

117TH CONGRESS
1ST SESSION

H. R. 2256

To amend title XVIII of the Social Security Act to provide for the distribution of additional residency positions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2021

Ms. SEWELL (for herself, Mr. KATKO, Mr. SUOZZI, Mr. RODNEY DAVIS of Illinois, Ms. BARRAGÁN, Mrs. BEATTY, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. CARBAJAL, Mr. CICILLINE, Mr. COHEN, Mr. CONNOLLY, Mr. CROW, Mr. DANNY K. DAVIS of Illinois, Ms. DEGETTE, Mr. MICHAEL F. DOYLE of Pennsylvania, Mr. FITZPATRICK, Ms. HOULAHAN, Mr. JOHNSON of Georgia, Mr. LAWSON of Florida, Ms. LEE of California, Mrs. LEE of Nevada, Ms. MCCOLLUM, Mr. MEEKS, Ms. MENG, Mr. NADLER, Mr. PAYNE, Ms. PINGREE, Ms. ROSS, Ms. SCANLON, Ms. STEFANIK, Mr. STEUBE, Ms. STEVENS, Ms. TITUS, Mr. TONKO, Mr. VAN DREW, Ms. VELÁZQUEZ, Mr. WELCH, Ms. BASS, and Miss RICE of New York) 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 amend title XVIII of the Social Security Act to provide for the distribution of additional residency positions, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Resident Physician
3 Shortage Reduction Act of 2021”.

4 **SEC. 2. DISTRIBUTION OF ADDITIONAL RESIDENCY POSI-**
5 **TIONS.**

6 (a) IN GENERAL.—Section 1886(h) of the Social Se-
7 curity Act (42 U.S.C. 1395ww(h)) is amended—

8 (1) in paragraph (4)(F)(i), by striking “para-
9 graphs (7), (8), and (9)” and inserting “paragraphs
10 (7), (8), (9), and (10)”;

11 (2) in paragraph (4)(H)(i), by striking “para-
12 graphs (7), (8), and (9)” and inserting “paragraphs
13 (7), (8), (9), and (10)”;

14 (3) in paragraph (7)(E), by inserting “para-
15 graph (10),” after “paragraph (8),”; and

16 (4) by adding at the end the following new
17 paragraph:

18 “(10) DISTRIBUTION OF ADDITIONAL RESI-
19 DENCY POSITIONS.—

20 “(A) ADDITIONAL RESIDENCY POSI-
21 TIONS.—

22 “(i) IN GENERAL.—For each of fiscal
23 years 2023 through 2029 (and succeeding
24 fiscal years if the Secretary determines
25 that there are additional residency posi-
26 tions available to distribute under clause

1 (iv)(II)), the Secretary shall, subject to
2 clause (ii) and subparagraph (D), increase
3 the otherwise applicable resident limit for
4 each qualifying hospital (as defined in sub-
5 paragraph (H)) that submits a timely ap-
6 plication under this subparagraph by such
7 number as the Secretary may approve for
8 portions of cost reporting periods occurring
9 on or after July 1 of the fiscal year of the
10 increase.

11 “(ii) NUMBER AVAILABLE FOR DIS-
12 TRIBUTION.—For each such fiscal year,
13 the Secretary shall determine the total
14 number of additional residency positions
15 available for distribution under clause (i)
16 in accordance with the following:

17 “(I) ALLOCATION TO HOSPITALS
18 ALREADY OPERATING OVER RESIDENT
19 LIMIT.—One-third of such number
20 shall be available for distribution only
21 to hospitals described in subparagraph
22 (B).

23 “(II) AGGREGATE LIMITATION.—
24 Except as provided in clause (iv)(I),
25 the aggregate number of increases in

1 the otherwise applicable resident limit
2 under this subparagraph shall be
3 equal to 2,000 in each such year.

4 “(iii) PROCESS FOR DISTRIBUTING
5 POSITIONS.—

6 “(I) ROUNDS OF APPLICA-
7 TIONS.—The Secretary shall initiate 7
8 separate rounds of applications for an
9 increase under clause (i), 1 round
10 with respect to each of fiscal years
11 2023 through 2029.

