## <sup>109TH CONGRESS</sup> 2D SESSION H.R.6199

To improve the quality of, and access to, long-term care.

#### IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2006

Ms. GINNY BROWN-WAITE of Florida (for herself and Mr. CAMP) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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 improve the quality of, and access to, long-term care.

- 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; TABLE OF CONTENTS.

- 4 (a) SHORT TITLE.—This Act may be cited as the
- 5 "Long-term Care Quality and Modernization Act of6 2006".
- 7 (b) TABLE OF CONTENTS.—The table of contents of
- 8 this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—MEDICARE AND MEDICAID MODERNIZATION

- Sec. 101. Joint training of surveyors and providers.
- Sec. 102. Facility-based training for new surveyors.
- Sec. 103. Resumption of nurse aide training program after correction of deficiencies.
- Sec. 104. Clarifying and eliminating the distinction between physician supervision requirements for skilled nursing facilities and nursing facilities.
- Sec. 105. Permitting split or shared billing by physicians and nurse practitioners in skilled nursing facilities.
- Sec. 106. Permitting nurse practitioners employed by skilled nursing facilities to certify skilled care.
- Sec. 107. Modernization of therapy caps.
- Sec. 108. Establishment of a Medicare skilled nursing facility specific wage index.
- Sec. 109. Authority to exclude high cost and low probability drugs used in the treatment of cancer from the Medicare prospective payment system for skilled nursing facilities.
- Sec. 110. Exclusion of all ambulance services from the Medicare prospective payment system for skilled nursing facilities.
- Sec. 111. Authority to exclude additional items and services from the Medicare prospective payment system for skilled nursing facilities.
- Sec. 112. Elimination of Medicare 3-day post-hospital stay requirement for coverage of skilled nursing facility services.

#### TITLE II—WORKFORCE SUPPORT

- Sec. 201. Nursing loan repayment program.
- Sec. 202. National nursing database.
- Sec. 203. Reports on nursing levels.

#### TITLE III—TAX INCENTIVES

Sec. 301. 10-year recovery period for qualified long-term care improvement property.

# TITLE I—MEDICARE AND MEDICAID MODERNIZATION

3 SEC. 101. JOINT TRAINING OF SURVEYORS AND PRO-

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#### VIDERS.

(a) MEDICARE PROGRAM.—Section 1819(e) of the

6 Social Security Act (42 U.S.C. 1395i–3(e)) is amended by

7 adding at the end the following new paragraph:

8 "(6) JOINT SURVEYOR/PROVIDER TRAINING.—
9 The Secretary shall require the State to establish a
10 process for joint training and education of surveyors

1 and providers at least annually and periodically as 2 changes to regulations, guidelines, and policy governing nursing facility operations are implemented 3 4 and used in surveys of participating facilities.". 5 (b) MEDICAID PROGRAM.—Section 1919(e) of the 6 Social Security Act (42 U.S.C. 1396r(e)) is amended by 7 adding at the end the following new paragraph: "(8) JOINT SURVEYOR/PROVIDER TRAINING.-8 9 The State shall establish a process for joint training 10 and education to surveyors and providers at least 11 annually and periodically as changes to regulations, 12 guidelines, and policy governing nursing facility op-13 erations are implemented and used in surveys of 14 participating facilities." 15 (c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2007. 16 17 SEC. 102. FACILITY-BASED TRAINING FOR NEW SUR-18 VEYORS. 19 (a) MEDICARE PROGRAM.—Section 1819(e) of the Social Security Act (42 U.S.C. 1395i–3(e)), as amended 20 21 by section 101(a), is amended by adding at the end the 22 following new paragraph: 23 "(7) Facility-based training for New Sur-24 VEYORS.—The Secretary shall require the State to

25 establish a process for assuring that—

1	"(A) each individual newly hired as a nurs-
2	ing home surveyor, as part of the individual's
3	basic training, is assigned full-time to a partici-
4	pating nursing facility for at least 5 days within
5	a 7-day period to observe actual operations out-
6	side of the survey process before the individual
7	begins oversight responsibilities;
8	"(B) such individual shall not assume
9	oversight responsibility during this training pe-
10	riod and such observations may not be the sole
11	basis of a deficiency citation against the facility;
12	and
13	"(C) such individual shall not be assigned
14	as a member of a survey team for the facility
15	in which the individual received training for two
16	standard surveys following the training period
17	in the facility.".
18	(b) Medicaid Program.—Section 1919(e) of the
19	Social Security Act (42 U.S.C. 1396r(e)), as amended by
20	section 101(b), is amended by adding at the end the fol-
21	lowing new paragraph:
22	"(9) Facility-based training for New Sur-
23	VEYORS.—The State shall establish a process for as-
24	suring that—

