

107TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

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IN THE SENATE OF THE UNITED STATES

Mrs. LINCOLN (for herself and Mr. COCHRAN) introduced the following bill;  
which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To delay until at least January 1, 2003, any changes in  
medicaid regulations that modify the medicaid upper pay-  
ment limit for non-State Government-owned or operated  
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. DELAY IN MEDICAID UPL CHANGES FOR NON-**  
4 **STATE GOVERNMENT-OWNED OR OPERATED**  
5 **HOSPITALS.**

6 (a) CONGRESSIONAL FINDINGS.—Congress finds the  
7 following:

8 (1) The Secretary of Health and Human Serv-  
9 ices, in regulations promulgated on January 12,

1 2001, provided for an exception to the upper limits  
2 on payment under State medicaid plans so to permit  
3 payment to city and county public hospitals at a rate  
4 up to 150 percent of the medicare payment rate.

5 (2) The Secretary justified this exception be-  
6 cause these hospitals—

7 (A) provide access to a wide range of need-  
8 ed care not often otherwise available in under-  
9 served areas;

10 (B) deliver a significant proportion of un-  
11 compensated care; and

12 (C) are critically dependent on public fi-  
13 nancing sources, such as the medicaid program.

14 (3) There has been no evidence presented to  
15 Congress that has changed this justification for such  
16 exception.

17 (b) MORATORIUM ON UPL CHANGES.—Any change  
18 in the upper limits on payment under title XIX of the So-  
19 cial Security Act for services of non-State government-  
20 owned or operated hospitals—

21 (1) may not be published in final form before  
22 January 1, 2003; and

23 (2) may not apply for any period beginning be-  
24 fore January 1, 2003.

1           (c) MITIGATION PLAN.—The Secretary of Health and  
2 Human Services shall submit to the Congress, at least 3  
3 months before publishing a final regulation described in  
4 subsection (b), a report that contains a plan for mitigating  
5 the loss of funding to non-State government-owned or op-  
6 erated hospitals as a result of such regulation. Such report  
7 shall also include such recommendations for legislative ac-  
8 tion as the Secretary deems appropriate.