12 “(II) NUMBER AVAILABLE.—In
13 each of such rounds, the aggregate
14 number of positions available for dis-
15 tribution in the fiscal year under
16 clause (ii) shall be distributed, plus
17 any additional positions available
18 under clause (iv).

19 “(III) TIMING.—The Secretary
20 shall notify hospitals of the number of
21 positions distributed to the hospital
22 under this paragraph as a result of an
23 increase in the otherwise applicable
24 resident limit by January 1 of the fis-
25 cal year of the increase. Such increase

1 shall be effective for portions of cost
2 reporting periods beginning on or
3 after July 1 of that fiscal year.

4 “(iv) POSITIONS NOT DISTRIBUTED
5 DURING THE FISCAL YEAR.—

6 “(I) IN GENERAL.—If the num-
7 ber of resident full-time equivalent po-
8 sitions distributed under this para-
9 graph in a fiscal year is less than the
10 aggregate number of positions avail-
11 able for distribution in the fiscal year
12 (as described in clause (ii), including
13 after application of this subclause),
14 the difference between such number
15 distributed and such number available
16 for distribution shall be added to the
17 aggregate number of positions avail-
18 able for distribution in the following
19 fiscal year.

20 “(II) EXCEPTION IF POSITIONS
21 NOT DISTRIBUTED BY END OF FISCAL
22 YEAR 2029.—If the aggregate number
23 of positions distributed under this
24 paragraph during the 7-year period of
25 fiscal years 2023 through 2029 is less

1 than 14,000, the Secretary shall, in
2 accordance with the provisions of
3 clause (ii) and subparagraph (E) and
4 the considerations and priority de-
5 scribed in subparagraph (C), conduct
6 an application and distribution proc-
7 ess in each subsequent fiscal year
8 until such time as the aggregate
9 amount of positions distributed under
10 this paragraph is equal to 14,000.

11 “(B) ALLOCATION OF DISTRIBUTION FOR
12 POSITIONS TO HOSPITALS ALREADY OPERATING
13 OVER RESIDENT LIMIT.—

14 “(i) IN GENERAL.—Subject to clauses
15 (ii) and (iii), in the case of a hospital in
16 which the reference resident level of the
17 hospital (as specified in subparagraph
18 (G)(iii)) is greater than the otherwise ap-
19 plicable resident limit, the increase in the
20 otherwise applicable resident limit under
21 subparagraph (A) for a fiscal year de-
22 scribed in such subparagraph shall be an
23 amount equal to the product of the total
24 number of additional residency positions
25 available for distribution under subpara-

1 graph (A)(ii)(I) for such fiscal year and
2 the quotient of—

3 “(I) the number of resident posi-
4 tions by which the reference resident
5 level of the hospital exceeds the other-
6 wise applicable resident limit for the
7 hospital; and

8 “(II) the number of resident po-
9 sitions by which the reference resident
10 level of all such hospitals with respect
11 to which an application is approved
12 under this paragraph exceeds the oth-
13 erwise applicable resident limit for
14 such hospitals.

15 “(ii) REQUIREMENTS.—A hospital de-
16 scribed in clause (i)—

17 “(I) is not eligible for an increase
18 in the otherwise applicable resident
19 limit under this subparagraph unless
20 the amount by which the reference
21 resident level of the hospital exceeds
22 the otherwise applicable resident limit
23 is not less than 10 and the hospital
24 trains at least 25 percent of the full-
25 time equivalent residents of the hos-

1 pital in primary care and general sur-
2 gery (as of the date of enactment of
3 this paragraph); and

4 “(II) shall continue to train at
5 least 25 percent of the full-time equiv-
6 alent residents of the hospital in pri-
7 mary care and general surgery for the
8 5-year period beginning on such date.

9 In the case where the Secretary determines
10 that a hospital described in clause (i) no
11 longer meets the requirement of subclause
12 (II), the Secretary may reduce the other-
13 wise applicable resident limit of the hos-
14 pital by the amount by which such limit
15 was increased under this subparagraph.

