Clerk of the House of Representatives	Secretary of the Senate
Legislative Resource Center	Office of Public Records
B-106 Cannon Building	232 Hart Building
Washington, DC 20515	Washington, DC 20510

SECRETARY OF THE
03 JUL 31 PM 3

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required to Complete This Page**

1. Registrant Name
Baker Healthcare Consulting, Inc.

2. Address ☐ Check if different than previously reported
One American Square, Suite 2000, Box 82058

3. Principal Place of Busine is (if different from line 2)
Indianapolis
City:
Indiana 46282
State/zip (or Country)

4. Contact Name: Dale E. Baker
Telephon: (317) 631-3613
E-mail (optional): BakerHealthcare@yahoo.com

5. Senate ID #: 5164

7. Client Name ☐ Self
Angleton-Danbury General Hospital, Angleton, Texas

6. House ID #: 33560

TYPE OF REPORT 8. Year 2003 Midyear (January 1-June 30) ☑ **OR** Year End (July 1-De

9. Check if this filing amends a previously filed version of this report ☐

10. Check if this is a Termination Report ☐ ➪ Termination Date _____ 11. No Lobbyi

INCOME OR EXPENSES Complete Either Line 12 OR Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than $10,000 ☑

$10,000 or more ☐ ➪ $ _____
Income (nearest $20,000)

Provide a good faith estimate, rounded to the nearest $20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this repo period were:

Less than $10,000 ☐

$10,000 or more ☐ ➪ $ _____
Expenses (nearest $20,0

14. REPORTING METHOD. Check box to indicate e accounting method. See instructions for description of

☐ **Method A.** Reporting amounts using LDA defini
☐ **Method B.** Reporting amounts under section 603 Internal Revenue Code
☐ **Method C.** Reporting amounts under section 162 Internal Revenue Code

Signature _____ Date July 23, 2003

Printed Name and Title Dale E. Baker, President

LD-2 (REV. 4/03)

PAGE 1

Registrant Name Baker Healthcare Consulting, Inc. Client Name Angleton-Danbury General Hospital, Angleton,

LOBBYING ACTIVITY. Select as many codes as necessary to reflect the general issue areas in which tl engaged in lobbying on behalf of the client during the reporting period. **Using a separate page for each co** information as requested. Attach additional page(s) as needed.

15. General issue area code MMM (one per page)

16. Specific lobbying issues

See Attached

17. House(s) of Congress and Federal agencies contacted ❑ Check if None

Senate
House of Representatives

18. Name of each individual who acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
Dale E. Baker	
John C. Render	

19. Interest of each foreign entity in the specific issues listed on line 16 above ❑ Check if None

Signature Dale E. Baker Date July 23,2003

Printed Name and Title Dale E. Baker, President

Form LD-2 (Rec. 4/03)

Page ____

COUNTYWIDE RECLASSIFICATION EXECUTIVE SUMMARY

In 1989 Congress established the Medicare Geographic Classification Review Boar specifically instructed the Department of Health and Human Services, Centers for Medicar Medicaid Services (CMS) to provide for countywide reclassifications. CMS promulgated regulations limiting counties eligible for these reclassifications to a county included in a PM that is a part of a CMSA (a short list of counties adjacent to large urban areas such as Chic New York City and Los Angles. Accordingly, CMS established criteria to demonstrate tha countywide costs are "comparable" to the area to which the county seeks redesignation. CM chose to develop formulas comparing countywide costs per discharge to the Prospective Pa System (PPS) rates that hospitals were paid in both the home geographic area and secondly rate they would be paid if the hospitals were reclassified. If the countywide cost per case exceeded the base rate plus 75% of the difference between the base rate and the reclassified - then the county hospitals met this criteria for reclassification. CMS used ***rates as a proxy*** costs.

In FFY 1995 twenty-three counties were granted countywide reclassifications. Start in 1996, the number of countywide reclassifications began to plummet because the relation of costs to rates has changed over time. The site of care has shifted to outpatient for many services and hospitals have greatly expanded the outpatient units. Also, many hospitals hav opened post acute care units (SNF, psych, rehab, home health) and now allocate fixed overh costs to these newer units instead of the fixed costs being fully absorbed by the inpatient PP unit. The result of this is that counties are denied reclassification simply because of the cha in how medicine is practiced in the twenty-first century compared to earlier years.

In 1999, Congress granted two-year reclassifications in Section 152 of the BBRA to counties (Lake County, Indiana; Butler County, Ohio; Brazoria County, Texas; and Orange County, New York) that could no longer meet the countywide criteria. Through administrat action CMS extended these reclassifications through September 30, 2003.

These "Section 152 hospitals" are seeking either a permanent reclassification or a renewal of the earlier reclassifications.