

104TH CONGRESS  
2D SESSION

# H. R. 4100

To amend titles XVIII and XIX of the Social Security Act to require hospitals participating in the Medicare or Medicaid program to provide notice of availability of Medicare and Medicaid providers as part of discharge planning and to maintain and disclose information on certain referrals.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 1996

Mr. STARK introduced the following bill; which was referred to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend titles XVIII and XIX of the Social Security Act to require hospitals participating in the Medicare or Medicaid program to provide notice of availability of Medicare and Medicaid providers as part of discharge planning and to maintain and disclose information on certain referrals.

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 and Medicaid  
5 Hospital Self-Referral Amendments of 1996”.

1 **SEC. 2. NOTIFICATION OF AVAILABILITY OF PROVIDERS AS**  
2 **PART OF DISCHARGE PLANNING PROCESS.**

3 (a) **MEDICARE REQUIREMENT.**—Section 1861(ee)(2)  
4 of the Social Security Act (42 U.S.C. 1395x(ee)(2)) is  
5 amended—

6 (1) in subparagraph (D), by inserting before  
7 the period the following: “, including the availability  
8 of those services through individuals and entities  
9 that participate in the program under this title and  
10 that serve the area in which the patient resides and  
11 that request to be listed by the hospital as avail-  
12 able”; and

13 (2) by adding at the end the following:

14 “(H) Consistent with section 1802, the dis-  
15 charge plan shall—

16 “(i) not specify or otherwise limit the  
17 qualified provider which may provide post-hos-  
18 pital care, and

19 “(ii) identify (in a form and manner speci-  
20 fied by the Secretary) any provider (to whom  
21 the individual is referred) in which the hospital  
22 has a disclosable financial interest (as specified  
23 by the Secretary consistent with section  
24 1866(a)(1)(R)) or which has such an interest in  
25 the hospital.”.

1 (b) REQUIREMENT FOR MEDICAID FUNDING.—Sec-  
2 tion 1903(i) of such Act (42 U.S.C. 1396b(i)) is amend-  
3 ed—

4 (1) by striking “or” at the end of paragraph  
5 (14),

6 (2) by striking the period at the end of para-  
7 graph (15) and inserting “; or”, and

8 (3) by inserting after paragraph (15) the fol-  
9 lowing new paragraph:

10 “(16) with respect to any amount expended for  
11 inpatient hospital services of a hospital unless the  
12 hospital has in place a discharge planning process  
13 that meets the requirements of section 1861(ee) with  
14 respect to individuals entitled to medical assistance  
15 under this title in the same manner as such require-  
16 ments otherwise apply to individuals entitled to ben-  
17 efits under title XVIII.”.

18 (c) EFFECTIVE DATES.—The amendments made by  
19 subsection (a) shall apply to discharges occurring on or  
20 after 90 days after the date of the enactment of this Act.  
21 The amendments made by subsection (b) shall apply to  
22 expenditures for inpatient hospital services with respect to  
23 discharges occurring on or after 90 days after the date  
24 of the enactment of this Act.

1 **SEC. 3. MAINTENANCE AND DISCLOSURE OF INFORMATION**  
2 **ON POST-HOSPITAL SERVICE PROVIDERS.**

3 (a) **MEDICARE REQUIREMENT.**—Section 1866(a)(1)  
4 of the Social Security Act (42 U.S.C. 1395cc(a)(1)) is  
5 amended—

6 (1) by striking “and” at the end of subpara-  
7 graph (P),

8 (2) by striking the period at the end of sub-  
9 paragraph (Q), and

10 (3) by adding at the end the following:

11 “(R) in the case of a hospital that has a finan-  
12 cial interest (as specified by the Secretary in regula-  
13 tions) in a provider of post-hospital services (includ-  
14 ing an entity that furnishes durable medical equip-  
15 ment), or in which such a provider has such a finan-  
16 cial interest, or in which another entity has such a  
17 financial interest (directly or indirectly) with such  
18 hospital and such a provider, to maintain and dis-  
19 close to the Secretary (in a form and manner speci-  
20 fied by the Secretary) information on—

21 “(i) the nature of such financial interest,

22 “(ii) the number of individuals who were dis-  
23 charged from the hospital and who were identified as  
24 requiring the type of post-hospital services provided  
25 by such provider, and

1           “(iii) the percentage of such individuals who re-  
2           ceived such services from such provider (or another  
3           such provider).”.

4           (b) REQUIREMENT FOR MEDICAID FUNDING.—Sec-  
5           tion 1903(i)(16) of such Act (42 U.S.C. 1396b(i)), as in-  
6           serted by section 2(b), is amended—

7           (1) by striking “(A)” after “unless”, and

8           (2) by inserting before the period at the end the  
9           following: “, and (B) the hospital is complying with  
10          the requirements of section 1866(a)(1)(R)”.

11          (c) DISCLOSURE OF INFORMATION TO THE PUB-  
12          LIC.—Title XI of such Act is amended by inserting after  
13          section 1145 the following new section:

14          “PUBLIC DISCLOSURE OF CERTAIN INFORMATION ON  
15          HOSPITAL FINANCIAL INTEREST AND REFERRAL  
16          PATTERNS

17          “SEC. 1146. The Secretary shall make available to  
18          the public, in a form and manner specified by the Sec-  
19          retary, information disclosed to the Secretary pursuant to  
20          section 1866(a)(1)(R) or section 1903(i)(16).”.

21          (d) EFFECTIVE DATE.—The Secretary of Health and  
22          Human Services shall issue regulations by not later than  
23          1 year after the date of the enactment of this Act to carry  
24          out the amendments made by this section and such  
25          amendments shall take effect as of such date (on or after

- 1 the issuance of such regulations) as the Secretary specifies
- 2 in such regulations.

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