

**MEDICARE HOSPITAL SERVICE PAYMENT DESIGNATION ACT - DESIGNATION  
OF HOSPITALS**

**Act of Jul. 5, 2005, P.L. 59, No. 22**

**Cl. 67**

Session of 2005

No. 2005-22

HB 1589

**AN ACT**

Amending the act of June 30, 2003 (P.L.15, No.7), entitled "An act designating political subdivisions as rural areas for purposes of Medicare hospital service payments," further providing for designation of hospitals.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 2 of the act of June 30, 2003 (P.L.15, No.7), known as the Medicare Hospital Service Payment Designation Act, is amended to read:

Section 2. Designation.

For purposes of payments to hospitals for inpatient **or outpatient** hospital services under section 1886 of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1395ww), hospitals designated as Medicare-dependent hospitals as of September 30, 2000,] **the following** are hereby designated as rural hospitals pursuant to section 1886(d)(8)(E)(ii)(II) of the Social Security Act (42 U.S.C. § 1395ww(d)(8)(E)(ii)(II)) [.]:

**(1) hospitals designated as Medicare-dependent hospitals as of April 30, 2002, or Critical Access hospitals as of December 31, 2005;**

**(2) hospitals located in a census tract with rural-urban commuting area codes 4 through 10 established by the United States Department of Agriculture; and**

**(3) hospitals with 50 or fewer beds that serve at a minimum 70% Medicare patient population and demonstrate service to individuals from federally designated health professional shortage areas.**

Section 2. This act shall take effect immediately.

APPROVED--The 5th day of July, A. D. 2005.

EDWARD G. RENDELL