

**CMS-1287-IFC-1 Health Care Infrastructure Improvement Program (Loan Program
for Cancer Hospitals)**

Submitter :

Date & Time: 11/17/2005

Organization :

Category : Federal Government

Issue Areas/Comments

GENERAL

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CMS-1287-IFC-2 Health Care Infrastructure Improvement Program (Loan Program for Cancer Hospitals)

Submitter : Mr. Russell Dilts

Date & Time: 11/29/2005

Organization : Univ of New Mexico Cancer Research

Category : Other Health Care Provider

Issue Areas/Comments

GENERAL

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We are the University of New Mexico Cancer Research & Treatment Center, a state-entity, established by the New Mexico State Legislature. If you have questions or comments about these General Comments, please feel free to contact me at (505) 272-4443.

1. Cost Reports: Congress expressly did not limit qualifying parties to 'cost report' filing entities. Should the regulations specifically include institutions that engage in 'cancer care and research', which do not file cost reports but instead are primarily reimbursed under Medicare part B methodology?

2. A regulation requiring Entities to be a 501(c)(3) effectively eliminates most, if not all, state institutions from qualifying under the program. Perhaps, a state university/cancer research center, which is not a 501(c)(3) and not a 'hospital?', should qualify under the program, if it meets all other requirements.

3. Regulation Section 505.5 provides 'The capital costs for which a qualifying hospital may obtain a loan are limited to the reasonable costs incurred by the hospital, and capitalized on the Medicare cost report, for any facility or item of equipment that it has acquired the possession or use of at the time the loan funding is awarded.'

In addition, the Regulation Preamble, Section II.D.4 provides for an alternative capital cost criteria: 'Alternatively, if a qualifying hospital had not acquired the possession or use of the asset(s) by the date of the application for the funds available under the loan program....if the hospital has entered into a contractual obligation via a binding written agreement before December 8, 2003.'

Why must a qualifying project pre-date the Medicare Modernization Act? The law provides no such requirements with respect to Medicare cost reports or contracts dated prior to December, 2003. The proposed regulation seems more restrictive than the statute, especially given the Congressional intent that the loan program continue through 2008.