

## SENATE RESOLUTION No. 1856

By Committee on Health Care Strategies

4-1

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9 A RESOLUTION memorializing the Congress of the United States to  
10 continue the current federal moratorium on specialty hospitals.

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12 WHEREAS, Provisions of the Medicare Modernization Act of 2003  
13 (MMA) called for an 18-month moratorium on new specialty hospitals,  
14 while the Department of Health and Human Services (HHS) and the  
15 Medicare Payment Advisory Commission (MedPAC) study related issues;  
16 and

17 WHEREAS, The State of Kansas has seen more growth in the number  
18 of specialty hospitals compared to neighboring states; and

19 WHEREAS, MedPAC has defined criteria that categorizes a specialty  
20 hospital as one that receives at least 45% of its Medicare cases in cardiac,  
21 orthopedic, or surgical services or at least 66% of its Medicare cases in  
22 two of these categories; and

23 WHEREAS, The trend among specialty hospitals is to carve out the  
24 more profitable services in areas such as cardiac, orthopedic and surgery  
25 services and leave the full-service community hospital to provide unprof-  
26 itable services such as trauma, and to care for all, regardless of their ability  
27 to pay; and

28 WHEREAS, Specialty hospitals tend to have lower shares of Medicaid  
29 and uninsured patients than full service community hospitals; and

30 WHEREAS, Most specialty hospitals have little or no obligations un-  
31 der the Emergency Medical Treatment and Labor Act (EMTALA), either  
32 because they operate on an ambulatory basis or because they do not have  
33 emergency departments(ED); and

34 WHEREAS, The Senate Committee on Health Care Strategies held  
35 numerous hearings this 2005 session on the issue of specialty hospitals  
36 and concluded that the Kansas legislature needs to study the issue in more  
37 detail, including possible changes to the Kansas hospital licensure law;  
38 and

39 WHEREAS, During its deliberations, the Senate Committee on  
40 Health Care Strategies also concluded that federal action such as chang-  
41 ing the Medicare reimbursement system is necessary to fully deal with  
42 this problem; and

43 WHEREAS, MedPAC has unanimously endorsed the extension of the

1 current federal moratorium on specialty hospitals: Now, therefore,  
2 *Be it resolved by the Senate of the State of Kansas:* That the Senate  
3 memorializes the Congress of the United States to support the recom-  
4 mendations and guidelines provided by the Medicare Payment Advisory  
5 Commission and extend the current federal moratorium on specialty hos-  
6 pitals; and  
7 *Be it further resolved:* That the Secretary of the Senate provide an  
8 enrolled copy of this resolution to the President of the United States  
9 Senate, to the Speaker of the United States House of Representatives  
10 and to each member of the Kansas congressional delegation.