1	"(A) each individual newly hired as a nurs-
2	ing home surveyor, as part of the individual's
3	basic training, is assigned full-time to a partici-
4	pating nursing facility for at least 5 days within
5	a 7-day period to observe actual operations out-
6	side of the survey process before the individual
7	begins oversight responsibilities;
8	"(B) such individual shall not assume
9	oversight responsibility during this training pe-
10	riod and such observations may not be the sole
11	basis of a deficiency citation against the facility;
12	and
13	"(C) such individual shall not be assigned
14	as a member of a survey team for the facility
15	in which the individual received training for two
16	standard surveys following the training period
17	in the facility.".
18	(c) Effective Date.—The amendments made by
19	this section shall take effect on January 1, 2007.
20	SEC. 103. RESUMPTION OF NURSE AIDE TRAINING PRO-
21	GRAM AFTER CORRECTION OF DEFI-
22	CIENCIES.
23	(a) Resumption of Nurse Aide Training Pro-
24	GRAM FOR SKILLED NURSING FACILITIES.—Section

1	1819(f)(2) of the Social Security Act (42 U.S.C. 1395i-
2	3(f)(2)) is amended—
3	(1) in paragraph (B)(iii), in the matter pre-
4	ceding subclause (I), by striking "(C) and (D)" and
5	inserting "(C), (D), and (E)"; and
6	(2) by adding at the end the following new sub-
7	paragraph:
8	"(E) RESUMPTION OF NURSE AIDE TRAIN-
9	ING PROGRAM AFTER CORRECTION OF DEFI-
10	CIENCIES.—Clause (iii)(I) of subparagraph (B)
11	shall not apply to a program offered by or in
12	a skilled nursing facility if the facility has—
13	"(i) corrected any deficiencies that re-
14	sulted in the prohibition of approval of
15	such program; and
16	"(ii) demonstrated compliance with
17	the requirements of subsections (b), (c),
18	and (d) of this section.".
19	(b) Resumption of Nurse Aide Training Pro-
20	GRAM FOR NURSING FACILITIES.—Section $1919(f)(2)$ of
21	the Social Security Act (42 U.S.C. $1396r(f)(2)$ ) is amend-
22	ed—
23	(1) in paragraph (B)(iii), in the matter pre-
24	ceding subclause (I), by striking "(C) and (D)" and
25	inserting "(C), (D), and (E)"; and

2	paragraph:
3	"(E) RESUMPTION OF NURSE AIDE TRAIN-
4	ING PROGRAM AFTER CORRECTION OF DEFI-
5	CIENCIES.—Clause (iii)(I) of subparagraph (B)
6	shall not apply to a program offered by or in
7	a nursing facility if the facility has—
8	"(i) corrected any deficiencies that re-
9	sulted in the prohibition of approval of
10	such program; and
11	"(ii) been determined to be in compli-
12	ance with the requirements of subsections
13	(b), (c), and (d) of this section.".
14	(c) EFFECTIVE DATE.—The amendments made by
15	this section shall take effect on January 1, 2007.
16	SEC. 104. CLARIFYING AND ELIMINATING THE DISTINC-
17	TION BETWEEN PHYSICIAN SUPERVISION RE-
18	
	QUIREMENTS FOR SKILLED NURSING FACILI-
19	QUIREMENTS FOR SKILLED NURSING FACILI- TIES AND NURSING FACILITIES.
19	TIES AND NURSING FACILITIES.
19 20	<b>TIES AND NURSING FACILITIES.</b> (a) Physician Supervision Requirements for
19 20 21	TIES AND NURSING FACILITIES. (a) PHYSICIAN SUPERVISION REQUIREMENTS FOR SKILLED NURSING FACILITIES.—Section 1819(b)(6)(A)
19 20 21 22	TIES AND NURSING FACILITIES. (a) PHYSICIAN SUPERVISION REQUIREMENTS FOR SKILLED NURSING FACILITIES.—Section 1819(b)(6)(A) of the Social Security Act (42 U.S.C. 1395i–3(b)(6)(A))

collaboration with a physician)" before the semicolon at
 the end.