16 “(iii) CLARIFICATION REGARDING ELI-
17 GIBILITY FOR OTHER ADDITIONAL RESI-
18 DENCY POSITIONS.—Nothing in this sub-
19 paragraph shall be construed as preventing
20 a hospital described in clause (i) from ap-
21 plying for and receiving additional resi-
22 dency positions under this paragraph that
23 are not reserved for distribution under this
24 subparagraph.

1 “(C) DISTRIBUTION OF OTHER POSI-
2 TIONS.—For purposes of determining an in-
3 crease in the otherwise applicable resident limit
4 under subparagraph (A) (other than such an in-
5 crease described in subparagraph (B)), the fol-
6 lowing shall apply:

7 “(i) CONSIDERATIONS IN DISTRIBUTION.—In determining for which hospitals
8 such an increase is provided under sub-
9 paragraph (A), the Secretary shall take
10 into account the demonstrated likelihood of
11 the hospital filling the positions made
12 available under this paragraph within the
13 first 5 cost reporting periods beginning
14 after the date the increase would be effec-
15 tive, as determined by the Secretary.

16 “(ii) MINIMUM DISTRIBUTION FOR
17 CERTAIN CATEGORIES OF HOSPITALS.—
18 With respect to the aggregate number of
19 such positions available for distribution
20 under this paragraph, the Secretary shall
21 distribute not less than 10 percent of such
22 aggregate number to each of the following
23 categories of hospitals:
24

1 “(I) Hospitals that are located in
2 a rural area (as defined in subsection
3 (d)(2)(D)) or are treated as being lo-
4 cated in a rural area pursuant to sub-
5 section (d)(8)(E).

6 “(II) Hospitals in which the ref-
7 erence resident level of the hospital
8 (as specified in subparagraph (F)(iii))
9 is greater than the otherwise applica-
10 ble resident limit.

11 “(III) Hospitals in States with—

12 “(aa) new medical schools
13 that received ‘Candidate School’
14 status from the Liaison Com-
15 mittee on Medical Education or
16 that received ‘Pre-Accreditation’
17 status from the American Osteo-
18 pathic Association Commission
19 on Osteopathic College Accredita-
20 tion on or after January 1, 2000,
21 and that have achieved or con-
22 tinue to progress toward ‘Full
23 Accreditation’ status (as such
24 term is defined by the Liaison
25 Committee on Medical Edu-

1 cation) or toward ‘Accreditation’
2 status (as such term is defined
3 by the American Osteopathic As-
4 sociation Commission on Osteo-
5 pathic College Accreditation); or

6 “(bb) additional locations
7 and branch campuses established
8 on or after January 1, 2000, by
9 medical schools with ‘Full Ac-
10 creditation’ status (as such term
11 is defined by the Liaison Com-
12 mittee on Medical Education) or
13 ‘Accreditation’ status (as such
14 term is defined by the American
15 Osteopathic Association Commis-
16 sion on Osteopathic College Ac-
17 creditation).

18 “(IV) Hospitals that serve areas
19 designated as health professional
20 shortage areas under section
21 332(a)(1)(A) of the Public Health
22 Service Act, as determined by the Sec-
23 retary.

24 “(D) PROHIBITION ON DISTRIBUTION TO
25 HOSPITALS WITHOUT AN INCREASE AGREE-

1 MENT.—No increase in the otherwise applicable
2 resident limit of a hospital may be made under
3 subparagraph (C) unless such hospital agrees to
4 increase the total number of full-time equivalent
5 residency positions under the approved medical
6 residency training program of such hospital by
7 the number of such positions made available by
8 such increase under the subparagraph.

9 “(E) LIMITATION.—

10 “(i) IN GENERAL.—Except as pro-
11 vided in clause (ii), a hospital may not re-
12 ceive more than 75 full-time equivalent ad-
13 ditional residency positions in the aggre-
14 gate under this paragraph and paragraph
15 (9) over the period of fiscal years 2023
16 through 2029.

17 “(ii) INCREASE IN NUMBER OF ADDI-
18 TIONAL POSITIONS A HOSPITAL MAY RE-
19 CEIVE.—The Secretary shall increase the
20 aggregate number of full-time equivalent
21 additional residency positions a hospital
22 may receive under this paragraph over
23 such period if the Secretary estimates that
24 the number of positions available for dis-
25 tribution under subparagraph (A) exceeds

1 the number of applications approved under
2 such subparagraph over such period.

