

108TH CONGRESS
1ST SESSION

H. R. 2664

To provide for Medicare reimbursement for health care services provided to Medicare-eligible veterans in facilities of the Department of Veterans Affairs.

IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2003

Mrs. KELLY introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce and Veterans' Affairs, 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

A BILL

To provide for Medicare reimbursement for health care services provided to Medicare-eligible veterans in facilities of the Department of Veterans Affairs.

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 “Veterans Medicare Re-
5 imbursement Act of 2003”.

1 **SEC. 2. ESTABLISHMENT OF MEDICARE SUBVENTION FOR**
2 **VETERANS.**

3 Section 1862 of the Social Security Act (42 U.S.C.
4 1395y) is amended by inserting after subsection (c) the
5 following new subsection:

6 “(d) MEDICARE SUBVENTION FOR VETERANS.—

7 “(1) ESTABLISHMENT OF PROCEDURE FOR RE-
8 IMBURSEMENT.—

9 “(A) IN GENERAL.—The administering
10 Secretaries shall establish a procedure under
11 which the Secretary shall reimburse the Sec-
12 retary of Veterans Affairs, from the trust
13 funds, for medicare health care services fur-
14 nished to medicare-eligible veterans.

15 “(B) REQUIREMENTS.—Under the proce-
16 dure—

17 “(i) the administering Secretaries
18 shall certify, that any Department of Vet-
19 erans Affairs medical facility that fur-
20 nishes medicare health care services for
21 which the Secretary of Veterans Affairs is
22 reimbursed under this subsection has suffi-
23 cient—

24 “(I) resources and expertise to
25 provide the health care benefits re-

1 quired to be provided to beneficiaries;
2 and

3 “**(II)** information and billing sys-
4 tems in place to ensure accurate and
5 timely submission of claims for health
6 care benefits to the Secretary;

7 “(ii) the Secretary shall have access to
8 all data of the Department of Veterans Af-
9 fairs that the Secretary determines is nec-
10 essary to verify accuracy in billing and
11 claims information; and

12 “(iii) the Secretary shall waive re-
13 quirements for conditions of participation
14 otherwise applicable to a provider of serv-
15 ices, physician, practitioner, supplier, or
16 facility under this title in the case of a De-
17 partment of Veterans Affairs medical facil-
18 ity consistent with paragraph (3).

19 “**(C) RESTRICTION ON NEW OR EXPANDED**
20 **FACILITIES.**—No new Veterans Affairs medical
21 facilities may be built or expanded with funds
22 received under this subsection.

23 “**(2) COST-SHARING.**—The amount of reim-
24 bursement for medicare health care services to the
25 Secretary of Veterans Affairs for medicare health

1 care services shall be reduced by amounts attrib-
2 utable to applicable deductible, coinsurance, and
3 cost-sharing requirements under this title.

4 “(3) MEDICARE REQUIREMENTS.—

5 “(A) WAIVER.—The Secretary shall waive
6 any requirements referred to in paragraph
7 (1)(B)(iii) (relating to requirements for condi-
8 tions of participation) in the case of a Depart-
9 ment of Veterans Affairs medical facility, or ap-
10 prove equivalent or alternative ways of meeting
11 such a requirement, but only if such waiver or
12 approval—

13 “(i) reflects the unique status of the
14 Department of Veterans Affairs as an
15 agency of the Federal Government; and

16 “(ii) is necessary to carry out, or im-
17 prove the efficiency of, to provide for reim-
18 bursement for medicare health care serv-
19 ices under this subsection.

20 “(B) WAIVER OF PROHIBITION ON PAY-
21 MENTS TO FEDERAL PROVIDERS OF SERV-
22 ICES.—The prohibition of payments to Federal
23 providers of services under sections 1814(c) and
24 1835(d), and paragraphs (2) and (3) of sub-
25 section (a), shall not apply.

1 “(4) VERIFICATION OF ELIGIBILITY.—

2 “(A) IN GENERAL.—The Secretary of Vet-
3 erans Affairs shall establish procedures for de-
4 termining whether an individual is a medicare-
5 eligible veteran.

6 “(B) RESTRICTION.—No reimbursement
7 shall be made under this subsection for any
8 medicare health care service provided to an in-
9 dividual unless the individual has been deter-
10 mined to be a medicare-eligible veteran pursu-
11 ant to the procedures established under sub-
12 paragraph (A).

13 “(5) DATA REQUIREMENTS.—Reimbursements
14 for medicare health care services furnished to medi-
15 care-eligible veterans may not be made until such
16 time as the administering Secretaries certify to Con-
17 gress that the—

18 “(A) cost accounting and related trans-
19 action systems of the Veterans Health Adminis-
20 tration provide cost information and encounter
21 data regarding health care delivered at each
22 Department of Veterans Affairs medical facility
23 on an inpatient and outpatient basis; and

1 “(B) cost information and encounter data
2 provided by such systems is accurate, reliable,
3 and consistent across all facilities.