3 (b) CLARIFYING PHYSICIAN SUPERVISION REQUIRE4 MENTS FOR NURSING FACILITIES.—Section
5 1919(b)(6)(A) of the Social Security Act (42 U.S.C.
6 1396r(b)(6)(A)) is amended by striking "who is not an
7 employee of the facility but".

8 (c) EFFECTIVE DATE.—The amendments made by9 this section shall take effect on January 1, 2007.

10sec. 105. Permitting split or shared billing by phy-11sicians and nurse practitioners in12skilled nursing facilities.

(a) IN GENERAL.—Section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) is amended by adding
at the end the following new paragraph:

"(13) PERMITTING SPLIT OR SHARED BILLING 16 17 PHYSICIANS AND NURSE PRACTITIONERS IN BY 18 NURSING FACILITIES.—Notwithstanding SKILLED 19 section 1861(s)(2)(K)(ii), a physician and a nurse 20 practitioner may each submit a claim for payment 21 for their portion of a service provided to a resident 22 of a skilled nursing facility, except that, in no case 23 may the total amount paid under this title be great-24 er than it would have been if only one person had submitted a claim for such service.". 25

(b) EFFECTIVE DATE.—The amendments made by
 this section shall apply to services furnished on or after
 January 1, 2007.

# 4 SEC. 106. PERMITTING NURSE PRACTITIONERS EMPLOYED 5 BY SKILLED NURSING FACILITIES TO CER6 TIFY SKILLED CARE.

7 (a) IN GENERAL.—Section 1814(a)(2) of the Social
8 Security Act (42 U.S.C. 1395f(a)(2)) is amended by strik9 ing "or a nurse practitioner or" and inserting "a nurse
10 practitioner, or a".

(b) EFFECTIVE DATE.—The amendment made bythis section shall take effect on January 1, 2007.

#### 13 SEC. 107. MODERNIZATION OF THERAPY CAPS.

14 Section 1833(g) of the Social Security Act (42 U.S.C.
15 1395l(g)) is amended—

- 16 (1) in paragraph (4)—
- 17 (A) by striking "This subsection" and in18 serting "Except as provided in paragraph (6),
  19 this subsection"; and

20 (B) by inserting "and with respect to serv21 ices furnished on or after January 1, 2009" be22 fore the period at the end; and

23 (2) by adding at the end the following new24 paragraph:

1 "(6) In the case of services described in para-2 graph (1), with respect to such services furnished on 3 or after January 1, 2009, the Secretary shall estab-4 lish and implement a condition-based system based 5 on medical necessity for necessary and clinically ap-6 propriate services. Such system shall utilize a stand-7 ardized patient assessment tool to evaluate the level 8 of such services that are needed by an individual and 9 impose a limitation on coverage of such services 10 under this part based on such tool.".

## 11 SEC. 108. ESTABLISHMENT OF A MEDICARE SKILLED NURS-

#### ING FACILITY SPECIFIC WAGE INDEX.

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13 Section 1888(e)(4)(G)(ii) of the Social Security Act 14 (42 U.S.C. 1395yy(e)(4)(G)(ii)) is amended by inserting 15 after the first sentence the following new sentence: "For services furnished on or after October 1, 2008, in making 16 17 the adjustment under the preceding sentence, the Sec-18 retary shall utilize an area wage index for skilled nursing 19 facilities based on wage data from such facilities and not from hospitals." 20