3 “(F) APPLICATION OF PER RESIDENT
4 AMOUNTS FOR PRIMARY CARE AND NONPRI-
5 MARY CARE.—With respect to additional resi-
6 dency positions in a hospital attributable to the
7 increase provided under this paragraph, the ap-
8 proved FTE per resident amounts are deemed
9 to be equal to the hospital per resident amounts
10 for primary care and nonprimary care com-
11 puted under paragraph (2)(D) for that hospital.

12 “(G) PERMITTING FACILITIES TO APPLY
13 AGGREGATION RULES.—The Secretary shall
14 permit hospitals receiving additional residency
15 positions attributable to the increase provided
16 under this paragraph to, beginning in the fifth
17 year after the effective date of such increase,
18 apply such positions to the limitation amount
19 under paragraph (4)(F) that may be aggre-
20 gated pursuant to paragraph (4)(H) among
21 members of the same affiliated group.

22 “(H) DEFINITIONS.—In this paragraph:

23 “(i) OTHERWISE APPLICABLE RESI-
24 DENT LIMIT.—The term ‘otherwise appli-
25 cable resident limit’ means, with respect to

1 a hospital, the limit otherwise applicable
2 under subparagraphs (F)(i) and (H) of
3 paragraph (4) on the resident level for the
4 hospital determined without regard to this
5 paragraph but taking into account para-
6 graphs (7)(A), (7)(B), (8)(A), and (8)(B).

7 “(ii) REFERENCE RESIDENT LEVEL.—
8 Except as otherwise provided in subclause
9 (II), the term ‘reference resident level’
10 means, with respect to a hospital, the resi-
11 dent level for the most recent cost report-
12 ing period of the hospital ending on or be-
13 fore the date of enactment of this para-
14 graph, for which a cost report has been
15 settled (or, if not, submitted (subject to
16 audit)), as determined by the Secretary.

17 “(iii) RESIDENT LEVEL.—The term
18 ‘resident level’ has the meaning given such
19 term in paragraph (7)(C)(i).

20 “(iv) QUALIFYING HOSPITAL.—The
21 term ‘qualifying hospital’ means a hospital
22 described in subparagraph (B)(i) or any of
23 subclauses (I) through (IV) of subpara-
24 graph (C)(ii).”.

1 (b) IME.—Section 1886(d)(5)(B) of the Social Secu-
2 rity Act (42 U.S.C. 1395ww(d)(5)(B)) is amended—

3 (1) in clause (v), in the third sentence, by strik-
4 ing “subsections (h)(7), (h)(8), and (h)(9)” and in-
5 serting “subsections (h)(7), (h)(8), (h)(9), and
6 (h)(10)”; and

7 (2) by adding after clause (xii), as redesignated
8 by subparagraph (A), the following new clause:

9 “(xiii) For discharges occurring on or
10 after July 1, 2023, insofar as an additional
11 payment amount under this subparagraph
12 is attributable to resident positions distrib-
13 uted to a hospital under subsection
14 (h)(10), the indirect teaching adjustment
15 factor shall be computed in the same man-
16 ner as provided under clause (ii) with re-
17 spect to such resident positions.”.

18 **SEC. 3. STUDY AND REPORT ON STRATEGIES FOR INCREAS-**
19 **ING DIVERSITY.**

20 (a) STUDY.—The Comptroller General of the United
21 States (in this section referred to as the “Comptroller
22 General”) shall conduct a study on strategies for increas-
23 ing the diversity of the health professional workforce. Such
24 study shall include an analysis of strategies for increasing
25 the number of health professionals from rural, lower in-

1 come, and underrepresented minority communities, includ-
2 ing which strategies are most effective for achieving such
3 goal.

4 (b) REPORT.—Not later than 2 years after the date
5 of enactment of this Act, the Comptroller General shall
6 submit to Congress a report on the study conducted under
7 subsection (a), together with recommendations for such
8 legislation and administrative action as the Comptroller
9 General determines appropriate.

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