

**Explanation of Changes Reflected in the Chairman's Amendment in the Nature of a Substitute**

*(Compared with H.R. 2580, a bill To provide for a technical change to the Medicare long-term care hospital moratorium exception, and for other purposes., as introduced)*

June 2, 2015

The Chairman's amendment in the nature of a substitute modifies H.R. 2580.

Page 2, line 14, insert "high cost" before "outlier".

Page 2, line 18, insert "high cost" before " outlier".

Page 2, lines 19 and 20, strike "Reduction factor in establishing outlier pool" and insert "Adjustment to the standard federal payment rate for estimated high cost outlier payments".

Page 2, line 21, strike "rate" and insert "fiscal".

Page 2, line 22, strike "in adjusting" and all that follows through line 25 and insert the following: "the Secretary shall reduce the standard Federal payment rate as if the estimated aggregate amount of high cost outlier payments for standard Federal payment rate discharges for each such fiscal year would be equal to 8 percent of estimated aggregate payments for standard Federal payment rate discharges for each such fiscal year."

Page 3, amend lines 1 through 8 to read as follows:

(B) Limitation on high cost outlier payment amounts.—Notwithstanding subparagraph (A), the Secretary shall set the fixed loss amount for high cost outlier payments such that the estimated aggregate amount of high cost outlier payments made for standard Federal payment rate discharges for fiscal years beginning on or after October 1, 2016, shall be equal to 99.0625 percent of 8 percent of estimated aggregate payments for standard Federal payment rate discharges for each such fiscal year.

Page 3, line 11, strike "subparagraphs (A) and (B)" and insert "subparagraph (B)".

Page 3, line 14, insert "high cost outlier" after "site neutral".

Page 3, line 18, insert after "(6)" the following: ", except for the standard Federal payment rate portion of blended payment rates determined under subparagraph (B)(iii)(II) of such paragraph".