

117TH CONGRESS  
2D SESSION

# H. R. 9034

To amend title XVIII of the Social Security Act to provide for reform to and a permanent extension of the Medicare-dependent hospital program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 29, 2022

Mr. ARRINGTON 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 provide for reform to and a permanent extension of the Medicare-dependent hospital 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 “Healthcare Enhance-  
5 ment for Americas Rural Towns Act” or the “HEART  
6 Act”.

1 **SEC. 2. REFORM AND PERMANENT EXTENSION OF THE**  
2 **MEDICARE-DEPENDENT HOSPITAL (MDH)**  
3 **PROGRAM.**

4 (a) EXTENSION OF PAYMENT METHODOLOGY.—Sec-  
5 tion 1886(d)(5)(G) of the Social Security Act (42 U.S.C.  
6 1395ww(d)(5)(G)) is amended—

7 (1) in clause (i), by striking “, and before Octo-  
8 ber 1, 2022” and inserting “, and before October 1,  
9 2023”;

10 (2) in clause (i), by adding at the end the fol-  
11 lowing; “For fiscal year 2024 and each subsequent  
12 fiscal year, in the case of such a subsection (d) hos-  
13 pital, payment under paragraph (1)(A) shall be  
14 equal to the sum of the amount determined under  
15 paragraph (1)(A)(iii) and the amount determined by  
16 the increase factor determined under clause (v) for  
17 such hospital and cost reporting period.”;

18 (3) in clause (ii)(II), by striking “, and before  
19 October 1, 2022” and inserting “, and before Octo-  
20 ber 1, 2023”; and

21 (4) by adding at the end the following new  
22 clauses:

23 “(v)(I) Subject to subclause (II), for pur-  
24 poses of clause (i), for fiscal year 2024 and  
25 each subsequent fiscal year with respect to a  
26 subsection (d) hospital which is a medicare-de-

pendent, small rural hospital, the Secretary shall determine an increase factor to apply to such hospital with respect to discharges occurring during such fiscal year. When determining such increase factor, the Secretary may take into account a methodology that results in a similar amount of reimbursement to such hospital for such fiscal year as such amount that would have been determined if the first sentence of clause (i) applied with respect to such fiscal year.

“(II) The aggregate amounts determined for all subsection (d) hospitals which are medicare-dependent, small rural hospitals by application of the increase factors determined under this clause for such hospitals shall not exceed a total of—

“(aa) for fiscal year 2024,  
\$100,000,000; and

“(bb) for each subsequent fiscal year, the amount specified in this clause for the previous fiscal year increased by the market basket percentage increase (as defined in subsection (b)(3)(B)(iii)) as determined

1                   prospectively by the Secretary for such  
2                   subsequent fiscal year.”.

3       (b) CONFORMING AMENDMENTS.—

4               (1) EXTENSION OF TARGET AMOUNT.—Section  
5       1886(b)(3)(D) of the Social Security Act (42 U.S.C.  
6       1395ww(b)(3)(D)) is amended—

7               (A) in the matter preceding clause (i), by  
8       striking “, and before October 1, 2022”;

9               (B) in clause (iii), by striking at the end  
10      “and”;

11              (C) in clause (iv)—

12                   (i) by striking “through fiscal year  
13                   2022” and inserting “through fiscal year  
14                   2023”; and

15                   (ii) by striking the period at the end  
16                   and inserting “, and”; and

17              (D) by adding at the end the following new  
18      clause:

19                   “(v) with respect to discharges occurring  
20                   during fiscal year 2024 or a subsequent fiscal  
21                   year, the target amount for the preceding year  
22                   increased by the applicable percentage increase  
23                   under subparagraph (B)(iv) and adjusted as de-  
24                   termined necessary by the Secretary to take

1           into account the application of subsection  
2           (d)(5)(G)(vi) for such fiscal year.”.

3           (2) PERMITTING HOSPITALS TO DECLINE RE-  
4           CLASSIFICATION.—Section 13501(e)(2) of the Omni-  
5           bus Budget Reconciliation Act of 1993 (42 U.S.C.  
6           1395ww note) is amended by striking “through fis-  
7           cal year 2022” and inserting “or a subsequent fiscal  
8           year”.

9   **SEC. 3. TEMPORARY EXTENSION OF THE MEDICARE LOW-**  
10                           **VOLUME ADJUSTMENT PROGRAM.**

11           Section 1886(d)(12) of the Social Security Act (42  
12   U.S.C. 1395ww(d)(12)) is amended—

13           (1) in subparagraph (B), in the matter pre-  
14           ceding clause (i), by striking “fiscal year 2023” and  
15           inserting “fiscal year 2028”;

16           (2) in subparagraph (C)(i)—

17                   (A) by striking “fiscal years 2011 through  
18                   2022” each place it appears and inserting “fis-  
19                   cal years 2011 through 2027”; and

20                   (B) by striking “or portion of fiscal year”;  
21           and

22           (3) in subparagraph (D)—

23                   (A) in the heading, by striking “TEM-  
24                   PORARY APPLICABLE PERCENTAGE INCREASE”

1           and inserting “APPLICABLE PERCENTAGE IN-  
2           CREASE BEGINNING WITH FISCAL YEAR 2011”;

3           (B) in the matter preceding clause (i), by  
4           striking “fiscal years 2011 through 2022,” and  
5           inserting “fiscal years 2011 through 2027”;  
6           and

7           (C) in clause (ii), by striking “2022” and  
8           inserting “2027”; and

9           (D) by striking “or the portion of fiscal  
10          year” each place it appears.

11 **SEC. 4. BUDGET NEUTRAL PAY-FOR.**

12          For fiscal year 2023 and each subsequent fiscal year,  
13 the Secretary of Health and Human Services shall adjust  
14 payments under section 1886(d) of the Social Security Act  
15 (42 U.S.C. 1395ww(d)) in a manner such that the esti-  
16 mated aggregate amount of expenditures under such sec-  
17 tion for such fiscal year with application of the amend-  
18 ments made by sections 2 and 3 of this Act is equal to  
19 the estimated aggregate amount of expenditures under  
20 such section for such fiscal year without application of  
21 such amendments.

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