

104TH CONGRESS
2^D SESSION

H. R. 4244

To require the Secretary of Health and Human Services to waive the 3-day prior hospitalization requirement for coverage of skilled nursing facility services in the case of individuals classified within certain diagnosis-related groups.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 1996

Mr. DURBIN (for himself and Mr. ENSIGN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the Secretary of Health and Human Services to waive the 3-day prior hospitalization requirement for coverage of skilled nursing facility services in the case of individuals classified within certain diagnosis-related groups.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. WAIVER OF 3-DAY PRIOR HOSPITALIZATION RE-**
2 **QUIREMENT FOR COVERAGE OF SKILLED**
3 **NURSING FACILITY SERVICES FOR CERTAIN**
4 **DRGS.**

5 (a) IN GENERAL.—By not later than October 1,
6 1997, the Secretary of Health and Human Services shall
7 provide for coverage, under section 1812(f) of the Social
8 Security Act, of extended care services for individuals with
9 a condition that is classifiable within a diagnosis-related
10 group selected under subsection (b).

11 (b) SELECTION OF DIAGNOSIS-RELATED GROUPS.—
12 For purposes of subsection (a) and subject to subsections
13 (c) and (d), the Secretary—

14 (1) beginning with fiscal year 1998, shall select
15 at least 5 diagnosis-related groups (as established
16 for purposes of section 1886(d)(4)(A) of the Social
17 Security Act) that—

18 (A) relate to conditions that do not require
19 treatment through receipt of inpatient hospital
20 services, and

21 (B) are not likely (or are least likely) to re-
22 sult in any net increased expenditures under
23 title XVIII of such Act; and

24 (2) for subsequent fiscal years may select addi-
25 tional diagnosis-related groups that meet the re-

1 requirements of subparagraphs (A) and (B) of para-
2 graph (1).

3 (c) RECOVERY OF EXCESS EXPENDITURES.—If the
4 Secretary determines that the application of this section
5 in a fiscal year has resulted in any increase in aggregate
6 expenditures under such title for the fiscal year above the
7 amount of such expenditures that would have occurred in
8 the fiscal year if this section did not apply (taking into
9 account any reductions in expenditures resulting from the
10 elimination of or a reduction in the length of hospitaliza-
11 tion), the Secretary—

12 (1) shall, notwithstanding any other provision
13 of law, provide for a reduction in the amounts other-
14 wise payable under part A of such title for post-hos-
15 pital extended care services in the following fiscal
16 year by such proportion as will reduce aggregate
17 Federal expenditures in such fiscal year under such
18 part by the aggregate amount of such an increase in
19 the previous fiscal year, and

20 (2) may rescind the selection of any diagnosis-
21 related group if the application of this section with
22 respect to such group has resulted in such an in-
23 crease in expenditures under such title.

24 (d) CONSIDERATION OF ADDITIONAL SELECTIONS.—
25 The Secretary shall actively consider the selection of addi-

1 tional groups under subsection (b)(2) if the Secretary de-
2 termines that the application of this section has resulted
3 in a net reduction in expenditures under such title.

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