

119TH CONGRESS
1ST SESSION

H. R. 2610

To amend title XVIII of the Social Security Act to address significant under projection of MA local area growth due to wage index reclassification.

IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2025

Ms. TENNEY (for herself, Mr. LANGWORTHY, Mr. TONKO, Mr. LAWLER, and Ms. STEFANIK) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to address significant under projection of MA local area growth due to wage index reclassification.

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 “Protecting Options for
5 Seniors Act of 2025”.

1 **SEC. 2. ADDRESSING SIGNIFICANT UNDER PROJECTION OF**
 2 **MA LOCAL AREA GROWTH DUE TO WAGE**
 3 **INDEX RECLASSIFICATION.**

4 (a) LOCAL ADJUSTMENT METHOD AND APPLICA-
 5 BILITY.—Section 1853(c) of the Social Security Act (42
 6 U.S.C. 1395w–23(c)) is amended—

7 (1) in paragraph (1)—

8 (A) in the text preceding subparagraph
 9 (A), by striking “and (7)” and inserting “,
 10 (6)(D), and (7)”;

11 (B) in subparagraph (C)(v)(II), by insert-
 12 ing “, taking into account any adjustment
 13 under paragraph (6)(D)” before “, but not”;
 14 and

15 (2) in paragraph (6)—

16 (A) in the heading, by inserting “; LOCAL
 17 GROWTH PERCENTAGE ADJUSTMENT” after
 18 “DEFINED”;

19 (B) by adding at the end the following new
 20 subparagraph:

21 “(D) ADDITIONAL ADJUSTMENT FOR SIG-
 22 NIFICANT UNDER PROJECTION OF LOCAL AREA
 23 GROWTH.—

24 “(i) IN GENERAL.—Beginning with
 25 rates calculated for 2026, for purposes of
 26 computing rates for an MA payment area

1 and a year as described in paragraph (1),
2 if such area is an applicable area described
3 in clause (ii), the Secretary shall, with re-
4 spect to such area, increase the national
5 per capita MA growth percentage deter-
6 mined under this paragraph for such year
7 by the number of percentage points speci-
8 fied in clause (iii)(I) for such area and
9 year.

10 “(ii) APPLICABLE AREA.—For pur-
11 poses of clause (i), an applicable area de-
12 scribed in this clause is an MA local area
13 with respect to which the weighted average
14 hospital wage index in effect in such area
15 for 2025 (or a subsequent year), as cal-
16 culated under clause (iv), increased by
17 more than 20 percent as compared to the
18 weighted average hospital wage index in ef-
19 fect in such area during the preceding year
20 (as so calculated).

21 “(iii) LOCAL GROWTH PERCENT-
22 AGE.—

23 “(I) IN GENERAL.—For purposes
24 of clause (i), with respect to an appli-
25 cable area described in clause (ii) and

1 a year, the number of percentage
2 points specified in this clause is equal
3 to the product of—

4 “(aa) the percentage cal-
5 culated under subclause (II) for
6 the area and year, and

7 “(bb) the weighting factor
8 calculated under subclause (III)
9 for the area and year.

10 “(II) PERCENTAGE.—For pur-
11 poses of subclause (I), the percentage
12 calculated under this subclause for an
13 applicable area and a year is—

14 “(aa) for 2026, the percent-
15 age by which the weighted aver-
16 age hospital wage index in effect
17 in the applicable area for such
18 year, as calculated under clause
19 (iv), increased as compared to
20 the weighted average hospital
21 wage index in effect in such area
22 for 2024 (as so calculated); and

23 “(bb) for 2027 and each
24 subsequent year, the percentage
25 by which the weighted average

1 hospital wage index in effect in
2 the applicable area for such year,
3 as calculated under clause (iv),
4 increased as compared to the
5 weighted average hospital wage
6 index in effect in such area dur-
7 ing the preceding year (as so cal-
8 culated).