1	SEC. 109. AUTHORITY TO EXCLUDE HIGH COST AND LOW
2	PROBABILITY DRUGS USED IN THE TREAT-
3	MENT OF CANCER FROM THE MEDICARE
4	PROSPECTIVE PAYMENT SYSTEM FOR
5	SKILLED NURSING FACILITIES.
6	(a) IN GENERAL.—Section 1888(e)(2)(A)(iii) of the
7	Social Security Act (42 U.S.C. 1395yy(e)(2)(A)(iii)) is
8	amended—
9	(1) by redesignating subclauses (IV) and (V) as
10	subclauses (V) and (VI), respectively; and
11	(2) by inserting after subclause (III) the fol-
12	lowing new subclause:
13	"(IV) Any drugs (not otherwise
14	described in subclause (II)) used in
15	the treatment of cancer, including
16	antineoplastic drugs, antiemetics, and
17	supportive medications, that the Sec-
18	retary determines to be appropriate.".
19	(b) EFFECTIVE DATE.—The amendments made by
20	subsection (a) shall apply to drugs furnished on or after
21	October 1, 2007.
22	SEC. 110. EXCLUSION OF ALL AMBULANCE SERVICES FROM
23	THE MEDICARE PROSPECTIVE PAYMENT SYS-
24	TEM FOR SKILLED NURSING FACILITIES.
25	(a) IN GENERAL.—Section $1888(e)(2)(A)(iii)(I)$ of
26	the Social Security Act (42 U.S.C.
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1395yy(e)(2)(A)(iii)(I)) is amended by striking "furnished 1 2 to" and all that follows before the period. 3 (b) EFFECTIVE DATE.—The amendment made by 4 subsection (a) shall apply to services furnished on or after 5 October 1, 2007. SEC. 111. AUTHORITY TO EXCLUDE ADDITIONAL ITEMS 6 7 AND SERVICES FROM THE MEDICARE PRO-8 SPECTIVE PAYMENT SYSTEM FOR SKILLED 9 NURSING FACILITIES. 10 (a) AUTHORITY.—Section 1888(e)(2)(A) of the So-11 cial Security Act (42 U.S.C. 1395yy(e)(2)(A)) is amended— 12 13 (1) in clause (i)(II), by striking "and (iv)" and 14 inserting "(iv), and (v)(I)"; and 15 (2) by adding at the end the following new clause: 16 17 "(v) EXCLUSION  $\mathbf{OF}$ ADDITIONAL 18 ITEMS AND SERVICES DETERMINED APPRO-19 PRIATE BY THE SECRETARY.-20 "(I) IN GENERAL.—Items and 21 services described in this clause are 22 any items and services not otherwise 23 described in clauses (ii), (iii), or (iv), 24 that the Secretary determines to be 25 appropriate.

	10
1	"(II) ANNUAL UPDATE.—The
2	Secretary shall annually update the
3	items and services described in sub-
4	clause (I) to take into account
5	changes in the practice of medicine.".
6	(b) CLARIFICATION.—Items and services described in
7	section $1888(e)(2)(A)(v)(I)$ of the Social Security Act (42
8	U.S.C. $1395yy(e)(2)(A)(v)(I))$ , as added by subsection (a),
9	may include items and services furnished in a freestanding
10	clinic to an individual who is a resident of a skilled nursing
11	facility.
12	(c) EFFECTIVE DATE.—The amendment made by
13	subsection (a) shall take effect on October 1, 2007.
13 14	<ul><li>subsection (a) shall take effect on October 1, 2007.</li><li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS-</li></ul>
14	SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS-
14 15	SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE
14 15 16	SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.
14 15 16 17	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social</li> </ul>
14 15 16 17 18	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended—</li> </ul>
14 15 16 17 18 19	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended— (1) by striking "(A) post-hospital" and</li> </ul>
<ol> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> </ol>	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended—</li> <li>(1) by striking "(A) post-hospital" and</li> <li>(2) by striking ", and (B)" and all that follows</li> </ul>
<ol> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> </ol>	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended—</li> <li>(1) by striking "(A) post-hospital" and</li> <li>(2) by striking ", and (B)" and all that follows up to the period at the end.</li> </ul>
<ol> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> </ol>	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended—</li> <li>(1) by striking "(A) post-hospital" and</li> <li>(2) by striking ", and (B)" and all that follows up to the period at the end.</li> <li>(b) CONFORMING AMENDMENTS.—</li> </ul>
<ol> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> </ol>	<ul> <li>SEC. 112. ELIMINATION OF MEDICARE 3-DAY POST-HOS- PITAL STAY REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES.</li> <li>(a) IN GENERAL.—Section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395d(a)(2)) is amended—</li> <li>(1) by striking "(A) post-hospital" and</li> <li>(2) by striking ", and (B)" and all that follows up to the period at the end.</li> <li>(b) CONFORMING AMENDMENTS.—</li> <li>(1) Title XVIII of the Social Security Act are</li> </ul>

(2) Section 1812(f) of such Act is repealed.

