

[DISCUSSION DRAFT]

117TH CONGRESS
2^D SESSION

H. R. _____

To amend title XVIII of the Social Security Act to provide for improvements to the Medicare prospective payment system for psychiatric hospitals and psychiatric units.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend title XVIII of the Social Security Act to provide for improvements to the Medicare prospective payment system for psychiatric hospitals and psychiatric units.

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 “_____ Act”.

1 **SEC. 2. IMPROVEMENTS TO MEDICARE PROSPECTIVE PAY-**
2 **MENT SYSTEM FOR PSYCHIATRIC HOSPITALS**
3 **AND PSYCHIATRIC UNITS.**

4 (a) IMPROVEMENTS THROUGH ADDITIONAL CLAIMS
5 DATA INFORMATION.—Section 1886(s) of the Social Secu-
6 rity Act (42 U.S.C. 1395ww(s)) is amended by adding at
7 the end the following new paragraph:

8 “(5) ADDITIONAL DATA AND INFORMATION.—

9 “(A) IN GENERAL.—The Secretary shall
10 collect data and information as the Secretary
11 determines appropriate to revise payments
12 under the system described in paragraph (1) for
13 psychiatric hospitals and psychiatric units pur-
14 suant to subparagraph (D) and for other pur-
15 poses as determined appropriate by the Sec-
16 retary. The Secretary shall begin to collect such
17 data by not later than October 1, 2023.

18 “(B) DATA AND INFORMATION.—The data
19 and information to be collected under subpara-
20 graph (A) may include—

21 “(i) charges, including those related
22 to ancillary services;

23 “(ii) the required intensity of behav-
24 ioral monitoring, such as cognitive deficit,
25 suicide ideations, violent behavior, and
26 need for physical restraint; and

1 “(iii) interventions, such as detoxifica-
2 tion services for substance abuse, depend-
3 ence on respirator, total parenteral nutri-
4 tional support, dependence on renal dialy-
5 sis, and burn care.

6 “(C) METHOD OF COLLECTION.—The Sec-
7 retary may collect the additional data and infor-
8 mation under subparagraph (A) on cost reports
9 or claims.

10 “(D) REVISIONS TO PAYMENT RATES.—

11 “(i) IN GENERAL.—Notwithstanding
12 the preceding paragraphs of this sub-
13 section or section 124 of the Medicare,
14 Medicaid, and SCHIP Balanced Budget
15 Refinement Act of 1999, for rate year
16 2025 (and for any subsequent rate year, if
17 determined appropriate by the Secretary),
18 the Secretary shall, by regulation, imple-
19 ment revisions to the methodology for de-
20 termining the payment rates under the
21 system described in paragraph (1) for psy-
22 chiatric hospitals and psychiatric units, as
23 the Secretary determines to be appropriate.
24 Such revisions may be based on a review of

1 data and information collected under sub-
2 paragraph (A).

3 “(ii) REVIEW.—The Secretary may
4 make revisions to the diagnosis-related
5 group classifications, in accordance with
6 subsection (d)(4)(C), to reflect nursing and
7 staff resource use and costs involved in
8 furnishing services at such hospitals and
9 units, including considerations for patient
10 complexity and prior admission to an inpa-
11 tient psychiatric facility, which may be
12 based on review of data and information
13 collected under subparagraph (A), as the
14 Secretary determines to be appropriate.

15 “(iii) BUDGET NEUTRALITY.—Revi-
16 sions in payment implemented pursuant to
17 clause (i) for a rate year shall result in the
18 same estimated amount of aggregate ex-
19 penditures under this title for psychiatric
20 hospitals and psychiatric units furnished in
21 the rate year as would have been made
22 under this title for such care in such rate
23 year if such revisions had not been imple-
24 mented.”.

