

108TH CONGRESS  
1ST SESSION

# H. R. 1351

To amend title XVIII of the Social Security Act to increase payments under the Medicare Program to Puerto Rico hospitals.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2003

Mr. ACEVEDO-VILÁ introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend title XVIII of the Social Security Act to increase payments under the Medicare Program to Puerto Rico 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 “Medicare Puerto Rico  
5 Hospital Payment Fairness Act of 2003”.

6       **SEC. 2. MODIFICATION OF PAYMENT RATE FOR PUERTO**  
7                               **RICO HOSPITALS.**

8       Section 1886(d)(9) of the Social Security Act (42  
9 U.S.C. 1395ww(d)(9)) is amended—

10                   (1) in subparagraph (A)—

1 (A) in clause (i), by striking “for dis-  
2 charges beginning on or after October 1, 1997,  
3 50 percent (and for discharges between October  
4 1, 1987, and September 30, 1997, 75 percent)”  
5 and inserting “the applicable Puerto Rico per-  
6 centage (specified in subparagraph (E))”; and

7 (B) in clause (ii), by striking “for dis-  
8 charges beginning in a fiscal year beginning on  
9 or after October 1, 1997, 50 percent (and for  
10 discharges between October 1, 1987, and Sep-  
11 tember 30, 1997, 25 percent)” and inserting  
12 “the applicable Federal percentage (specified in  
13 subparagraph (E))”; and

14 (2) by adding at the end the following new sub-  
15 paragraph:

16 “(E) For purposes of subparagraph (A), for dis-  
17 charges occurring—

18 “(i) on or after October 1, 1987, and before Oc-  
19 tober 1, 1997, the applicable Puerto Rico percentage  
20 is 75 percent and the applicable Federal percentage  
21 is 25 percent;

22 “(ii) on or after October 1, 1997, and before  
23 October 1, 2003, the applicable Puerto Rico percent-  
24 age is 50 percent and the applicable Federal per-  
25 centage is 50 percent;

1           “(iii) on or after October 1, 2003, and before  
2           October 1, 2004, the applicable Puerto Rico percent-  
3           age is 25 percent and the applicable Federal per-  
4           centage is 75 percent;

5           “(iv) on or after October 1, 2004, and before  
6           October 1, 2005, the applicable Puerto Rico percent-  
7           age is 12.5 percent and the applicable Federal per-  
8           centage is 87.5 percent; and

9           “(v) on or after October 1, 2005, the applicable  
10          Puerto Rico percentage is 0 percent and the applica-  
11          ble Federal percentage is 100 percent.”.

12 **SEC. 3. CALCULATION OF MEDICARE DSH PAYMENTS FOR**  
13 **PPS HOSPITALS IN PUERTO RICO.**

14          (a) IN GENERAL.—Section 1886(d)(9) of the Social  
15          Security Act (42 U.S.C. 1395ww(d)(9)), as amended by  
16          section 2, is amended—

17                 (1) by striking subparagraph (D)(iii) and in-  
18                 serting the following:

19                         “(iii) Subparagraph (F) (relating to dispropor-  
20                         tionate share payments), except that for this pur-  
21                         pose—

22                                 “(I) the sum described in clause (ii) of this  
23                                 subparagraph shall be substituted for the sum  
24                                 referred to in paragraph (5)(F)(ii)(I); and

1           “(II) the number of a subsection (d) Puer-  
2           to Rico hospital’s SSI proxy patient days (as  
3           defined in subparagraph (F)) shall be sub-  
4           stituted for the numerator referred to in para-  
5           graph (5)(F)(vi)(I).”;

6           (2) by adding at the end the following new sub-  
7           paragraph:

8           “(F)(i) For purposes of subparagraph (D)(iii)(II),  
9           the term ‘subsection (d) Puerto Rico hospital’s SSI proxy  
10          patient days’ means the product of—

11           “(I) the SSI proxy percentage (as defined in  
12          clause (ii)); and

13           “(II) the total number of the hospital’s patient  
14          days for such period.

15          “(ii) For purposes of clause (i)(I), the term ‘SSI  
16          proxy percentage’ means, with respect to all subsection (d)  
17          Puerto Rico hospitals for cost reporting periods beginning  
18          in a fiscal year, the unweighted average of the fractions  
19          (expressed as percentages) determined under paragraph  
20          (5)(F)(vi)(I) for all subsection (d) hospitals in the income-  
21          equivalent proxy State (as defined in clause (iii)) for the  
22          most recent cost reporting period for which adequate data  
23          are available (other than hospitals for which such fraction  
24          or percentage is zero).

1       “(iii) For purposes of clause (ii), the term ‘income-  
2 equivalent proxy State’ means, for cost reporting periods  
3 beginning in a fiscal year, the State (other than a State  
4 for which title XVI, as in effect without regard to the  
5 amendment made by section 301 of the Social Security  
6 Amendments of 1972, continues to apply) the per capita  
7 income of which most closely approximates the per capita  
8 income of Puerto Rico (as determined by the Secretary  
9 based on the most recent period for which adequate data  
10 are available).”.

11       (b) **EFFECTIVE DATE.**—The amendments made by  
12 subsection (a) shall apply to discharges occurring on or  
13 after October 1, 2003.

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