2 (3) Section 1861(i) of such Act is repealed.

1

3 (4) Section 1888(e)(2)(A)(i)(I) of such Act is
4 amended by striking "section 1861(i)" and inserting
5 "section 1861(h)".

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to extended care services furnished
8 in periods of stay beginning on or after January 1, 2007.
9 TITLE II—WORKFORCE SUPPORT

#### 10 SEC. 201. NURSING LOAN REPAYMENT PROGRAM.

Section 846(a) of the Public Health Service Act (42
 U.S.C. 297n(a)) is amended by striking the last sentence.
 SEC. 202. NATIONAL NURSING DATABASE.

(a) IN GENERAL.—The Secretary of Health and
Human Services shall provide for the establishment of a
national nursing database to be used to predict future
nursing shortages.

18 (b) INFORMATION IN DATABASE.—The database established under subsection (a) shall be designed to include 19 20 nursing workforce data across all healthcare provider set-21 tings, including nursing educators, as determined by the 22 Secretary of Health and Human Services to be appro-23 priate for use in the analysis of trends in the supply and 24 demand of nurses and to create an educational model to 25 predict future nursing workforce needs.

(c) FUNDING.—The Secretary of Health and Human
 Services may transfer, from amounts appropriated for the
 National Center for Health Workforce Analysis, such
 sums as may be necessary to carry out this section.

#### 5 SEC. 203. REPORTS ON NURSING LEVELS.

6 Section 806 of the Public Health Service Act (42
7 U.S.C. 296e), as amended by section 202, is further
8 amended by adding at the end the following:

9 "(j) Reports Concerning Nursing Levels.—

"(1) IN GENERAL.—The entities described in
paragraph (2) shall annually submit to the Secretary
a report concerning how assistance under this title
is being used by such entities to increase the number
of nurses, nursing educators, and nurse education
enrollment slots.

16 "(2) ENTITIES DESCRIBED.—An entity is de17 scribed in this paragraph if such entity is—

18 "(A) an entity that receives a grant or con19 tract under this title;

20 "(B) a school of nursing that receives stu21 dent loan funds under this title;

22 "(C) a school of nursing that receives
23 nurse faculty student loan funds under this
24 title; and

1	"(D) any other entity that receives assist-
2	ance under this title.".
3	TITLE III—TAX INCENTIVES
4	SEC. 301. 10-YEAR RECOVERY PERIOD FOR QUALIFIED
5	LONG-TERM CARE IMPROVEMENT PROP-
6	ERTY.
7	(a) IN GENERAL.—Subparagraph (D) of section
8	168(e)(3) of the Internal Revenue Code of $1986$ (relating
9	to 10-year property) is amended by striking "and" at the
10	end of clause (i), by striking the period at the end of
11	clause (ii) and inserting ", and", and by adding at the
12	end the following new clause:
13	"(iii) any qualified long-term care im-
14	provement property.".
15	(b) Qualified Long-Term Care Improvement
16	PROPERTY.—Section 168(e) of the Internal Revenue Code
17	of 1986 (relating to classification of property) is amended
18	by adding at the end the following new paragraph:
19	"(8) QUALIFIED LONG-TERM CARE IMPROVE-
20	MENT PROPERTY.—The term 'qualified long-term
21	care improvement property' means any section 1250
22	property which is an improvement to a building if—
23	"(A) such improvement is placed in service
24	more than 3 years after the date such building
25	was first placed in service, and

"(B) such building is, or is a part of, a 1 2 nursing facility, assisted living facility, residential care facility, intermediate care facility for 3 4 the mentally retarded, or similar facility designed to provide housing and healthcare for 5 6 the elderly and disabled.". 7 (c) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of 8

9 1986 (relating to special rule for certain property assigned
10 to classes) is amended by inserting after the item relating
11 to subparagraph (D)(ii) the following:

12 (d) EFFECTIVE DATE.—The amendments made by13 this section shall apply to property placed in service after14 the date of the enactment of this Act.