIMARY CARE HOSPITALS.—

8 (1) IN GENERAL.—Section 1820(f)(1)(F) (42
9 U.S.C. 1395i-4(f)(1)(F)) is amended to read as fol-
10 lows:

11 “(F) subject to paragraph (4), provides not
12 more than 6 inpatient beds (meeting such con-
13 ditions as the Secretary may establish) for pro-
14 viding inpatient care to patients requiring sta-
15 bilization before discharge or transfer to a hos-
16 pital, except that the facility may not provide
17 any inpatient hospital services—

18 “(i) to any patient whose attending
19 physician does not certify that the patient
20 may reasonably be expected to be dis-
21 charged or transferred to a hospital within
22 72 hours of admission to the facility; or

23 “(ii) consisting of surgery or any
24 other service requiring the use of general
25 anesthesia (other than surgical procedures
26 specified by the Secretary under section

1 1833(i)(1)(A)), unless the attending physi-
2 cian certifies that the risk associated with
3 transferring the patient to a hospital for
4 such services outweighs the benefits of
5 transferring the patient to a hospital for
6 such services.”.

7 (2) LIMITATION ON AVERAGE LENGTH OF
8 STAY.—Section 1820(f) (42 U.S.C. 1395i-4(f)) is
9 amended by adding at the end the following new
10 paragraph:

11 “(4) LIMITATION ON AVERAGE LENGTH OF IN-
12 PATIENT STAYS.—The Secretary may terminate a
13 designation of a rural primary care hospital under
14 paragraph (1) if the Secretary finds that the average
15 length of stay for inpatients at the facility during
16 the previous year in which the designation was in ef-
17 fect exceeded 72 hours. In determining the compli-
18 ance of a facility with the requirement of the pre-
19 vious sentence, there shall not be taken into account
20 periods of duty of inpatients in excess of 72 hours
21 to the extent such periods exceed 72 hours because
22 transfer to a hospital is precluded because of inclem-
23 ent weather or other emergency conditions.”.

24 (3) CONFORMING AMENDMENT.—Section
25 1814(a)(8) (42 U.S.C. 1395f(a)(8)) is amended by

1 striking “such services” and all that follows and in-
2 sserting “the individual may reasonably be expected
3 to be discharged or transferred to a hospital within
4 72 hours after admission to the rural primary care
5 hospital.”.

6 (4) GAO REPORTS.—Not later than 2 years
7 after the date of the enactment of this Act, the
8 Comptroller General shall submit reports to Con-
9 gress on—

10 (A) the application of the requirements
11 under section 1820(f) of the Social Security Act
12 (as amended by this subsection) that rural pri-
13 mary care hospitals provide inpatient care only
14 to those individuals whose attending physicians
15 certify may reasonably be expected to be dis-
16 charged within 72 hours after admission and
17 maintain an average length of inpatient stay
18 during a year that does not exceed 72 hours;
19 and

20 (B) the extent to which such requirements
21 have resulted in such hospitals providing inpa-
22 tient care beyond their capabilities or have lim-
23 ited the ability of such hospitals to provide
24 needed services.

25 (c) DESIGNATION OF HOSPITALS.—

1 (1) PERMITTING DESIGNATION OF HOSPITALS
2 LOCATED IN URBAN AREAS.—

3 (A) IN GENERAL.—Section 1820 (42
4 U.S.C. 1395i-4) is amended—

5 (i) by striking paragraph (1) of sub-
6 section (e) and redesignating paragraphs
7 (2) through (6) as paragraphs (1) through
8 (5); and

9 (ii) in subsection (e)(1)(A) (as redес-
10 ignated by subparagraph (A))—

11 (I) by striking “is located” and
12 inserting “except in the case of a hos-
13 pital located in an urban area, is lo-
14 cated”,

15 (II) by striking “, (ii)” and in-
16 serting “or (ii)”,

17 (III) by striking “or (iii)” and all
18 that follows through “section,”, and

19 (IV) in subsection (i)(1)(B), by
20 striking “paragraph (3)” and insert-
21 ing “paragraph (2)”.

22 (B) NO CHANGE IN MEDICARE PROSPEC-
23 TIVE PAYMENT.—Section 1886(d)(5)(D) (42
24 U.S.C. 1395ww(d)(5)(D)) is amended—

1 (i) in clause (iii)(III), by inserting “lo-
2 cated in a rural area and” after “that is”,
3 and

4 (ii) in clause (v), by inserting “located
5 in a rural area and” after “in the case of
6 a hospital”.

7 (2) PERMITTING HOSPITALS LOCATED IN AD-
8 JOINING STATES TO PARTICIPATE IN STATE PRO-
9 GRAM.—

10 (A) IN GENERAL.—Section 1820 (42
11 U.S.C. 1395i-4) is amended—

12 (i) by redesignating subsection (k) as
13 subsection (l); and

14 (ii) by inserting after subsection (j)
15 the following new subsection:

16 “(k) ELIGIBILITY OF HOSPITALS NOT LOCATED IN
17 PARTICIPATING STATES.—Notwithstanding any other
18 provision of this section—

19 “(1) for purposes of including a hospital or fa-
20 cility as a member institution of a rural health net-
21 work, a State may designate a hospital or facility
22 that is not located in the State as an essential access
23 community hospital or a rural primary care hospital
24 if the hospital or facility is located in an adjoining

1 State and is otherwise eligible for designation as
2 such a hospital;

3 “(2) the Secretary may designate a hospital or
4 facility that is not located in a State receiving a
5 grant under subsection (a)(1) as an essential access
6 community hospital or a rural primary care hospital
7 if the hospital or facility is a member institution of
8 a rural health network of a State receiving a grant
9 under such subsection; and

10 “(3) a hospital or facility designated pursuant
11 to this subsection shall be eligible to receive a grant
12 under subsection (a)(2).”.