9 “(III) WEIGHTING FACTOR.—For
10 purposes of subclause (I), the
11 weighting factor calculated under this
12 subclause for an applicable area and a
13 year is equal to—

14 “(aa) the total amount of
15 payments made under sections
16 1833(t) and 1886 to all area hos-
17 pitals in such area (including dis-
18 proportionate share payments
19 made under section
20 1886(d)(5)(F)) that were subject
21 to adjustment for wage or labor
22 costs, divided by

23 “(bb) the total amount of
24 payments made under parts A
25 and B of this title attributable to

1 the payment of claims for items
2 and services furnished in such
3 area, excluding any such pay-
4 ment attributable to a payment
5 and service delivery model being
6 tested under section 1115A,
7 determined using payment informa-
8 tion with respect to the most recent
9 calendar year for which information
10 was computed and published under
11 subsection (b)(4), as of the date on
12 which the advance notice under sub-
13 section (b)(2) is provided for the year.

14 “(iv) WEIGHTED AVERAGE HOSPITAL
15 WAGE INDEX.—The weighted average hos-
16 pital wage index in effect in an MA local
17 area for a year is equal to the average area
18 wage index applicable under section
19 1886(d)(3)(E) for all area hospitals for
20 such area as of the date on which the ad-
21 vance notice under subsection (b)(2) is
22 provided for the year, weighted by the total
23 amount of payments made under parts A
24 and B of this title to each such area hos-
25 pital, determined using payment informa-

tion with respect to the most recent calendar year for which information was computed and published under subsection (b)(4), as of such date.

“(v) AREA HOSPITAL DEFINED.—In this subparagraph, the term ‘area hospital’ means, with respect to an MA local area and a year, a hospital that is geographically located in such area at any point during such year (without regard to whether such hospital was reclassified to a new geographic area pursuant to section 1886(d)(8)(B), a decision of the Medicare Geographic Classification Review Board under section 1886(d)(10), or a decision of the Secretary).

“(vi) REQUIREMENT OF BENCHMARK NEUTRALITY.—Any adjustment made under this subparagraph for an MA payment area and a year shall be made in a manner that ensures that the enrollment-weighted average applicable amount under subsection (k)(1)(B) for all MA payment areas and such year is not greater or less

1 than what it would have been without such
2 adjustment.”.

3 (b) ADJUSTING THE BENCHMARK CAP.—Section
4 1853(k)(1)(B)(i) of the Social Security Act (42 U.S.C.
5 1395w–23(k)(1)(B)(i)) is amended by inserting “, taking
6 into account any adjustment under subparagraph (D) of
7 such subsection” before “, but not”.

8 (c) ADJUSTING THE BASE PAYMENT AMOUNT.—Sec-
9 tion 1853(n)(2)(E)(ii) of the Social Security Act (42
10 U.S.C. 1395w–23(n)(2)(E)(ii)) is amended—

11 (1) in subclause (I), by inserting “, taking into
12 account any adjustment under subparagraph (D) of
13 such subsection” before “, but not”; and

14 (2) in subclause (II), by inserting “or, in the
15 case that the area is an applicable area (as deter-
16 mined under subsection (c)(6)(D)), the amount spec-
17 ified in subclause (I) or the amount specified in sub-
18 section (c)(1)(D) for the area for the year, whichever
19 is greater” before the period at the end.

20 (d) TRANSPARENCY AND DATA SHARING.—

21 (1) IN GENERAL.—Section 1853(b)(4) of the
22 Social Security Act (42 U.S.C. 1395w–23(b)(4)) is
23 amended by adding at the end the following new
24 subparagraph:

1 “(E) Total amount paid to each area hos-
2 pital (as defined in subsection (c)(6)(D)) for
3 the year, computed separately for part A and
4 for part B.”.

5 (2) EFFECTIVE DATE.—The amendments made
6 by paragraph (1) shall apply beginning with the
7 computation and publication of information for each
8 MA payment area for 2026.

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