

114TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To enable hospital-based nursing programs that are affiliated with a hospital to maintain payments under the Medicare program to hospitals for the costs of such programs.

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IN THE SENATE OF THE UNITED STATES

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Mr. PORTMAN (for himself, Mr. BROWN, Mrs. FISCHER, Mrs. McCASKILL, Ms. BALDWIN, Mr. KIRK, and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on

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**A BILL**

To enable hospital-based nursing programs that are affiliated with a hospital to maintain payments under the Medicare program to hospitals for the costs of such programs.

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 “Making the Education  
5 of Nurses Dependable for Schools Act” or the “MEND  
6 Act”.

1 **SEC. 2. ENABLING HOSPITAL-BASED NURSING PROGRAMS**  
2 **THAT ARE AFFILIATED WITH A HOSPITAL TO**  
3 **MAINTAIN MEDICARE PAYMENTS FOR THE**  
4 **COSTS OF SUCH PROGRAMS.**

5 (a) IN GENERAL.—For purposes of clarifying the  
6 methodology for payment under the Medicare program  
7 under title XVIII of the Social Security Act to providers  
8 for the costs of nursing and allied health education activi-  
9 ties for cost reporting periods beginning on or after the  
10 date of the enactment of this Act, the Secretary of Health  
11 and Human Services shall apply section 413.85 of title  
12 42, Code of Regulations—

13 (1) by treating a provider as meeting all of the  
14 requirements described in paragraph (f)(1) of such  
15 section if the provider or a wholly owned subsidiary  
16 educational institution of such provider singly or col-  
17 lectively meets all of such requirements;

18 (2) in the case of a provider that would meet  
19 the requirements of paragraph (g)(3) of such sec-  
20 tion, with respect to a nursing or allied health edu-  
21 cation program, except that the transfer described in  
22 such paragraph of such a program to a wholly  
23 owned subsidiary educational institution in order to  
24 meet accreditation standards occurred after October  
25 1, 2003, by treating such provider as meeting the  
26 requirements of such paragraph (and eligible for

1        payments under such paragraph) with respect to  
2        such program;

3            (3) in the case of a provider or wholly owned  
4        subsidiary educational institution of such provider  
5        that has been in continuous operation since October  
6        1, 2003, by treating such provider, beginning as of  
7        such date with respect to such program, as described  
8        in paragraphs (1) and (2) of this subsection; and

9            (4) by defining the term “wholly owned sub-  
10       subsidiary educational institution”, as referenced in  
11       such section, as such term is defined under sub-  
12       section (b).

13       (b) DEFINITIONS.—For purposes of this section:

14            (1) PROVIDER.—The term “provider” has the  
15       meaning given such term in section 400.202 of title  
16       42, Code of Federal Regulations.

17            (2) WHOLLY OWNED SUBSIDIARY EDUCATIONAL  
18       INSTITUTION.—The term “wholly owned subsidiary  
19       educational institution” means, with respect to a  
20       provider, an educational institution that—

21            (A) is organized as a legal entity distinct  
22       from the provider;

23            (B) has the provider as its sole owner or  
24       sole member; and

1                   (C) is organized in the same State in  
2                   which the provider is organized or registered to  
3                   do business.