

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9468
OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Saving Today’s Acute-
3 Care Resources Act” or the “STAR Act”.

**4 SEC. 2. ADJUSTING LONG-TERM CARE HOSPITAL PAYMENT
5 RATES UNDER THE MEDICARE PROGRAM.**

6 (a) EXTENSION OF SITE NEUTRAL PAYMENT RE-
7 Ductions.—Section 1886(m)(6)(B)(iv) of the Social Se-
8 curity Act (42 U.S.C. 1395ww(m)(6)(B)(iv)) is amend-
9 ed—

10 (1) by striking “2026” and inserting “2036”;
11 and

12 (2) by inserting “(or, for fiscal years 2027
13 through 2036, by 10 percent)” after “4.6 percent”.

14 (b) MODIFICATION OF CRITERIA FOR NONAPPLICA-
15 TION OF SITE NEUTRAL PAYMENT RATE.—

16 (1) ADDITION OF HIGH ACUITY CRITERION.—
17 Section 1886(m)(6)(A) of the Social Security Act
18 (42 U.S.C. 1395ww(m)(6)(A)) is amended—

1 (A) in clause (ii)(I), by striking “or the
2 ventilator criterion under clause (iv)” and in-
3 serting “, the ventilator criterion under clause
4 (iv), or the high acuity criterion described in
5 clause (v)”; and

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

8 “(v) HIGH ACUITY CRITERION.—

9 “(I) IN GENERAL.—The criterion
10 specified in this clause (in this para-
11 graph referred to as the ‘high acuity
12 criterion’) for a discharge from a
13 long-term care hospital in a fiscal year
14 is that—

15 “(aa) the stay in the long-
16 term care hospital ending with
17 such discharge was immediately
18 preceded by a discharge from a
19 stay in a subsection (d) hospital
20 or a stay in a critical access hos-
21 pital;

22 “(bb) the individual dis-
23 charged was assigned to a Medi-
24 care-Severity-Long-Term-Care-
25 Diagnosis-Related-Group (MS-

1 LTC-DRG) that was a specified
2 MS-LTC-DRG (as described in
3 subclause (II)) with respect to
4 such fiscal year;

5 “(cc) the discharge was from
6 a long-term care hospital—

7 “(AA) that enrolled
8 under this title as such a
9 hospital before the date of
10 the enactment of this clause;

11 “(BB) whose qualifying
12 period (as described in sec-
13 tion 412.23(e)(4)(iv) of title
14 42, Code of Federal Regula-
15 tions (or a successor regula-
16 tion)) began before such
17 date;

18 “(CC) that met the
19 mid-build requirements de-
20 scribed in subclause (III); or

21 “(DD) that had ob-
22 tained an approved certifi-
23 cate of need from the State
24 in which such hospital is lo-

1 cated before such date, if re-
2 quired by State law; and

3 “(dd) the discharge occurred
4 on or after October 1, 2027.

5 “(II) SPECIFIED MS-LTC-DRG DE-
6 FINED.—For purposes of subclause
7 subclause (I)(bb), the term ‘specified
8 MS-LTC-DRG’ means, with respect
9 to a fiscal year, an MS-LTC-DRG—

10 “(aa) with a relative weight
11 of 0.9 or greater; and

12 “(bb) that is not assigned on
13 the basis of the receipt of venti-
14 lator services of at least 96
15 hours.

16 “(III) MID-BUILD REQUIRE-
17 MENTS DESCRIBED.—For purposes of
18 subclause (I)(cc), the mid-build re-
19 quirements described in this clause
20 are, with respect to a long-term care
21 hospital, that—

22 “(aa) such hospital had a
23 binding written agreement with
24 an outside, unrelated party for
25 the actual construction, renova-

1 tion, lease, or demolition of such
2 hospital in effect as of the date
3 of the enactment of this clause
4 and, prior to such date, had ex-
5 pended at least 10 percent (or, if
6 less, \$2,500,000) of the esti-
7 mated cost of such construction,
8 renovation, lease, or demolition;
9 and

10 “(bb) the Secretary receives,
11 not later than 60 days after such
12 date, from the chief executive of-
13 ficer or chief operating officer of
14 such hospital a written certifi-
15 cation that the hospital met the
16 requirement under item (aa).”.

17 (2) MODIFICATION OF ICU AND VENTILATOR
18 CRITERIA.—Section 1886(m)(6)(A) of the Social Se-
19 curity Act (42 U.S.C. 1395ww(m)(6)(A)) is amend-
20 ed—

21 (A) in clause (iii)(I), by inserting “or, with
22 respect to discharges from a long-term care
23 hospital occurring on or after October 1, 2027,
24 by a discharge from a stay in such a hospital

1 or a stay in a critical access hospital,” after “in
2 a subsection (d) hospital”; and
3 (B) in clause (iv)(I), by inserting “or, with
4 respect to discharges from a long-term care
5 hospital occurring on or after October 1, 2027,
6 by a discharge from a stay in such a hospital
7 or a stay in a critical access hospital” after “in
8 a subsection (d) hospital”.

