

Public Law 104-315  
104th Congress

An Act

Oct. 19, 1996  
[H.R. 3632]

To amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. REPEAL OF REQUIREMENT FOR ANNUAL RESIDENT REVIEW FOR MENTALLY ILL AND MENTALLY RETARDED NURSING FACILITY RESIDENTS.**

(a) **IN GENERAL.**—Section 1919(e)(7) of the Social Security Act (42 U.S.C. 1396r(e)(7)) is amended—

(1) in subparagraph (B)—

(A) by striking “ANNUAL” in the heading, and

(B) by striking clause (iii); and

(2) in subparagraph (D)(i), by striking “ANNUAL” in the heading.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

**SEC. 2. REQUIREMENT FOR REVIEW IN CASE OF SIGNIFICANT CHANGE IN PHYSICAL OR MENTAL CONDITION OF MENTALLY ILL OR MENTALLY RETARDED NURSING FACILITY RESIDENTS.**

(a) **REQUIREMENT FOR NOTIFICATION OF STATE AUTHORITY.**—Section 1919(b)(3)(E) of the Social Security Act (42 U.S.C. 1396r(b)(3)(E)) is amended by adding at the end the following: “In addition, a nursing facility shall notify the State mental health authority or State mental retardation or developmental disability authority, as applicable, promptly after a significant change in the physical or mental condition of a resident who is mentally ill or mentally retarded.”

(b) **REQUIREMENT FOR REVIEW.**—Section 1919(e)(7)(B) of such Act (42 U.S.C. 1396r(e)(7)(B)), as amended by section 1(a)(1), is amended by inserting after clause (ii) the following new clause:

42 USC 1396r  
note.

“(iii) REVIEW REQUIRED UPON CHANGE IN RESIDENT’S CONDITION.—A review and determination under clause (i) or (ii) must be conducted promptly after a nursing facility has notified the State mental health authority or State mental retardation or developmental disability authority, as applicable, under subsection (b)(3)(E) with respect to a mentally ill or mentally retarded resident, that there has been a significant change in the resident’s physical or mental condition.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to changes in physical or mental condition occurring on or after the date of the enactment of this Act.

42 USC 1396r  
note.

Approved October 19, 1996.

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**LEGISLATIVE HISTORY—H.R. 3632:**

HOUSE REPORTS: No. 104-817 (Comm. on Commerce).

CONGRESSIONAL RECORD, Vol. 142 (1996):

Sept. 28, considered and passed House.

Oct. 3, considered and passed Senate.