1 (b) IMPROVEMENTS THROUGH STANDARDIZED PA-
2 TIENT ASSESSMENT DATA.—Section 1886(s) of the Social
3 Security Act (42 U.S.C. 1395ww(s)), as amended by sub-
4 section (a), is further amended—

5 (1) in paragraph (4)—

6 (A) in subparagraph (A)(i), by striking
7 “subparagraph (C)” and inserting “subpara-
8 graphs (C) and (E)”;

9 (B) by redesignating subparagraph (E) as
10 subparagraph (F);

11 (C) by inserting after subparagraph (D)
12 the following new subparagraph:

13 “(E) STANDARDIZED PATIENT ASSESS-
14 MENT DATA.—

15 “(i) IN GENERAL.—For rate year
16 2028 and each subsequent rate year, in ad-
17 dition to such data on the quality measures
18 described in subparagraph (C), each psy-
19 chiatric hospital and psychiatric unit shall
20 submit to the Secretary, through the use of
21 a standardized assessment instrument im-
22 plemented under clause (iii), the standard-
23 ized patient assessment data described in
24 clause (ii). Such data shall be submitted
25 with respect to admission and discharge of

1 an individual (and may be submitted more
2 frequently as the Secretary determines ap-
3 propriate).

4 “(ii) STANDARDIZED PATIENT AS-
5 SESSMENT DATA DESCRIBED.—For pur-
6 poses of clause (i), the standardized pa-
7 tient assessment data described in this
8 clause, with respect to a psychiatric hos-
9 pital or psychiatric unit, is data with re-
10 spect to the following categories:

11 “(I) Functional status, such as
12 mobility and self-care at admission to
13 a psychiatric hospital or unit and be-
14 fore discharge from a psychiatric hos-
15 pital or unit.

16 “(II) Cognitive function, such as
17 ability to express ideas and to under-
18 stand, and mental status, such as de-
19 pression and dementia.

20 “(III) Special services, treat-
21 ments, and interventions for psy-
22 chiatric conditions.

23 “(IV) Medical conditions and co-
24 morbidities, such as diabetes, conges-
25 tive heart failure, and pressure ulcers.

1 “(V) Impairments, such as incon-
2 tinence and an impaired ability to
3 hear, see, or swallow.

4 “(VI) Other categories as deter-
5 mined appropriate by the Secretary.

6 “(iii) STANDARDIZED ASSESSMENT IN-
7 STRUMENT.—

8 “(I) IN GENERAL.—For purposes
9 of clause (i), the Secretary shall im-
10 plement a standardized assessment in-
11 strument that provides for the sub-
12 mission of standardized patient as-
13 sessment data under this title with re-
14 spect to psychiatric hospitals and psy-
15 chiatric units which enables compari-
16 son of such assessment data across all
17 such hospitals and units to which such
18 data are applicable.

19 “(II) FUNDING.—The Secretary
20 shall provide for the transfer, from
21 the Federal Hospital Insurance Trust
22 Fund under section 1817 to the Cen-
23 ters for Medicare & Medicaid Services
24 Program Management Account, of

1 \$10,000,000 for purposes of carrying
2 out subclause (I).”; and

3 (D) in subparagraph (F), as redesignated
4 by subparagraph (B) of this paragraph, by
5 striking “subparagraph (C)” and inserting
6 “subparagraphs (C) and (F)”; and

7 (2) by adding at the end the following new
8 paragraph:

9 “(6) ADDITIONAL CONSIDERATIONS FOR DIAG-
10 NOSIS-RELATED GROUP CLASSIFICATIONS.—

11 “(A) IN GENERAL.—Notwithstanding the
12 preceding paragraphs of this subsection (other
13 than paragraph (5)) or section 124 of the Medi-
14 care, Medicaid, and SCHIP Balanced Budget
15 Refinement Act of 1999, beginning not later
16 than rate year 2031, in addition to any revi-
17 sions pursuant to paragraph (5), the Secretary
18 shall, by regulation, implement revisions to the
19 methodology for determining the payment rates
20 under the system described in paragraph (1) for
21 psychiatric hospitals and psychiatric units, as
22 the Secretary determines to be appropriate, to
23 take into account the patient assessment data
24 described in paragraph (4)(E)(ii).

1 “(B) BUDGET NEUTRALITY.—Revisions in
2 payment implemented pursuant to subpara-
3 graph (A) for a rate year shall result in the
4 same estimated amount of aggregate expendi-
5 tures under this title for psychiatric hospitals
6 and psychiatric units furnished in the rate year
7 as would have been made under this title for
8 such care in such rate year if such revisions
9 had not been implemented.”.