13 (B) CONFORMING AMENDMENTS.—(i) Sec-
14 tion 1820(c)(1) (42 U.S.C. 1395i-4(c)(1)) is
15 amended by striking “paragraph (3)” and in-
16 serting “paragraph (3) or subsection (k)”.

17 (ii) Paragraphs (1)(A) and (2)(A) of sec-
18 tion 1820(i) (42 U.S.C. 1395i-4(i)) are each
19 amended—

20 (I) in clause (i), by striking “(a)(1)”
21 and inserting “(a)(1) (except as provided
22 in subsection (k))”, and

23 (II) in clause (ii), by striking “sub-
24 paragraph (B)” and inserting “subpara-
25 graph (B) or subsection (k)”.

1 (d) SKILLED NURSING SERVICES IN RURAL PRIMARY
2 CARE HOSPITALS.—Section 1820(f)(3) (42 U.S.C. 1395i-
3 4(f)(3)) is amended by striking “because the facility” and
4 all that follows and inserting the following: “because, at
5 the time the facility applies to the State for designation
6 as a rural primary care hospital, there is in effect an
7 agreement between the facility and the Secretary under
8 section 1883 under which the facility’s inpatient hospital
9 facilities are used for the furnishing of extended care serv-
10 ices, except that the number of beds used for the furnish-
11 ing of such services may not exceed the total number of
12 licensed inpatient beds at the time the facility applies to
13 the State for such designation (minus the number of inpa-
14 tient beds used for providing inpatient care pursuant to
15 paragraph (1)(F)). For purposes of the previous sentence,
16 the number of beds of the facility used for the furnishing
17 of extended care services shall not include any beds of a
18 unit of the facility that is licensed as a distinct-part skilled
19 nursing facility at the time the facility applies to the State
20 for designation as a rural primary care hospital.”.

21 (e) PAYMENT FOR OUTPATIENT RURAL PRIMARY
22 CARE HOSPITAL SERVICES.—Section 1834(g)(1) (42
23 U.S.C. 1395m(g)(1)) is amended by adding at the end the
24 following: “The amount of payment shall be determined

1 under either method without regard to the amount of the
2 customary or other charge.”.

3 (f) CLARIFICATION OF PHYSICIAN STAFFING RE-
4 QUIREMENT FOR RURAL PRIMARY CARE HOSPITALS.—
5 Section 1820(f)(1)(H) (42 U.S.C. 1395i-4(f)(1)(H)) is
6 amended by striking the period and inserting the follow-
7 ing: “, except that in determining whether a facility meets
8 the requirements of this subparagraph, subparagraphs (E)
9 and (F) of that paragraph shall be applied as if any ref-
10 erence to a ‘physician’ is a reference to a physician as de-
11 fined in section 1861(r)(1).”.

12 (g) TECHNICAL AMENDMENTS RELATING TO PART
13 A DEDUCTIBLE, COINSURANCE, AND SPELL OF ILL-
14 NESS.—(1) Section 1812(a)(1) (42 U.S.C. 1395d(a)(1))
15 is amended—

16 (A) by striking “inpatient hospital services” the
17 first place it appears and inserting “inpatient hos-
18 pital services or inpatient rural primary care hos-
19 pital services”;

20 (B) by striking “inpatient hospital services” the
21 second place it appears and inserting “such serv-
22 ices”; and

23 (C) by striking “and inpatient rural primary
24 care hospital services”.

1 (2) Sections 1813(a) and 1813(b)(3)(A) (42 U.S.C.
2 1395e(a), 1395e(b)(3)(A)) are each amended by striking
3 “inpatient hospital services” each place it appears and in-
4 serting “inpatient hospital services or inpatient rural pri-
5 mary care hospital services”.

6 (3) Section 1813(b)(3)(B) (42 U.S.C.
7 1395e(b)(3)(B)) is amended by striking “inpatient hos-
8 pital services” and inserting “inpatient hospital services,
9 inpatient rural primary care hospital services”.

10 (4) Section 1861(a) (42 U.S.C. 1395x(a)) is amend-
11 ed—

12 (A) in paragraph (1), by striking “inpatient
13 hospital services” and inserting “inpatient hospital
14 services, inpatient rural primary care hospital serv-
15 ices”; and

16 (B) in paragraph (2), by striking “hospital”
17 and inserting “hospital or rural primary care hos-
18 pital”.

19 (h) AUTHORIZATION OF APPROPRIATIONS.—Section
20 1820(k) (42 U.S.C. 1395i-4(k)) is amended by striking
21 “1990, 1991, and 1992” and inserting “1990 through
22 1995”.

23 (i) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on the date of the enactment
25 of this Act.

