

109TH CONGRESS
2D SESSION

S. 3767

To delay the full implementation of the occupational mix adjustment to the wage index under the Medicare inpatient hospital prospective payment system.

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2006

Mr. GRASSLEY (for himself and Mr. BAUCUS) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To delay the full implementation of the occupational mix adjustment to the wage index under the Medicare inpatient hospital prospective payment system.

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 “Payment Accuracy Im-
5 provement Act of 2006”.

1 **SEC. 2. DELAY IN THE FULL IMPLEMENTATION OF THE OC-**
 2 **CUPATIONAL MIX ADJUSTMENT TO THE**
 3 **MEDICARE INPATIENT HOSPITAL WAGE**
 4 **INDEX.**

5 (a) DELAY.—With respect to payments to hospitals
 6 under the Medicare program for discharges occurring on
 7 or after October 1, 2006, and before October 1, 2008, not-
 8 withstanding any other provision of law, the following
 9 rules shall apply:

10 (1) The Secretary of Health and Human Serv-
 11 ices may not apply an occupational mix adjustment
 12 to more than 10 percent of the hospital area wage
 13 index under section 1886(d)(3)(E) of the Social Se-
 14 curity Act (42 U.S.C. 1395ww(d)(3)(E)).

15 (2) If the Secretary of Health and Human
 16 Services does apply an occupational mix adjustment
 17 to the hospital area wage index under such section
 18 1886(d)(3)(E), the Secretary shall only use the data
 19 for such adjustment that was to be used to make the
 20 adjustment to such wage index under the proposed
 21 rule published by the Secretary in the Federal Reg-
 22 ister on April 25, 2006 (71 Fed. Reg. 24075–24076;
 23 relating to the development of data for the proposed
 24 occupational mix adjustment to the proposed fiscal
 25 year 2007 wage index).

26 (b) STUDY AND REPORT.—

1 (1) STUDY.—

2 (A) IN GENERAL.—The Secretary of
3 Health and Human Services shall conduct a
4 study on the process for applying an occupa-
5 tional mix adjustment to the hospital area wage
6 index under section 1886(d)(3)(E) of the Social
7 Security Act (42 U.S.C. 1395ww(d)(3)(E)).

8 (B) REQUIREMENTS.—The study con-
9 ducted under subparagraph (A) shall include an
10 analysis of—

11 (i) the occupational mix data collected
12 during the first 6 months of 2006 and the
13 accuracy of such data;

14 (ii) the burden on hospitals associated
15 with complying with the survey require-
16 ments under such section 1886(d)(3)(E);

17 (iii) ways to improve the instrument
18 used in conducting the survey described
19 clause (ii);

20 (iv) methods for collecting data nec-
21 essary to apply an occupational mix adjust-
22 ment to the hospital area wage index under
23 such section 1886(d)(3)(E) other than the
24 survey described in clause (ii); and

1 (v) any other matters relating to such
2 occupational mix adjustment that the Sec-
3 retary considers appropriate.

4 (2) REPORT.—Not later than January 1, 2008,
5 the Secretary of Health and Human Services shall
6 submit a report to Congress on the study conducted
7 under paragraph (1) together with recommendations
8 for such legislation and administrative actions as the
9 Secretary considers appropriate.

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