

Text of Senate Amendment 2909

SA 2909. Mr. NELSON of Florida (for himself, Mr. Reid, Mr. Schumer, Mr. Kerry, Ms. Stabenow, and Mr. Leahy) submitted an amendment intended to be proposed to amendment SA 2786 proposed by Mr. Reid (for himself, Mr. Baucus, Mr. Dodd, and Mr. Harkin) to the bill H.R. 3590, to amend the Internal Revenue Code of 1986 to modify the first-time homebuyers credit in the case of members of the Armed Forces and certain other Federal employees, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1449, strike line 1 and all that follows through page 1458, line 5, and insert the following:

SEC. 5503. DISTRIBUTION OF ADDITIONAL RESIDENCY POSITIONS.

(a) *In General.*--Section 1886(h) of the Social Security Act (42 U.S.C. 1395ww(h)) is amended--

(1) in paragraph (4)(F)(i), by striking ``paragraph (7)" and inserting ``paragraphs (7) and (8)";

(2) in paragraph (4)(H)(i), by striking ``paragraph (7)" and inserting ``paragraphs (7) and (8)"; and

(3) by adding at the end the following new paragraph:

``(8) **DISTRIBUTION OF ADDITIONAL RESIDENCY POSITIONS.**--

``(A) **ADDITIONAL RESIDENCY POSITIONS.**--

``(i) **REDUCTION IN LIMIT BASED ON UNUSED POSITIONS.**--

``(I) **IN GENERAL.**--The Secretary shall reduce the otherwise applicable resident limit for a hospital that the Secretary determines had residency positions that were unused for all 5 of the most recent cost reporting periods ending prior to the date of enactment of this paragraph by an amount that is equal to the number of such unused residency positions.

``(II) **EXCEPTION FOR RURAL HOSPITALS AND CERTAIN OTHER HOSPITALS.**--This subparagraph shall not apply to a hospital--

``(aa) located in a rural area (as defined in subsection (d)(2)(D)(ii));

``(bb) that has participated in a voluntary reduction plan under paragraph (6); or

`` (cc) that has participated in a demonstration project approved as of October 31, 2003, under the authority of section 402 of Public Law 90-248.

`` (ii) **NUMBER AVAILABLE FOR DISTRIBUTION.**--The number of additional residency positions available for distribution under subparagraph (B) shall be an amount that the Secretary determines would result in a 15 percent increase in the aggregate number of full-time equivalent residents in approved medical training programs (as determined based on the most recent cost reports available at the time of distribution). One-third of such number shall only be available for distribution to hospitals described in subclause (I) of subparagraph (B)(ii) under such subparagraph.

`` (B) **DISTRIBUTION.**--

`` (i) **IN GENERAL.**--The Secretary shall increase the otherwise applicable resident limit for each qualifying hospital that submits an application under this subparagraph by such number as the Secretary may approve for portions of cost reporting periods occurring on or after the date of enactment of this paragraph. The aggregate number of increases in the otherwise applicable resident limit under this subparagraph shall be equal to the number of additional residency positions available for distribution under subparagraph (A)(ii).

`` (ii) **DISTRIBUTION TO HOSPITALS ALREADY OPERATING OVER RESIDENT LIMIT.**--

`` (I) **IN GENERAL.**--Subject to subclause (II), in the case of a hospital in which the reference resident level of the hospital (as specified in clause (iii)) is greater than the otherwise applicable resident limit, the increase in the otherwise applicable resident limit under this subparagraph shall be an amount equal to the product of the total number of additional residency positions available for distribution under subparagraph (A)(ii) and the quotient of--

`` (aa) the number of resident positions by which the reference resident level of the hospital exceeds the otherwise applicable resident limit for the hospital; and

`` (bb) the number of resident positions by which the reference resident level of all such hospitals with respect to which an application is approved under this subparagraph exceeds the otherwise applicable resident limit for such hospitals.

`` (II) **REQUIREMENTS.**--A hospital described in subclause (I)--

`` (aa) is not eligible for an increase in the otherwise applicable resident limit under this subparagraph unless the amount by which the reference resident level of the hospital exceeds the otherwise applicable resident limit

is not less than 10 and the hospital trains at least 25 percent of the full-time equivalent residents of the hospital in primary care and general surgery (as of the date of enactment of this paragraph); and

``(bb) shall continue to train at least 25 percent of the full-time equivalent residents of the hospital in primary care and general surgery for the 10-year period beginning on such date.

In the case where the Secretary determines that a hospital no longer meets the requirement of item (bb), the Secretary may reduce the otherwise applicable resident limit of the hospital by the amount by which such limit was increased under this clause.

``(III) **CLARIFICATION REGARDING ELIGIBILITY FOR OTHER ADDITIONAL RESIDENCY POSITIONS.**--Nothing in this clause shall be construed as preventing a hospital described in subclause (I) from applying for additional residency positions under this paragraph that are not reserved for distribution under this clause.

