

118TH CONGRESS
1ST SESSION

S. _____

To amend the title XVIII of the Social Security Act to preserve access to rural health care by ensuring fairness in Medicare hospital payments.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the title XVIII of the Social Security Act to preserve access to rural health care by ensuring fairness in Medicare hospital payments.

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 “Save Rural Hospitals
5 Act of 2023”.

6 **SEC. 2. ENSURING FAIRNESS IN MEDICARE HOSPITAL PAY-**
7 **MENTS.**

8 (a) HOSPITAL INPATIENT SERVICES.—

1 (1) IN GENERAL.—Section 1886(d)(3)(E) of
2 the Social Security Act (42 U.S.C.
3 1395ww(d)(3)(E)) is amended—

4 (A) in clause (i), in the first sentence, by
5 striking “or (iv)” and inserting “, (iv), or (v)”;
6 and

7 (B) by adding at the end the following new
8 clause:

9 “(v) AREA WAGE INDEX FLOOR.—

10 “(I) IN GENERAL.—For dis-
11 charges occurring on or after October
12 1, 2023, the area wage index applica-
13 ble under this subparagraph to any
14 hospital which is not located in a fron-
15 tier State (as defined in clause
16 (iii)(II)) may not be less than 0.85.

17 “(II) WAIVING BUDGET NEU-
18 TRALITY.—Pursuant to the fifth sen-
19 tence of clause (i), this clause shall
20 not be applied in a budget neutral
21 manner.”.

22 (2) WAIVING BUDGET NEUTRALITY.—

23 (A) TECHNICAL AMENDATORY CORREC-
24 TION.—Section 10324(a)(2) of Public Law

1 111–148 is amended by striking “third sen-
2 tence” and inserting “fifth sentence”.

3 (B) WAIVER.—Section 1886(d)(3)(E)(i) of
4 the Social Security Act (42 U.S.C.
5 1395ww(d)(3)(E)(i)) is amended, in the fifth
6 sentence—

7 (i) by striking “and the amendments”
8 and inserting “, the amendments”; and

9 (ii) by inserting “, and the amend-
10 ments made by section 2(a)(1) of the Save
11 Rural Hospitals Act of 2023” after “Act of
12 2021”.

13 (b) HOSPITAL OUTPATIENT DEPARTMENT SERV-
14 ICES.—Section 1833(t) of the Social Security Act (42
15 U.S.C. 1395l(t)), is amended—

16 (1) in paragraph (2)(D), by striking “(19), the
17 Secretary” and inserting “(19) and paragraph (23),
18 the Secretary”; and

19 (2) by adding at the end the following new
20 paragraph:

21 “(23) FLOOR ON AREA WAGE ADJUSTMENT
22 FACTOR FOR HOSPITAL OUTPATIENT DEPARTMENT
23 SERVICES.—With respect to covered OPD services
24 furnished on or after January 1, 2024, the area
25 wage adjustment factor applicable under the pay-

1 ment system established under this subsection to
2 any hospital outpatient department which is not lo-
3 cated in a frontier State (as defined in section
4 1886(d)(3)(E)(iii)(II)) may not be less than 0.85.
5 The preceding sentence shall not be implemented in
6 a budget neutral manner.”.