4 “(6) PAYMENTS BASED ON REGULAR MEDICARE
5 PAYMENT RATES.—

6 “(A) AMOUNT.—Subject to the succeeding
7 provisions of this paragraph, the Secretary shall
8 reimburse the Secretary of Veterans Affairs for
9 health care benefits provided to medicare-eli-
10 gible veterans at a rate equal to 100 percent of
11 the amounts that otherwise would be payable
12 under this title on a noncapitated basis for such
13 service if the Department of Veterans Affairs
14 medical facility were a provider of services, were
15 participating in the medicare program, and im-
16 posed charges for such service.

17 “(B) EXCLUSION OF CERTAIN AMOUNTS.—
18 In computing the amount of payment under
19 subparagraph (A), the following amounts shall
20 be excluded:

21 “(i) DISPROPORTIONATE SHARE HOS-
22 PITAL ADJUSTMENT.—Any amount attrib-
23 utable to an adjustment under section
24 1886(d)(5)(F).

1 “(ii) DIRECT GRADUATE MEDICAL
2 EDUCATION PAYMENTS.—Any amount at-
3 tributable to a payment under section
4 1886(h).

5 “(iii) INDIRECT MEDICAL EDUCATION
6 ADJUSTMENT.—Any amount attributable
7 to the adjustment under section
8 1886(d)(5)(B).

9 “(iv) PERCENTAGE OF CAPITAL PAY-
10 MENTS.—67 percent of any amounts at-
11 tributable to payments for capital-related
12 costs under medicare payment policies
13 under section 1886(g).

14 “(C) PERIODIC PAYMENTS FROM MEDI-
15 CARE TRUST FUNDS.—Payments under this
16 paragraph shall be made—

17 “(i) on a periodic basis consistent
18 with the periodicity of payments under this
19 title; and

20 “(ii) in appropriate part, as deter-
21 mined by the Secretary, from the trust
22 funds.

23 “(7) CREDITING OF PAYMENTS.—Any payment
24 shall be deposited in the Department of Veterans Af-

1 fairs Medical Care Collections Fund established
2 under section 1729A of title 38, United States Code.

3 “(8) RULES OF CONSTRUCTION.—Nothing in
4 this subsection shall be construed—

5 “(A) as prohibiting the Inspector General
6 of the Department of Health and Human Serv-
7 ices from investigating any matters regarding
8 the expenditure of funds under this subsection,
9 including compliance with the provisions of this
10 title and all other relevant laws; or

11 “(B) as adding or requiring additional cri-
12 teria for eligibility for health care benefits fur-
13 nished to veterans by the Secretary of Veterans
14 Affairs, as established under chapter 17 of title
15 38, United States Code.

16 “(9) EVALUATION AND REPORTS.—The admin-
17 istering Secretaries shall conduct ongoing evalua-
18 tions of the procedure established under this sub-
19 section, and shall submit periodic reports to Con-
20 gress on—

21 “(A) any savings or costs to the medicare
22 program by reason of this subsection; and

23 “(B) effects of this subsection on access to
24 care by medicare-eligible veterans.

25 “(10) DEFINITIONS.—In this subsection:

1 “(A) ADMINISTERING SECRETARIES.—The
2 term ‘administering Secretaries’ means the Sec-
3 retary and the Secretary of Veterans Affairs
4 acting jointly.

5 “(B) MEDICARE HEALTH CARE SERV-
6 ICES.—The term ‘medicare health care services’
7 means items or services covered under part A
8 or B of this title.

9 “(C) MEDICARE-ELIGIBLE VETERAN.—The
10 term ‘medicare-eligible veteran’ means an indi-
11 vidual who—

12 “(i) is a veteran (as defined in section
13 101 of title 38, United States Code) who
14 is eligible for care and services under sec-
15 tion 1705(a) of title 38, United States
16 Code;

17 “(ii) has attained age 65;

18 “(iii) is entitled to, or enrolled for,
19 benefits under part A of this title; and

20 “(iv) is enrolled for benefits under
21 part B of this title.

22 “(D) TRUST FUNDS.—The term ‘trust
23 funds’ means the Federal Hospital Insurance
24 Trust Fund established in section 1817 and the

1 Federal Supplementary Medical Insurance
2 Trust Fund established in section 1841.

3 “(E) DEPARTMENT OF VETERANS AFFAIRS
4 MEDICAL FACILITY.—The term ‘Department of
5 Veterans Affairs medical facility’ means a med-
6 ical facility as defined in section 8101(3) of title
7 38, United States Code alone or in conjunction
8 with other facilities under the jurisdiction of the
9 Secretary of Veterans Affairs.”.

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