

[DISCUSSION DRAFT]

1 **SEC. ____.** INFORMATION REPORTING BY NONPROFIT HOS-
2 **PITALS.**

3 (a) IN GENERAL.—Section 6033 of the Internal Rev-
4 enue Code of 1986 is amended by redesignating subsection
5 (p) as subsection (q) and by inserting after subsection (o)
6 the following new subsection:

7 “(p) ADDITIONAL PROVISIONS RELATING TO NON-
8 PROFIT HOSPITALS.—

9 “(1) IN GENERAL.—Every organization de-
10 scribed in section 501(r)(2) which is required to file
11 a return under subsection (a) for any taxable year
12 shall include on such return the following informa-
13 tion:

14 “(A) The Centers for Medicare & Medicaid
15 Services certification number of the organiza-
16 tion and each hospital facility operated by such
17 organization.

18 “(B) The amount of spending by the orga-
19 nization during the taxable year on—

20 “(i) community benefits,

21 “(ii) charity care,

22 “(iii) advertising,

1 “(iv) quality improvement, and

2 “(v) nonclinical programming.

3 ~~★~~ [“(C) The amount of tax which would be
4 imposed under chapter 1 for the taxable year
5 with respect to the organization if such organi-
6 zation were not exempt from such tax.]

7 ~~★~~ [“(D) A description of each health service
8 line which is subsidized by the organization, the
9 amount of revenue generated by each such
10 health service line, and the costs of each such
11 health service line, as reported to the Centers
12 for Medicare & Medicaid Services.]

13 “(E) The 3 highest priority health needs
14 identified in the community health needs as-
15 sessment described in section 501(r)(3) and the
16 amount of spending during the taxable year on
17 programs designed specifically to address each
18 such need.

19 “(F) The numbers of financial assistance
20 applications received, granted, and denied dur-
21 ing the taxable year pursuant to the financial
22 assistance policy described in section 501(r)(4).

23 “(G) In the case of an organization which
24 is a covered entity described in section
25 340B(a)(4) of the Public Health Service Act—

1 “(i) the total number of individuals
2 who were dispensed or administered cov-
3 ered outpatient drugs during the taxable
4 year that were subject to an agreement
5 under section 340B of such Act, and

6 “(ii) the aggregate net revenue with
7 respect to such drugs subject to such an
8 agreement dispensed or furnished by such
9 organization during such taxable year, less
10 the aggregate costs incurred by the organi-
11 zation during such taxable year that were
12 necessary for such organization to partici-
13 pate in the program under such section
14 and to comply with such program’s re-
15 quirements (including program-related
16 compliance, legal, educational, and admin-
17 istrative costs, and compensation paid to
18 third-party administrators or contract
19 pharmacies to carry out program-related
20 functions).

21 Except as otherwise provided by the Secretary,
22 the information described in subparagraphs (B)
23 through (G) shall be provided in the aggregate
24 with respect to the organization and separately

1 stated with respect to each hospital facility op-
2 erated by such organization.

3 ~~X~~“(2) DEFINITIONS.—For purposes of this sub-
4 section—

5 【“(A) CHARITY CARE.—TBD】

6 【“(B) ADVERTISING.—TBD】

7 【“(C) QUALITY IMPROVEMENT.—TBD】

8 【“(D) NONCLINICAL PROGRAMMING.—
9 TBD】

10 【“(E) HEALTH SERVICE LINE.—TBD】

11 “(F) COVERED OUTPATIENT DRUG.—The
12 term ‘covered outpatient drug’ has the meaning
13 given such term in section 340B(b) of the Pub-
14 lic Health Service Act.

15 “(G) NET REVENUE.—The term ‘net rev-
16 enue’ means, with respect to a covered out-
17 patient drug purchased by an organization de-
18 scribed in paragraph (1)(G) under an agree-
19 ment under section 340B of the Public Health
20 Service Act and dispensed or administered to
21 an individual by such organization, the dif-
22 ference between—

23 “(i) the total amounts of payments re-
24 ceived from any payor by the organization
25 for such drug, and

1 “(ii) the ceiling price (as described in
2 subsection (a)(1) of such section) for such
3 drug (or, if less, the price at which such
4 organization acquired such drug).”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall apply to taxable years beginning after
7 the date that is 6 months after the date of the enactment
8 of this Act.