``(iii) **REFERENCE RESIDENT LEVEL.**--

``(I) **IN GENERAL.**--Except as otherwise provided in subclause (II), the reference resident level specified in this clause for a hospital is the resident level for the most recent cost reporting period of the hospital ending on or before the date of enactment of this paragraph, for which a cost report has been settled (or, if not, submitted (subject to audit)), as determined by the Secretary.

``(II) **USE OF MOST RECENT ACCOUNTING PERIOD TO RECOGNIZE EXPANSION OF EXISTING PROGRAM OR ESTABLISHMENT OF NEW PROGRAM.**--If a hospital submits a timely request to increase its resident level due to an expansion of an existing residency training program or the establishment of a new residency training program that is not reflected on the most recent cost report that has been settled (or, if not, submitted (subject to audit)), subject to the discretion of the Secretary, the reference resident level for such hospital is the resident level for the cost reporting period that includes the additional residents attributable to such expansion or establishment, as determined by the Secretary.

``(C) **CONSIDERATIONS IN REDISTRIBUTION.**--In determining for which hospitals the increase in the otherwise applicable resident limit is provided under subparagraph (B) (other than an increase under subparagraph (B)(ii)), the Secretary shall take into account the demonstrated likelihood of the hospital filling the positions within the first 3 cost reporting periods beginning on or after July 1, 2010, made available under this paragraph, as determined by the Secretary.

``(D) **PRIORITY FOR CERTAIN AREAS.**--In determining for which hospitals the increase in the otherwise applicable resident limit is provided under subparagraph (B) (other than an increase under subparagraph (B)(ii)), the Secretary shall distribute the increase to hospitals based on the following criteria:

``(i) The Secretary shall give preference to hospitals that submit applications for new primary care and general surgery residency positions. In the case of any increase based on such preference, a hospital shall ensure that--

``(I) the position made available as a result of such increase remains a primary care or general surgery residency position for not less than 10 years after the date on which the position is filled; and

``(II) the total number of primary care and general surgery residency positions in the hospital (determined based on the number of such positions as of the date of such increase, including any position added as a result of such increase) is not decreased during such 10-year period.

In the case where the Secretary determines that a hospital no longer meets the requirement of subclause (II), the Secretary may reduce the otherwise applicable resident limit of the hospital by the amount by which such limit was increased under this paragraph.

``(ii) The Secretary shall give preference to hospitals that emphasize training in community health centers and other community-based clinical settings.

``(iii) The Secretary shall give preference to hospitals in States that have more medical students than residency positions available (including a greater preference for those States with smaller resident-to-medical-student ratios). In determining the number of medical students in a State for purposes of the preceding sentence, the Secretary shall include planned students at medical schools which have provisional accreditation by the Liaison Committee on Medical Education or the American Osteopathic Association.

``(iv) The Secretary shall give preference to hospitals in States that have low resident-to-population ratios (including a greater preference for those States with lower resident-to-population ratios).

``(E) **LIMITATION.**--

``(i) **IN GENERAL.**--Except as provided in clause (ii), in no case may a hospital (other than a hospital described in subparagraph (B)(ii)(I), subject to the limitation under subparagraph (B)(ii)(III)) apply for more than 50 full-time equivalent additional residency positions under this paragraph.

``(ii) **INCREASE IN NUMBER OF ADDITIONAL POSITIONS AVAILABLE FOR DISTRIBUTION.**--The Secretary shall increase the number of full-time equivalent additional residency positions a hospital may apply for under this paragraph if the Secretary determines that the number of additional residency positions available for distribution under subparagraph (A)(ii) exceeds the number of such applications approved.

``(F) **APPLICATION OF PER RESIDENT AMOUNTS FOR PRIMARY CARE AND NONPRIMARY CARE.**--With respect to additional residency positions in a hospital attributable to the increase provided under this paragraph, the approved FTE resident amounts are deemed to be equal to the hospital per resident amounts for primary care and nonprimary care computed under paragraph (2)(D) for that hospital.

``(G) **DISTRIBUTION.**--The Secretary shall distribute the increase to hospitals under this paragraph not later than 2 years after the date of enactment of this paragraph."

(b) *IME.*--

(1) **IN GENERAL.**--Section 1886(d)(5)(B)(v) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(v)), in the second sentence, is amended--

(A) by striking ``subsection (h)(7)" and inserting ``subsections (h)(7) and (h)(8)"; and

(B) by striking ``it applies" and inserting ``they apply".

(2) **CONFORMING PROVISION.**--Section 1886(d)(5)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)) is amended by adding at the end the following clause:

``(x) For discharges occurring on or after the date of enactment of this clause, insofar as an additional payment amount under this